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ABSTRACT

This legislative amendment affects Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Title VI of the Civil Rights Act of 1964. It provides that any program within an organization receiving federal financial assistance brings the entire organization or institution into compliance with federal laws designed to protect the rights of minorities, women, the aged, and the handicapped. The terms "program or activity" and "program" are provided to mean all the operations of a department, agency, special purpose district, or other instrumentality of a state or local government; all the operations of a college, university, or other post secondary institution, or a public system of higher education; all the operations of a local educational agency; and all the operations of an entire corporation, partnership, or other private organization that receives Federal financial assistance. (SM)

99TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPT. 99-963
Part 2

CIVIL RIGHTS RESTORATION ACT OF 1985

OCTOBER 7, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HAWKINS, from the Committee on Education and Labor, submitted the following

REPORT

together with

SUPPLEMENTAL AND INDIVIDUAL VIEWS

[To accompany H.R. 700 which on January 24, 1985, was referred jointly to the Committee on Education and Labor and the Committee on the Judiciary]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 700) to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights Restoration Act of 1985".

SEC. 2. FINDINGS OF CONGRESS.

The Congress finds that—

(1) certain aspects of recent decisions and opinions of the Supreme Court have unduly narrowed or cast doubt upon the broad application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964; and

(2) legislative action is necessary to restore the prior consistent and long-standing executive branch interpretation and broad, institution-wide application of those laws as previously administered.

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SEC. 3. EDUCATION AMENDMENTS AMENDMENT.

Title IX of the Education Amendments of 1972 is amended by adding at the end the following new sections:

"INTERPRETATION OF 'PROGRAM OR ACTIVITY'

"SEC. 908. For the purposes of this title, the term 'program or activity' and the term 'program' mean all of the operations of—

"(1)(A) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

"(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(2)(A) a college, university, or other postsecondary institution, or a public system of higher education; or

"(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

"(3)(A) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

"(i) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

"(ii) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

"(B) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

"(4) any combination comprised of two or more of the entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance, except that such terms do not include any operation of an entity which is controlled by a religious organization, or affiliated with such an organization when the religious tenets of that organization are an integral part of such operation, if the application of section 901 to such operation would not be consistent with the religious tenets of such organization.

"RIGHTS WITH RESPECT TO ABORTION NOT GRANTED OR DENIED

"SEC. 909. Nothing in this title shall be construed to grant or secure or deny any right relating to abortion or the funding thereof, or to require or prohibit any person, or public or private entity or organization, to provide any benefit or service relating to abortion.".

SEC. 4. REHABILITATION ACT AMENDMENT.

Section 504 of the Rehabilitation Act of 1973 is amended—

(1) by inserting "(a)" after "SEC. 504."; and

(2) by adding at the end the following new subsections:

"(b) For the purposes of this section, the term 'program or activity' means all of the operations of—

"(1)(A) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

"(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(2)(A) a college, university, or other postsecondary institution, or a public system of higher education; or

"(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

"(3)(A) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

"(i) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

"(ii) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

"(B) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

"(4) any combination comprised of two or more of the entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance.

"(c) Small providers are not required by subsection (a) to make significant structural alterations to their existing facilities for the purpose of assuring program accessibility, if alternative means of providing the services are available. The terms used in this subsection shall be construed with reference to the regulations existing on the date of the enactment of this subsection.".

SEC. 5. AGE DISCRIMINATION ACT AMENDMENT.

Section 309 of the Age Discrimination Act of 1975 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting "; and" in lieu thereof; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) the term 'program or activity' means all of the operations of—

"(A)(i) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

"(ii) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(B)(i) a college, university, or other postsecondary institution, or a public system of higher education; or

"(ii) a local educational agency (as defined in section 198(a)(10), of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

"(C)(i) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

"(I) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

"(II) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

"(ii) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

"(D) any combination comprised of two or more of the entities described in subparagaph (A), (B), or (C);

any part of which is extended Federal financial assistance.".

SEC. 6. CIVIL RIGHTS ACT AMENDMENT

Title VI of the Civil Rights Act of 1964 is amended by adding at the end the following new section:

"SEC. 606. For the purposes of this title, the term 'program or activity' and the term 'program' means all of the operations of—

"(1)(A) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

"(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(2)(A) a college, university, or other postsecondary institution, or a public system of higher education; or

"(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

"(3)(A) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

"(i) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

"(ii) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

"(B) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

"(4) any combination comprised of two or more of the entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance.".

SEC. 7. RULE OF CONSTRUCTION.

Nothing in the amendments made by this Act shall be construed to extend the application of the Acts so amended to ultimate beneficiaries of Federal financial assistance excluded from coverage before the enactment of this Act.

PURPOSE

H.R. 700 is designed to reaffirm that Federal financial assistance may not be used to subsidize discrimination against any person on the basis of race, color, national origin, sex, disability or age in any, "program or activity" and "program" receiving Federal financial assistance. Its purpose is simple and straight-forward, to restore and thereby reaffirm the broad scope of coverage in the interpretations and enforcement practices of the executive branch and judicial decisions supporting that broad reading prior to the Supreme Court's decision in *Grove City College* v. *Bell,* 104 S. Ct. 1211 (1984). This restoration and reaffirmation is to apply to the four major civil rights statutes that prohibit discrimination in federally funded programs, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, as set forth in H.R. 700. Consistent therewith is the intent to eliminate the unduly restrictive interpretation of these laws in the *Grove City* case and in *Consolidated Rail Corp.* v. *Darrone,* 104 S. Ct. 1248 (1984), and *North Haven Board of Education* v. *Bell,* 456 U.S. 511 (1982).

