

Housing Act. I have the existing section before me. Under existing law, there are certain responsibilities and authorities imposed on the Secretary of Housing and Urban Development. One of them, of course, is to cooperate and render technical assistance to Federal, State, local, and other public agencies, organizations, and institutions.

What this bill would do would be in addition to technical assistance, insert the words, "financial and * * *"—"financial and technical assistance."

The effect, of course, of adding "financial and" assistance is to create another grant program. My amendment, of course, would strike this addition of the words, "financial and," and go back to existing law and limit it to technical assistance only.

Now, the hearing record is silent as to why this proposed change is inserted or what it intends to accomplish. We can only speculate as to that. We do know, however, that it creates a new grant program of Federal funds for purposes not heretofore authorized. It is, therefore, a new Federal grant program.

The anticipated beneficiaries of the program are here again not immediately apparent, but since there are some 300 private organizations involved in efforts to reduce housing discrimination, as well as a number of State and local agencies, we do have some indication of what it would cost. I invite the Members' attention to the Congressional Budget Office cost estimate of this legislation, and I have it before me. I hope, if the Members will listen closely, they will understand exactly what we are talking about and exactly how much money we are talking about. Let me read to the Members from the cost estimate:

The bill also allows HUD to give financial assistance to private agencies that work against housing discrimination. The financial aid HUD gives to private agencies will be used for counseling individuals and testing cases to see if there is probably cause for court action.

Now, I am not quoting at the moment, but I am going on my own for a moment to say—listen closely: The financial aid HUD gives will be used for testing cases.

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Now, those of you who are concerned or who have received some information from your local people about the degree to which testing has embarrassed the housing enforcement effort and embarrassed you, then I tell you this is the place where it is supposed to be inserted again. This is the place where it is going to be financed.

Now, returning to the cost estimate, it is estimated that approximately 40 agencies will receive \$140,000 each in 1981, and the number of agencies will increase by 10 percent per year. That means, if I may interpret my own interpretation, 40 times 100, that means \$4 million for 1981. Well, if they are telling us about \$4 million in 1981, how much are they really thinking about? This is a really expensive addition.

Returning now, agencies concerned with housing discrimination against the

handicapped are expected to account for a significant portion of this growth. It is assumed that the amount of aid per agency will remain at \$100,000 per year. It is estimated that 90 percent of each year's funds will go to agencies the first year, with the remaining 10 percent in the following years.

So what I am asking you to do today is to strike this new Federal grant program for testers which we know will cost \$4 million. I think this is an appropriate amendment, because it is not supported by the record in any way, it is not supported by sound logic, and it seems to me quite an inappropriate way in which to expend Federal funds at a time when all of us are telling our folks back home we are trying to cut down on Federal spending.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Chairman, I want to commend the gentleman for offering the amendment, even though I strongly support the basic thrust of the fair housing bill and the amendments.

My concern is that if we finance testers or testing, what is going to happen is what has happened so often, and that is that people are going to make work where there may not be a need that actually exists. I think the gentleman has a good amendment here and as I said, I strongly support the fair housing bill, but I think we made a mistake in financing testers or testing.

Mr. BUTLER. I thank the gentleman for his contribution.

Mr. Chairman, I would urge my colleagues to vote for this amendment which would strike this new grant program from the legislation.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this provision is an authorization only, not an appropriation. Clearly, both the administration and the Congress will retain control over whether and what financial assistance should be provided. The \$4 million estimate made by the Congressional Budget Office is a statement of need as perceived by the potential recipients. While that may or may not be an accurate figure, the point is, it is completely within our control.

Financial assistance is needed. Many States recognize this and in their fair housing laws, specifically authorize their fair housing agencies to provide funds to local fair housing groups and agencies.

Fair housing enforcement—to be effective—depends upon the coordination of the network of public and private groups that are committed to fair housing enforcement. This provision permits financial assistance to "Federal, State, local and other public or private agencies, organizations and institutions * * *." In most cases, these are the very same agencies to which the mandatory referral system is directed. Furthermore, HUD not only depends on these organi-

zations for resolution of cases, but also, for purposes of gathering evidence.

