

their own communities. And that has worked. And I think DED has a good understanding of what is happening out there, what is needed to attract partners in the kind of funding alliances that you need to build homes. And in looking at the definition, I will tell you that a lot of the definitions already out there, though it may not be in paper, it's by what people can afford to live in, what they can afford to pay, and what a private developer is willing to put up as far as housing goes.

SPEAKER WITHEM: Thank you. Senator Schimek.

SENATOR SCHIMEK: Call the question.

SPEAKER WITHEM: That will not be necessary. There are no lights on. Senator Beutler, to close on your amendment.

SENATOR BEUTLER: Again, the amendment is minor in size, merely asking the department to monitor the programs to see and to follow through with what they're doing and to let us know how it all is...is operating. But I might just take the occasion to reflect again upon what a dismal failure of the system it is if we really need to start subsidizing 40 percent of the housing industry. I mean, what does this tell us about what's happening to incomes in this...in this state, in this country? Senator Hillman says, well, there's no problem with the upper levels of housing because people can afford to pay for it. And therein, to me, is the problem. Why can't the people at the 40 percent, in the 40 percent, who are at the bottom of the income level, why can't they afford it? Why aren't they paid enough to let the normal economic mechanisms work, to let competition create housing? If there are people who will buy housing, the builders will build housing. It's always happened that way. It works every time. It's almost as good as some of nature's systems. And yet suddenly, suddenly the whole system that's worked so well for us in the past doesn't work any more. We have to subsidize housing for 40 percent of the population. That's assuming you use an 80 percent of median income rule, which isn't even in the book...isn't even in the bill, they can go higher than that. But what we're talking about, I think, is a need to fundamentally look at the system and ask what kind of a system that we have set up that doesn't allow people to earn wages to pay for their housing. We seem to be going about this process of government subsidy without reflecting much upon what this means, or what this is all about, and continuing down a