BACKGROUND OF LEGISLATION

Title IX of the Education Amendments of 1972, 20 U.S.C. 1681 et seq., in section 901(a), prohibits sex discrimination against students and employees in "any education program or activity receiving Federal financial assistance," and in section 902 provides that a recipient's compliance with regulations of a Federal agency awarding assistance may be secured by termination of assistance "to the particular program, or part thereof, in which * * * noncompliance has been * * * found." The need for H.R. 700 arises as a result of the Supreme Court's decision in *Grove City College* v. *Bell,* 104 S. Ct. 1211 (1984) which dramatically narrowed Title IX's prohibition against sex discrimination in education as it had been enforced previously.

Grove City College v. Bell, 104 S. Ct. 1211 (1984)

Grove City College is a private, liberal arts, coeducational institution of higher education in Pennsylvania which accepts no direct assistance from the Federal Government. However, the College did accept and enroll students who receive Pell Grants, formerly Basic Educational Opportunity Grants (BEOGs), and Guaranteed Student Loans (GSLs). In fact, from academic year 1974–75 through 1983–84, Grove City College has enrolled students who have brought more than $1.8 million in BEOG funding alone to the College.

In July 1976, the Department of Education, formerly the Department of Health, Education and Welfare (HEW), began efforts to secure an Assurance of Compliance from the College based upon the receipt of BEOGs and GSLs by Grove City College students. Grove City refused to execute the Assurance on the grounds that it

received no Federal financial assistance. The Department then initiated administrative proceedings to terminate grants and loans to students attending Grove City College.

Following an administrative hearing, the Administrative Law Judge concluded that Grove City College was a recipient of Federal financial assistance within the meaning of Title IX and that the allocation of BEOGs and GSLs could be terminated for the College's refusal to execute an Assurance of Compliance. Since Grove City conceded that it did not file an Assurance of Compliance, the Administrative Law Judge entered an order prohibiting the payment of BEOGs or GSLs to students attending Grove City College.

On November 29, 1978, Grove City College and four of its students who received such aid brought suit against the Department. The College sought an order which would declare void the Department's termination of BEOG and GSL assistance. Additionally, they sought to enjoin the Department from requiring Grove City College to file the Assurance of Compliance. Finally, the complaint sought a declaration that the anti-sex discrimination regulations promulgated by the Department went beyond the authority contained in Title IX, or alternatively, that those regulations were unconstitutional as applied to Grove City College.

On June 26, 1980, in *Grove City College* v. *Hufstedler,* 500 F. Supp. 253 (W.D. Pa. 1980), the Federal District Court for the Western District of Pennsylvania granted the college's motion for summary judgment and denied the cross-motion of the Department. Although the Court agreed with the Department that BEOGS constituted "Federal financial assistance" to Grove City College within the meaning of Title IX, it concluded that the Department could not terminate Federal assistance to Grove City students because of the College's refusal to sign an Assurance of Compliance.

The District Court's final order: (1) declared that the Assurance of Compliance form (HEW from 639A) was invalid; (2) enjoined the Department from using the Assurance of Compliance form; (3) enjoined the termination of financial assistance to the plaintiffs unless actual sex discrimination was proved at an administrative hearing with notice to all those affected by the proceeding; and (4) enjoined the termination of GSLs to students.

Both parties appealed to the U.S. Court of Appeals for the Third Circuit. After oral argument on June 21, 1982, the Third Circuit on August 12, 1982, in *Grove City College* v. *Bell,* 687 F. 2d 684 (3rd Cir. 1982), concluded that: (1) Grove City College is a recipient of Federal financial assistance within the meaning of Title IX, even if the only assistance is student aid provided directly to students and indirectly to the institution; (2) the Assurance of Compliance form was authorized by Title IX and was valid; and (3) the Department of Education was within its authority in terminating Federal financial assistance to the students and to the College for its failure to execute and file the required Assurance of Compliance. The Third Circuit reversed the District Court's judgment, insofar as it was inconsistent with its holding. The Third Circuit did not reach the issue of whether the District Court's ruling on GSLs was correct.

On February 28, 1984 the Supreme Court held: (1) Title IX applicability is triggered because some Grove City College students receive Pell Grants to pay for their education, since Congress intend-

ed that such monies paid to students constitute "Federal financial assistance" to the institution; that is to say, Grove City College was a "recipient" within the meaning of Title IX; (2) receipt of Pell Grant funds by students at the recipient Grove City College does not create institution-wide coverage or liability under the applicable statute, but rather, triggers coverage and liability only in the College's financial aid program; (3) refusal of an institution to execute a proper program-specific Assurance of Compliance warrants departmental termination of Federal assistance to the college's student financial aid program; and (4) requiring the college to comply with Title IX does not infringe on the First Amendment rights of the college or its students.