In many cases, only a local organization is in a position to investigate a particular charge with sufficient speed. If a case arises in an area far from a HUD regional office, the efforts of local organizations to gather the evidence is vital. We would make a serious mistake if we send out the message that, yes, we need your help, but, no, we would not give you any financial support.

Mr. McCLORY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as the Members must know, I am in strong support of this legislation. I am particularly in support of the concept of improving the mechanism through which we can afford more opportunities for equal and fair housing on the part of all Americans without discrimination on the basis of race, color, national origin, or religion or other characteristics which are employed frequently for purposes of discrimination. But I think that to add this new authority for a funding mechanism to finance private organizations and agencies that can utilize this legislation for purposes of taking advantage of this new mechanism seems to me to be unfair, and something we should avoid, particularly at this time. For us to go beyond the present authority of providing technical assistance, it seems to me, is to jeopardize the whole legislation itself.

We do provide various means by which private agencies are funded through other sources and, of course, there are private charitable organizations, there are volunteer organizations, and all kinds of State and local groups that are interested in helping to promote housing opportunities for all Americans. It seems to me that the existing agencies and the existing opportunities are not only adequate but appropriate. It seems to me quite inappropriate that, while providing this new procedure, we are also going to provide funds to encourage or to promote litigation or proceedings through this administrative mechanism. I think that unless we adopt the amendment that is offered by my colleague, the gentleman from Virginia (Mr. BUTLER), we are going to do great harm to this bill and we would not be helping its passage. I hope that the amendment will be supported.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

The question was posed: At this time of austerity, can we afford to fund this kind of effort?

I would raise another question, and the question would be: What is the cost of discrimination? Is not the cost of discrimination far greater than the piddling sums of money we would put out in this bill?

Let us talk about the testing program. It has been described as some sort of gruesome procedure, or something alien to our country and alien to good practices of government. Well, let me give

the Members one illustration of testing and how it works.

There have been some remarks made about testing for discrimination in housing, and those remarks suggested that this is a very negative procedure. There is an organization in my city which operates statewide. The name of the organization is Baltimore Neighborhood Inc. It is made up of businessmen, civic workers, leaders in the community, black and white. I have had the honor to serve on the board of Baltimore Neighborhood Inc., and at one time I chaired Baltimore Neighborhood Inc. In order to find out whether there was compliance with the law, what we would do, or what was done, a team of blacks would go to look at a piece of property, to find out whether or not: First, they would even be able to purchase the property; and second, if they could purchase it, what would be the cost?

In the test, then a team of whites would go out to see whether: First, they could purchase the property; and second, what would be the cost?

In the test, very often an integrated group would go out to look at the property, black and white, to see if they could purchase the property and what would be the cost.

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We found out that in many, many instances the black team was told, no, the property has already been sold, and an hour later the white team would approach and they would hear "Oh, yes, it's still for sale." We also found out that the black team would be quoted an exorbitant price. An hour or a day later the white team would go out to find a much more palatable price being offered for the property.

Now, I do not know how in the world you can deal with that kind of a problem, except by having testing.

The question is, the question has been raised, will this not lead to more litigation and more court action and more delays? The answer is "No." It is just the opposite.

Our experience has shown landlords who wanted to discriminate and property owners who wanted to discriminate when confronted with the evidence of their own discrimination, instead of going into court, instead of going into litigation, instead of going into some prolonged resistance, they said, "OK. We were wrong."

We were able to save money and time and everything else through this procedure.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. Yes, I would be delighted to yield.

Mr. RAILSBACK. Mr. Chairman, let me make it very clear. At one point I thought it might be even inadvisable to have testing, period. I have come to the conclusion that the procedure that the gentleman is describing is necessary. In other words, I am not objecting to the use of testers or testing; but the real issue, as I see it, is whether the Federal Government should fund civil rights groups, which in the past have

been carrying out these testing activities. That is the issue.