In sum, the Supreme Court unanimously held that Grove City College was a "recipient" of "Federal financial assistance" because of Basic Education Opportunity Grants (BEOGs) provided to its students. However, by a 6–3 majority vote, the Court construed Title IX's "program or activity" language to reach only the school's financial aid office. As a result, school throughout the country are now free to discriminate in many of their course offerings, extracurricular activities, or student programs while receiving large amounts of Federal aid, including BEOGs and GSLs. This result is unacceptable. For instance, if a university receives large amounts of Federal money in its music department but discriminates on the basis of sex in its science department the Federal Government, because of the *Grove City* decision, is without an enforcement tool to prevent such discrimination. Effective enforcement of Title IX has become virtually impossible. During the last year alone, the government has dismissed at least sixty-five cases involving educational institutions and is in the process of reviewing many more.

And, as indicated throughout this report, the impact of the *Grove City* decision is not limited only to Title IX. For example, in sec. 504 case, the *Grove City* decision might result in a handicapped patient's being denied critical care in the cardiac-care unit of a hospital benefitting from millions of dollars in medicaid/medicare funds because, following the Court's reasoning in *Grove City*, the nondiscrimination prohibition applies only to the hospital's finance office. The Committee believes that such a narrow construction of the operative phrase, "program or activity", which appears in all four statutes amended by H.R. 700, conflicts with the original intent of the Act as well as with past Executive Branch enforcement practice.

Consolidated Rail Corp. v. Darrone, 104 S. Ct. 1248 (1984)

The *Darrone* decision, 104 S. Ct. 1248 (1984), involved a locomotive engineer who lost his left hand and forearm in a 1971 accident. His employer, Erie Lackawana Railroad, which was later acquired by Conrail, refused to reemploy him. The complainant filed an employment discrimination claim under section 504 of the 1973 Rehabilitation Act in Federal District Court. The District Court granted Conrail's motion for summary judgment on the grounds that section 504 did not extend to employment. The Court of Appeals reversed; the issue was then brought before the Supreme Court.

In the Committee's view the Supreme Court correctly held that Section 504 extends to employment discrimination and is not con-

strained by the limitation found in Title VI which reaches employment discrimination only "where the primary objectives of the Federal financial assistance is to provide employment." 42 U.S.C. Section 2000d–4.

However, the Committee rejects the Court's language narrowing the meaning of the term program under section 504. The Court applied the *Grove City College* rationale in *Darrone.*

North Haven Board of Education v. Bell, 456 U.S. 511 (1982)

The origins of the *Grove City* and *Darrone* decisions relating to "program-specificity" are found in *North Haven Board of Education* v. *Bell.* Claims of sex-based employment discrimination were filed with HEW by female employees against two Connecticut school boards. The boards operated school districts which received Federal financial assistance. One board refused to provide requested records to HEW. The other board refused to take corrective action as mandated by the Government. Both boards filed suit in District Court to prevent HEW from proceeding with enforcement action on the grounds that Title IX was not meant to reach the employment practices of an educational institution. The District Court ruled in favor of the school boards. The Second Circuit Court of Appeals overturned those rulings.

The issue before the Supreme Court was whether Title IX reached employment. The Court ruled that it did and that HEW regulations regarding employment were valid. In addition, the Court declared the Government's regulatory authority and fund termination authority to be "program-specific" under the statute. The Court, however, declined to define the scope of the phrase "program or activity."

The Committee agrees with the Court's holding that Title IX extends to employment, but rejects the suggestion that language found in the fund termination section of Section 902 ["* * * termination * * * shall be limited in effect to the *particular* program, *or part thereof* in which such noncompliance has been so found * * *" (emphasis added)] is intended to limit the breadth of coverage in Section 901 or the Government's regulatory and enforcement authority found in other parts of Section 902.

The program-specific analysis articulated by the Court in *North Haven* sought to inject the "pinpointing" language found in the fund termination provision of Section 902 of the Act into all parts of the statute. This analysis served to undermine the longstanding assumption that the Government's authority to enforce these statutes was quite broad.

Other Affected Statutes

Title IX of the Education Amendments of 1972, the actual statute in question in the *Grove City* case, provides in pertinent part that:

> SEC. 901. (a) No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education *program or activity receiving Federal financial*

assistance * * * (P.L. 92-318; 86 Stat. 373) (emphasis added).

Title IX is only one of four major civil rights laws that prohibit recipients of Federal funds from discriminating. Congress expressly modeled Title IX, and the other statutes amended by H.R. 700, after Title VI of the Civil Rights Act of 1964. Each of these subsequent statutes followed the same basic structure as that contained in Title VI.

Title VI prohibits discrimination on the basis of race, color or national origin. The first section in Title VI, commonly referred to as the 01 section, contains the prohibition against discrimination "in any program or activity * * *" and establishes the duty not to discriminate. The second section, commonly referred to as the 02 section, simply sets forth the range of enforcement procedures available to the Government. Among the remedies that may be used to redress a violation of Title VI are law suits brought by private parties or by the United States, seeking equitable relief to eliminate the discriminatory practice and termination of funds by the Federal agency to the recipient found in violation. Only fund termination requires "pinpointing," i.e., limiting the cut-off of assistance to the particular program or part thereof in which the discrimination has been found. The enforcement or remedy section describes the authority of Federal agencies to issue regulations, and sets the procedures which must be followed when terminating Federal financial assistance. Each statute preserves the due process rights of recipients to challenge such fund termination decisions.

The parallel use of these two separate and distinct sections in Title IX, as described above, in section 504 of the Rehabilitation Act of 1973, which bars discrimination on the basis of handicap in all federally assisted and federally conducted programs or activities, and the Age Discrimination Act of 1975, which bars discrimination based on age in federally-assisted programs or activities, reflects a deliberate statutory scheme endorsed and used repeatedly by the Congress.

Since the similarity of the statutory scheme and language employed by the Congress in each of these statutes is obvious, it becomes equally apparent that each statute is susceptable to the same construction and erroneous limitation and narrowing which the Court applied in the *Grove City* decision. In fact, the Supreme Court clearly indicated its intention to apply that reasoning to the other statutes when deciding a section 505 case, *Conrail* v. *Darrone,* 104 S.Ct. 1248 (1984).

In short, unless Congress amends all four laws, we will not be eliminating all the effects of the *Grove City* decision, and we will have failed to restore the board scope of coverage and protection which Congress originally intended, and which has characterized the administration of these laws for over 20 years.

Committee Action

H.R. 5490, The Civil Rights Act of 1984, was introduced on April 12, 1984. The Committee on Education and Labor and the Committee on the Judiciary of the U.S. House of Representatives were granted joint jurisdiction over H.R. 5490. On May 9, 15, 16, 17, 21,

and 22, 1984, joint hearings were held by the full Committee on Education and Labor and the Civil and Constitutional Rights Subcommittee of the Committee on the Judiciary. On May 22, 1984, the Subcommittee on Civil and Constitutional Rights, by recorded vote, unanimously ordered reported H.R. 5490, without amendment, to the full Committee on the Judiciary. By an unanimous voice vote on May 23, 1984, the full Committee on the Judiciary, ordered H.R. 5490 be favorably reported. Likewise, the Committee on Education and Labor met on May 23, 1984, and with a majority present, by voice vote ordered the bill reported, without amendment. The House of Representatives passed H.R. 5490 on June 26, 1984, by a vote of 375 to 32, with 26 not voting. (Roll Call #270). Despite the support of a strong bipartisan majority, the measure subsequently died in the U.S. Senate with the sine die adjournment of the 98th Congress.

H.R. 700, The Civil Rights Restoration Act of 1985, was introduced on January 24, 1985. It represented a continuing effort to restore the state of the law to its pre-*Grove City* status. While its purpose and effect were the same as H.R. 5490, it was redrafted to meet certain technical objections raised during the prior year's debate. The Committee on Education and Labor and the Committee on the Judiciary were again granted joint jurisdiction over the bill. Joint hearings were held as follows: March 4, 1985, Philadelphia, Pennsylvania; March 7, 1985, Washington, D.C.; March 11, 1985, Atlanta, Georgia; March 15, 1985, Chicago, Illinois; March 22, 1985, Los Angeles, California; March 25, 1985, Santa Fe, New Mexico; March 27, 28, and April 2, 1985, Washington, D.C.

On May 21, 1985, the Committee on Education and Labor met, and with a quorum present, by a vote of 29–2 ordered favorably reported H.R. 700, as amended. The Chairman of the Committee was instructed to disagree to any amendment that the Senate may make to the bill and request or agree, as the case may be, to a conference with the Senate. Likewise, on May 21, 1985, the Subcommittee on Civil and Constitutional Rights, of the Committee on the Judiciary, met and reported by a vote of 5 to 3, H.R. 700, without amendment, to the full Committee on the Judiciary. On May 22, 1985, the Committee on the Judiciary met, and with a quorum present, by a vote of 21 to 12, ordered favorably reported H.R. 700, as amended.

The Administration does not support H.R. 700, as introduced or reported. The Bill, as introduced, was supported by over 200 civil rights, labor, religious, and education organizations.

Inflationary Impact Statement

In compliance with clause 2(l)(4) of Rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment into law of H.R. 700, as amended, will have no inflationary impact on prices and costs in the operation of the national economy.

Committee Oversight

The Committee's own findings are incorporated throughout this report.

Statement Regarding Oversight Reports From the Committee on Government Operations

With reference to Clause 2(l)(3)(D) of Rule XI of the Rules of the House of Representatives, the Committee states that no reports were received from the the Committee on Government Operations containing findings or recommendations with respect to the matter addressed by this legislation.

Cost Estimate

In compliance with clause 2(l)(3) (B) and (C) of Rule XI of the Rules of the House of Representatives, the estimate and comparison prepared by the Director of the Congressional Budget Office pursuant to Section 403 of the Congressional Budget Act of 1974, as timely submitted prior to the filing of this report, is set forth below. The Committee concurs in this estimate.

U.S. Congress,
Congressional Budget Office,
Washington, DC, July 17, 1985.

Hon. Augustus F. Hawkins,
Chairman, Committee on Education and Labor, U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has reviewed H.R. 700, the Civil Rights Restoration Act of 1985, as ordered reported by the House Committee on Education and Labor, May 21, 1985. We estimate that the federal government will incur no additional costs and may realize some savings from the enactment of this bill. No significant direct cost is expected to be incurred by state and local governments, because their nondiscrimination practices are not expected to change significantly as a result of this bill.