My feeling is that there should be testing. It can be done by private civil rights groups; but should the Federal Government fund it? I do not think so. As a matter of fact, I think it could even jeopardize the bill to have \$4 million for testing.

Mr. MITCHELL of Maryland. Mr. Chairman, if I may reply to the gentleman, my preference in the past has been to see volunteer groups do this, without the Government intervening.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

(By unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 2 additional minutes.)

Mr. MITCHELL of Maryland. It was done by volunteer groups in the late sixties and early seventies. I would prefer it that way; but I would respectfully suggest to my colleague, who has been such a stalwart on this legislation, this is an entirely different climate, entirely different. In general, this cause of black people is no longer on the front burner as it was in the sixties and early seventies. The number of volunteer groups that were doing this in the past has dwindled and dwindled and dwindled. You do not find this private voluntary effort of the same scope and dimension as we had in the past. That is why I would push for some funding for these testing groups.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I would be glad to yield to my colleague.

Mr. MAGUIRE. Mr. Chairman, I want to express my appreciation for the gentleman's statement and for his leadership on this very, very important bill, and also my appreciation to the gentleman from California (Mr. EDWARDS) for bringing the bill to us.

In Bergen County, N.J., we have what we are proud to believe is one of the most effective fair-housing groups in the United States. This group has worked together and has expanded its membership and its activities over the last couple of decades. Our experience has been that a volunteer effort of this sort, working in communities with community groups, with local political leadership, with the leadership of the realtor associations, is the most effective way for Americans to join together to try finally to rid our society of discrimination and our institutions of racism.

I do believe that most Members of the House if they were to give it some additional thought, as the gentleman has invited them to do, would recognize this.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has again expired.

(At the request of Mr. MAGUIRE and by unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 2 additional minutes.)

Mr. MAGUIRE. Mr. Chairman, I believe most Members would recognize it is this kind of commitment by citizens, black and white, on the community level, within the framework of law which we

have quite properly provided, that offers the greatest hope for the further progress that must be made on our civil rights agenda in this country.

I would, therefore, hope that rather than having the Government always having to step in—though of course, that is absolutely essential to establish the framework of law and set the parameters—that within that framework we could have citizens' groups and assist citizens' groups in the very effective efforts they have been making on the civil rights agenda, which is the agenda historically of this Nation.

I thank the gentleman for his contribution.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for his comments. I know my time is running out.

Again, I would reemphasize that I would prefer that approach. Now, maybe Bergen County is different from other counties in the Nation; but as I travel this country, there is a loss of interest on the part of citizens in effectuating further civil rights gains or protecting them. When we lose that, there has got to be a substitute effort.

The major argument against this is the cost; so I go back to my original question, what is the cost of the program compared to the cost of discrimination in housing?

Mr. Chairman, I yield back the balance of my time, urging the defeat of the amendment.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, they are testing now, they are testing now. The fact that there are less volunteers interested in this worthwhile program may bespeak the lack of enthusiasm of these local civil action groups, who certainly to my knowledge and in my community do not lack enthusiasm or numbers or direction. Maybe there are some areas in this country where interest has lessened in this cause but I am unaware of this.

Where is the money coming from now to subsidize these testers? I do not know, but the States and local communities ought to assume some responsibility in this area. We are once more putting it all on the shoulders of the Federal Government.

Now, we have cut down on revenue sharing. We have said to these States, "Look, you want a balanced budget. The first thing we are going to do is cut your revenue sharing," and we have done it.

Now, why then if we want to cut funds that are going to the States do we insist on selectively saying that, well, we are going to fund this particular program. I really do not know.

The amendment of the gentleman from Virginia simply returns this bill to present law.

I would suggest that under urban development grants that some of this money is subsidizing testers.

Now, the gentleman from Maryland has said, "What is the cost of discrimination?" I do not know, but what