H.R. 700 amends the Education Amendments of 1972, the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Civil Rights Act of 1964. Under current law, and pursuant to a recent Supreme Court decision, a program or activity that receives federal financial assistance is required to comply with nondiscrimination policies, but other programs or activities run by the same institution need not comply with these policies. Under the bill, a recipient of federal financial assistance would be required to comply with nondiscrimination policies in all its activities.

The enactment of H.R. 700 may result in savings to the federal government. To monitor adherence to nondiscrimination policies under current law, the federal government would have to increase administrative efforts and accounting capabilities to trace the flow of federal financial assistance to individual programs and activities. The enactment of H.R. 700 would avoid such potential costs.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,

Rudolph G. Penner, *Director.*

SECTION-BY-SECTION ANALYSIS

SHORT TITLE

Section 1 provides that the Act may be cited as the "Civil Rights Restoration Act of 1985."

FINDINGS OF CONGRESS

Section 2(1) states that the Congress finds that certain aspects of recent decisions and opinions of the Superme Court have unduly narrowed or cast doubt upon the broad applications of Title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Title VI of the Civil Rights Act of 1964.

Section 2(2) states that the Congress finds legislative action necessary to restore the prior consistent and longstanding executive branch interpretation and broad, institution-wide application of those laws as previously administered.

EDUCATION AMENDMENTS AMENDMENT

Section 3 adds a new section 980(1)(A) to Title IX of the Education Amendments of 1972 (hereinafter in this explanation referred to as the "Act") providing that the terms "program or activity" and "program" mean all the operations of a department, agency, special purpose district, or other instrumentality of a State or local government, any part of which is extended Federal financial assistance.

Section 3 adds a new section 908(1)(B) to the Act providing that the terms "program or activity" and "program" mean all the operations of the State or local government entity that distributes such assistance and each department or agency (and each other entity) of the State or local government to which the assistance is extended, any part of which is extended Federal financial assistance.

Section 3 adds a new section 908(2)(A) to the Act providing that the terms "program or activity" and "program" mean all the operations of a college, university, or other postsecondary institution, or a public system of higher education, any part of which is extended Federal financial assistance.

Section 3 adds a new section 908(2)(B) to the Act providing that the terms "program or activity" and "program" mean all the operations of a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system, any part of which is extended Federal financial assistance.

Section 3 adds a new section 908(3)(A)(i) to the Act providing that the terms "program or activity" and "program" mean all the operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance when the assistance is extended to such corporation, partnership, or other private organization, or sole proprietorship as a whole.

Section 3 adds a new section 908(3)(A)(ii) to the Act providing that the terms "program or activity" and "program" mean all the

operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance, when such corporation, partnership, or other private organization, or sole proprietorship is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation.

Section 3 adds a new section 908(3)(B) to the Act providing that in case of any other corporation, partnership, private organization, or sole proprietorship, the terms "program or activity" and "program" mean all the operations of the entire plant or other comparable, geographically separate facility, any part of which is extended Federal financial assistance.

Section 3 adds a new section 908(4) to the Act providing that the terms "program or activity" and "program" mean all the operations of any combination comprised of two or more of the entities described in any of the paragraphs above, any part of which is extended Federal financial assistance.

Section 3 includes a provision which states that such terms do not include any operation of an entity which is controlled by a religious organization, or affiliated with such an organization when the religious tenets of that organization are an integral part of such operation if the application of section 901 to such operations would not be consistent with the religious tenets of such operation.

Section 3 adds a new section 909 which provides that nothing in this title shall be construed to grant or secure or deny any right relating to abortion or the funding thereof, or to require or prohibit any person, or public or private entity or organization, to provide any benefit or service relating to abortion.

REHABILITATION ACT AMENDMENT

Section 4(1) makes a conforming change to section 504 of the Rehabilitation Act of 1973 (hereinafter in this explanation referred to as the "section").

Section 4 adds a new section 504(b)(1)(A) to the section providing that the term "program or activity" means all the operations of a department, agency, special purpose district, or other instrumentality of a State or local government, any part of which is extended Federal financial assistance.

Section 4 adds a new section 504(b)(1)(B) to the section providing that the term "program or activity" means all the operations of the State or local government entity that distributes such assistance and each department or agency (and each other entity) of the state or local government to which the assistance is extended, any part of which is extended Federal financial assistance.

Section 4 adds a new section 504(b)(2)(A) to the section providing that the term "program or activity" means all the operations of a college, university, or other postsecondary institution, or a public system of higher education, any part of which is extended Federal financial assistance.

Section 4 adds a new section 504(b)(2)(B) to the section providing that the term "program or activity" means all the operations of a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocation-

al education, or other school system, any part of which is extended Federal financial assistance.

Section 4 adds a new section 504(b)(3)(A)(i) to the section providing that the term "program or activity" means all the operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance, when the assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole.

Section 4 adds a new section 504(b)(3)(A)(ii) to the section providing that the term "program or activity" means all the operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance, when such corporation, partnership, or other private organization, or sole proprietorship is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation.

Section 4 adds a new section 504(b)(3)(B) to the section providing that, in the case of any other corporation, partnership, private organization, or sole proprietorship, the term "program or activity" means all the operations of the entire plant or other comparable, geographically separate facility, any part of which is extended Federal financial assistance.

Section 4 adds a new section 504(b)(4) to the section providing that the term "program or activity" means all the operations of any combination comprised of two or more of the entities described in any of the above paragraphs, any part of which is extended Federal financial assistance.

Section 4 adds a new section 504(c) to the section providing that small providers are not required by subsection (a) of the section to make significant structural alterations to their existing facilities for the purpose of assuring program accessibility, if alternative means of providing the services are available and the terms used in the subsection shall be construed with reference to the regulations existing on the date of the enactment of this subsection.

AGE DISCRIMINATION ACT AMENDMENT

Section 5 adds a new section to section 309 of the Age Discrimination Act of 1975 (hereinafter in this explanation referred to as "the Age Act") which defines the term "program or activity."

Section 5(1) makes a conforming change to section 309 of the Age Act.

Section 5(2) makes a conforming change to section 309 of the Age Act.

Section 5 adds a new section 309(4)(A)(i) to the Age Act providing that the term "program or activity" means all the operations of a department, agency, special purpose district, or other instrumentality of a State or local government, any part of which is extended Federal financial assistance.

Section 5 adds a new section 309(4)(A)(ii) to the Age Act providing that the term "program or activity" means all the operations of the State or local government entity that distributes such assistance and each department or agency (and each other entity) of the

State or local government to which the assistance is extended, any part of which is extended Federal financial assistance.

Section 5 adds a new section 309(4)(B)(i) to the Age Act providing that the term "program or activity" means all the operations of a college, university, or other postsecondary institution, or a public system of higher education, any part of which is extended Federal financial assistance.

Section 5 adds a new section 309(4)(B)(ii) to the Age Act providing that the term "program or activity" means all the operations of a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system, any part of which is extended Federal financial assistance.

Section 5 adds a new section 309(4)(C)(i)(I) to the Age Act providing that the term "program or activity" means all the operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance, when the assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole.

Section 5 adds a new section 309(4)(C)(i)(II) to the Age Act by providing that the term "program or activity" means all the operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance, when such corporation, partnership, or other private organization, or sole proprietorship is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation.

Section 5 adds a new section 309(4)(C)(ii) to the Age Act providing that, in the case of any other corporation, partnership, private organization, or sole proprietorship, the term "program or activity" means all the operations of the entire plant or other comparable, geographically separate facility, any part of which is extended Federal Financial assistance.

Section 5 adds a new section 309(4)(D) to the Age Act providing that the term "program or activity" means all the operations of any combination comprised of two or more of the entities described in subparagraph (A), (B), or (C), any part of which is extended Federal financial assistance.

CIVIL RIGHTS ACT AMENDMENTS

Section 6 adds a new section to Title Vl of the Civil Rights Act of 1964 (hereinafter in this explanation referred to as "the Civil Rights Act").

Section 6 adds a new section 606(1)(A) to the Civil Rights Act providing that the terms "program or activity" and "program" mean all the operations of a department, agency, special purpose district, or other instrumentality of a State or local government, any part of which is extended Federal financial assistance.

Section 6 adds a new section 606(1)(B) to the Civil Rights Act providing that the terms "program or activity" and "program" mean all the operations of the State or local government entity that distributes such assistance and each department or agency (and each

other entity) of the State or local government to which the assistance is extended, any part of which is extended Federal financial assistance.

Section 6 adds a new section 606(2)(A) to the Civil Rights Act providing that the terms "program or activity" and "program" mean all the operations of a college, university, or other postsecondary institution, or a public system of higher education, any part of which is extended Federal financial assistance.

Section 6 adds a new section 606(2)(B) to the Civil Rights Act providing that the terms "program or activity" and "program" mean all the operations of a local educational agency (as defined in section 198(a)(1) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system, any part of which is extended Federal financial assistance.

Section 6 adds a new section 606(3)(A)(i) to the Civil Rights Act providing that the terms "program or activity" and "program" mean all the operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance, when the assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole.

Section 6 adds a new section 606(3)(A)(ii) to the Civil Rights Act providing that the terms "program or activity" and "program" mean all the operations of an entire corporation, partnership, or other private organization, or an entire sole proprietorship, any part of which is extended Federal financial assistance, when such corporation, partnership, or other private organization, or sole proprietorship is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation.

Section 6 adds a new section 606(3)(B) to the Civil Rights Act providing that, in the case of any other corporation, partnership, private organization, or sole proprietorship, the terms "program or activity" and "program" mean all the operations of the entire plant or other comparable, geographically separate facility, any part of which is extended Federal financial assistance.

Section 6 adds a new section 606(4) to the Civil Rights Act providing that the terms "program or activity" and "program" mean all the operations of any combination comprised of two or more of the entities described in paragraph (1), (2), or (3), any part of which is extended Federal financial assistance.

RULE OF CONSTRUCTION

Section 7 is a rule of construction which states that nothing in the amendment made by the Act shall be construed to extend the application of the Acts so amended to ultimate beneficiaries of Federal financial assistance excluded from coverage before the enactment of this Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omit-

ted is enclosed in black brackets, new matter is printed in italic, existing law in which no changes is proposed is shown in roman):

EDUCATION AMENDMENTS OF 1972

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TITLE IX—PROHIBITION OF SEX DISCRIMINATION

* * * * * * *

INTERPRETATION OF "PROGRAM OR ACTIVITY"

SEC. 908. For the purposes of this title, the term "program or activity" and the term "program" mean all of the operations of—

(1)(A) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

(2)(A) a college, university, or other postsecondary institution, or a public system of higher education; or

(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

(3)(A) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

(i) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

(ii) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

(B) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

(4) any combination comprised of two or more of the entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance, except that such terms do not include any operation of an entity which is controlled by a religious organization, or affiliated with such an organization when the religious tenets of that organization are an intergral part of such operation, if the application of section 901 to such operation would not be consistent with the religious tenets of such organization.

RIGHTS WITH RESPECT TO ABORTION NOT GRANTED OR DENIED

SEC. 909. Nothing in this title shall be construed to grant or secure or deny any right relating to abortion or the funding thereof,

or to require or prohibit any person, or public or private entity or organization, to provide any benefit or service relating to abortion.

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SECTION 504 OF THE REHABILITATION ACT OF 1973

NONDISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS

SEC. 504. *(a)* No otherwise qualified handicapped individual in the United States, as defined in section 7(7), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service. The head of each such agency shall promulgate such regulations as may be necessary to carry out the amendments to this section made by the Rehabilitation, Comprehensive Services, and Developmental Disabilities Act of 1978. Copies of any proposed regulation shall be submitted to appropriate authorizing committees of the Congress, and such regulation may take effect no earlier than the thirtieth day after the date on which such regulation is so submitted to such committees.

(b) For the purposes of this section, the term "program or activity" means all of the operations of—

(1)(A) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

(2)(A) a college, university, or other postsecondary institution, or a public system of higher education; or

(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

(3)(A) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

(i) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

(ii) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

(B) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

(4) any combination comprised of two or more of the entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance.

(c) Small providers are not required by subsection (a) to make significant structural alterations to their existing facilities for the purpose of assuring program accessibility, if alternative means of pro-

viding the services are available. The terms used in this subsection shall be construed with reference to the regulations existing on the date of the enactment of this subsection.

SECTION 309 OF THE AGE DISCRIMINATION ACT OF 1975

DEFINITIONS

SEC. 309. For purposes of this title—

(1) the term "Commission" means the Commission on Civil Rights;

(2) the term "Secretary" means the Secretary of Health, Education, and Welfare; [and]

(3) the term "Federal department or agency" means any agency as defined in section 551 of title 5, United States Code, and includes the United States Postal Service and the Postal Rate Commission[.]; *and*

(4) The term "program or activity" means all of the operations of—

(A)(i) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

(ii) the entity or such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

(B)(i) a college, university, or other postsecondary institution, or a public system of higher education; or

(ii) a local educational agency (as defined in section 198(a)(10), of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

(C)(i) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

(I) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

(II) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

(ii) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

(D) any combination comprised of two or more of the entities described in subparagraph (A), (B), or (C);

any part of which is extended Federal financial assistance.

CIVIL RIGHTS ACT OF 1964

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TITLE VI—NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

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SEC. 606. For the purposes of this title, the term "program or activity" and the term "program" mean all of the operations of—

(1)(A) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entiiy) to which the assistance is extended, in the case of assistance to a State or local government;

(2)(A) a college, university, or other postsecondary institution, or a public system of higher education; or

(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

(3)(A) an entire corporation, partnership, or other private organization, or an entire sole proprietorship—

(i) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

(ii) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

(B) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

(4) any combination comprised of two or more of the entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance.

* * * * * * *

SUPPLEMENTAL VIEWS ON H.R. 700

Prior to approving H.R. 700, the Civil Rights Restoration Act of 1985, the Education and Labor Committee adopted an amendment rendering this bill and Title IX of the Civil Rights Act neutral on the issue of abortion. We believe that this amendment is an essential, but often misinterpreted, feature of this legislation.

The amendment, which was offered to Section 3 of H.R. 700, adds a new section 909 to Title IX. This section will ensure that Title IX will not be interpreted as requiring or prohibiting abortion coverage or services in student, employee and other programs of institutions covered by this Title. The provision makes clear that Title IX is neutral on the question of abortion. It specifically states that "nothing in this title shall be construed to grant or secure or deny any right relating to abortion or the funding thereof, or to require or prohibit any person, or public or private entity or organization, to provide any benefit or service relating to abortion."

This new section is necessary to nullify current regulations implementing Title IX, first promulgated in 1975 by the former Department of Health, Education and Welfare, which require that "termination of pregnancy", or abortion, be treated the same as other temporary disabilities in student and employee health and benefit programs. See, e.g., 45 C.F.R. Sec. 86.40(b)(4) and 86.57(c) (Department of Health and Human Services); 34 C.F.R. Sec. 106.40(b)(4) and 106.57(c) (Department of Education).

The new definition of "program or activity" in H.R. 700 would extend the application of these regulations beyond the particular program presently subject to Title IX, as interpreted by the Supreme Court in *Grove City College* v. *Bell*, 104 S. Ct. 1211 (1985), to reach all of the operations of covered institutions.

In addition, concern has been expressed by some that H.R. 700 could result in an interpretation of the regulations to require public and private hospitals subject to Title IX to provide abortion services at their facilities. The current regulations place the federal government in the paradoxical and untenable position of prohibiting the use of federal funds for abortion, while simultaneously requiring public and private institutions subject to Title IX to provide abortion coverage from non-federal sources, or risk the termination of federal financial assistance.

A statutory amendment is the only certain way to ensure that Title IX is abortion neutral. The possibility of repeal or withdrawal of the current regulations is speculative at best. Even were this to occur, it provides no assurance that the same or similar regulations would not be reissued in the future.

The intent of the abortion provision is neutrality; it is not intended to affect those parts of the regulations which prohibit covered institutions from discriminating against an individual because she has had an abortion, i.e. by exclusion from admission to or par-

ticipation in educational programs or activities such as athletics or other extracurricular activities. An individual's rights and opportunities to participate in education programs are not to be affected by the provision. The abortion provision does not open the door to discrimination against women who have abortions.

We believe therefore that the inclusion of the abortion-neutral provision in this legislation is critical to eliminate any unintentional federal mandates that abortion services be provided on demand.

TOM TAUKE.
TOM COLEMAN.
DICK ARMEY.
JOSEPH M. GAYDOS.
ROD CHANDLER.
TIM PENNY.
STEVE GUNDERSON.
PAUL B. HENRY.
TERRY L. BRUCE.

INDIVIDUAL VIEWS ON H.R. 700

Much attention regarding H.R. 700 has focused on the abortion issue and the need to protect the religious values of religiously-affiliated institutions under Title IX. I am a strong supporter of the Tauke amendments, which passed in the Education and Labor Committee, dealing with these issues and have signed additional views to that effect.

While I believe the Tauke amendments address major concerns of the bill, The Civil Rights Restoration Act of 1985 has many additional flaws that need to be addressed.

Rather than merely "restore" the scope of these civil rights statutes to their pre-*Gove City* breadth, H.R. 700 would greatly expand their reach. The unprecedented coverage provided by H.R. 700 includes:

Every school in a religious school system and in any other private school system will be covered in its entirety if any one school within the school system receives even one dollar of federal financial assistance.

Grocery stores and supermarkets participating in the Food Stamp Program will be covered by these statutes solely because they participate in that program. This includes coverage under costly Section 504 accessibility requirements.

An entire church or synagogue will be covered under Title VI, Section 504, and the Age Discrimination Act, if it operates one federally assisted program or activity such as meals for the elderly or day care. The church or synagogue will also be subject to Title IX if the federally assisted program or activity is educational (under Title IX in those circumstances where Title IX requirements conflict with religious tenets).

Every plant, division, subsidiary of a large number of corporations, partnerships, sole proprietorships and other private entities (and probably their parent entities and franchised as well)—those principally involved in education, health care, housing, social services, and park and recreation—will be covered in their entirety if just one portion of one plant or one part of the entity receives any federal financial assistance.

Every college or university in a public system of higher education will be covered in its entirety if just one department at one school in that system receives federal financial assistance.

The investment policy and management of endowment of a school, college, or university will be covered if the institution receives even one dollar of federal education assistance (H.R. 700 covers "all of the operations" of covered entities).

The commercial, non-educational activities of a school, college, or university, including rental of commercial office space and housing, and other business activities, not serving students, or faculty, will

be covered by these laws if the institution receives one dollar of federal education assistance.

The list goes on. But such expanded coverage brings with it increased federal paperwork; burdensome on-site compliance reviews of entire institutions even in the absence of an allegation of discrimination; numerous burdensome and costly federal regulatory requirements including physical accessibility rules; and widened exposure to costly private litigation.

H.R. 700 is an expansionist bill, not a restoration bill. An expansionist bill per se, if done properly, could serve the purpose of the proponents, i.e., helping disadvantaged people who have been victims of discrimination. However, there is no valid reason to suggest that the remedies advocated in this legislation would help the disadvantaged. Rather, I'm convinced that irreparable harm could be done to those whom we should have the most compassion for. By forcing onerous regulations on the corner grocery store, the profit margin could be cut below the level needed to keep the doors open. The disabled person who now goes one block, may have to go several miles to buy groceries. The stores, hoping to avoid government compliance paperwork, may simply stop accepting food stamps. Schools, for the same reasons, may stop accepting students who are receiving student loans.

I applaud the energy and diligence of the proponents of this legislation. The suggested solutions, however, are mired in the same faulty reasoning as the failed policies of the past. In order to effectively help those who need help the most—the disadvantaged, the handicapped, the inner city youth, and others—we should be considering real solutions that have their roots in economic realities. Several steps have been taken in the 99th Congress with passage of tenant management and Urban Homesteading for public housing residents, and Enterprise Zones (without, unfortunately, the economic incentives attached), which will encourage the creation of jobs for distressed areas. I would like to see the Congress aggressively back these approaches and others such as Education Vouchers in order to provide long term solutions that are rooted in economic realities.

H.R. 700 in its present form, with or without adjustment for abortion, is unacceptable and should be opposed by the Members of the full House.

DICK ARMEY.