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House of Representatives

The House met at 2 p.m. and was called to order by the Speaker pro tempore [Mr. MYERS of Indiana].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 18, 1996.

I hereby designate the Honorable JOHN T. MYERS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May we, O gracious God, make wise use of the gifts and abilities that You have given us. May our words edify and instruct, may our motivations promote justice and understanding, may our thoughts inspire us to be honest with ourselves, may our friendships encourage and stimulate, and may our deeds testify to the unity we have from You. Bless us, O God, and may Your benediction never depart from us. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore lead the House in the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, March 15, 1996.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the House of Representatives, the Clerk received the following message from the Secretary of the Senate on Friday, March 15, 1996 at 10:15 a.m.: that the Senate passed without amendment H.J. Res. 163.

With warm regards,

ROBIN H. CARLE,
Clerk, House of Representatives.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, March 18, 1996.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the House of Representatives, the Clerk received the following message from the Secretary of the Senate on Monday, March 18, 1996 at 10:50 a.m.: that the Senate passed without amendment H.J. Res. 78.

With warm regards,

ROBIN H. CARLE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled joint resolution on Friday, March 15, 1996:

H.J. Res. 163, making further continuing appropriations for the fiscal year 1996, and for other purposes.

CBO UNFUNDED MANDATE REPORT ON H.R. 2202, IMMIGRATION IN THE NATIONAL INTEREST ACT OF 1995

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, March 15, 1996.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: The Committee on the Judiciary has received further costs estimates from the Congressional Budget Office relating to intergovernmental and private sector mandates cost estimates for the ''Immigration in the National Interest Act of 1995'' (H.R. 2202). I am placing this letter in the Congressional Record so that all members may have the benefit of this information.

Sincerely,

HENRY J. HYDE,
Chairman.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 13, 1996.

Hon. HENRY J. HYDE,
Chairman, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed intergovernmental and private sector mandates cost estimates for H.R. 2202, the Immigration in the National Interest Act of 1995. CBO provided a federal cost estimate for this bill on March 4, 1996.

This bill would impose both intergovernmental and private sector mandates, as defined in Public Law 104–4.

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

Sincerely,

JUNE E. O'NEILL,
Director.

CONGRESSIONAL BUDGET OFFICE ESTIMATED COST OF INTERGOVERNMENTAL MANDATES

1, Bill number: H.R. 2202.

2. Bill title: Immigration in the National Interest Act of 1995.

3. Bill status: As ordered reported by the House Committee on the Judiciary on October 24, 1995.

4. Bill purpose: H.R. 2202 would make many changes and additions to federal laws relating to immigration. A number of provisions in the bill, particularly those in titles V and VI, could have a significant impact on state and local governments. Provisions in these two titles would restrict the number of legal entrants to the United States in the future and limit the eligibility of many aliens for public benefits. Title VI would also authorize state and local governments to implement measures to minimize or recoup costs associated with providing certain benefits to legal and non-legal aliens. Other titles contain provisions that would affect the hiring procedures of some state, local, and tribal governments and preempt state and local privacy rules relating to non-legal aliens who use public services.

5. Intergovernmental mandates contained in the bill: H.R. 2202 would require that state and local governments:

Deny eligibility in most state and local means-tested benefit programs to non-legal aliens, including those ''permanently residing under color of law'' (PRUCOL). (PRUCOLs are aliens whose status is usually transitional or involves an indefinite stay of deportation);

Deny non-legal aliens and PRUCOLs the right to receive grants, enter into contracts or loan agreements, or receive or renew professional or commercial licenses;

Distribute means-tested benefits only through individuals who, on the basis of their immigration status, are themselves eligible for the program;

Request reimbursement from a sponsor if notified that a sponsored alien has received benefits from a state or local means-tested program; and

Impose no restrictions on the exchange of information between state or local governmental entities or officials and the Immigration and Naturalization Service (INS) regarding the immigration status of individuals.

In addition, H.R. 2202 would require state, local, and tribal government personnel offices in at least five states to confirm, through a toll-free telephone number (or other electronic media), the identity, social security number, and work eligibility of all employees within 3 days of hiring. The bill would also require that state and tribal agencies distributing unemployment benefits assure that recipients have proper employment authorization.

6. Estimated direct costs to State, local, and tribal governments: (a) Is the $50 million annual threshold exceeded? No.

(b) Total direct costs of mandates: CBO estimates that the mandates in this bill would impose direct costs on state and local governments totaling less than $20 million annually. The direct costs of the mandates in H.R. 2202 result primarily from a provision in the bill that places restrictions on the distribution of means-tested benefits. This provision would increase the costs associated with administering these programs. The bill's other mandates, as explained at the end of the following section, would have little or no direct impact on the budgets of state, local, or tribal governments.

(c) Estimate of necessary budget authority: Not applicable.

7. Basis of estimate: For the purposes of preparing this estimate, CBO contacted state and local governments and public interest groups representing these governments. We included in our survey the seven states most significantly affected by immigration in an effort to assess the impact of this legislation on those states in particular. We also contacted local governments with large immigrant populations as well as other state governments to understand the administrative challenges they would face if this legislation is enacted. CBO used federal public welfare caseload data and state and local estimates of per case administrative costs to project the direct costs of the mandate. We assume that H.R. 2202 would be enacted by August 1, 1996.

Mandate with significant costs—distribution requirements

H.R. 2202 would impose administrative costs on state and local agencies responsible for public welfare programs that benefit children. The bill would require that benefits be distributed through a person who meets the eligibility requirements for the same benefits on the basis of his/her immigration status. This requirement appears to target parents or guardians who are not lawfully in this country themselves but who have dependent children who are citizens or who otherwise qualify for benefits. In such cases, state or local agencies responsible for providing benefits would have to establish alternate delivery mechanisms to ensure that eligible children receive the benefits.

This provision would primarily affect Aid to Families with Dependent Children (AFDC) and Food Stamps, means-tested federal programs that are administered at the state and local levels. In both, state and local governments share administrative costs equally with the federal government. However, Public Law 104–4 defines requirements affecting these entitlement programs as mandates only if the states and localities ''lack authority to amend their financial or programmatic responsibilities'' for the programs. Thus, mandate costs encompass only the additional administrative expenditures in states lacking the flexibility to alter the structure of their programs to offset the additional costs of the requirement.

To determine the potential cost of this requirement, CBO examined analogous cases in programs when a guardian or parent is unfit to receive benefits. When these circumstances arise, agencies channel the benefits through a person or organization, referred to as a representative payee, who agrees to take on the responsibility of delivering the benefits to the recipient. State and local agencies can spend up to several hundred dollars per case to find a representative payee and often must pay an ongoing fee to such a person. In determining the potential cost of compliance with this mandate, CBO estimated that annual costs would average less than $250 per case for the approximately 140,000 cases affected by the requirement. State and local governments would bear half of these costs. Because AFDC and the Food Stamp program are usually administered by the same state or local agency, CBO assumed that only one representative payee per case would be necessary to cover both programs. On this basis, CBO estimates that the mandates in this bill would impose direct costs on state and local governments totaling less than $20 million annually.

Mandates with insignificant costs

Most of the mandates in H.R. 2202 would not result in measurable budgetary impacts on state, local, and tribal governments. In some cases—eligibility restrictions based on legal status—the bill's requirements simply restate current law for many of the jurisdictions with large alien populations and thus result in little costs or savings. In others—sponsor reimbursements and unemployment benefit screening—broadly drafted language would allow states and localities discretion as to how much effort they spend on certain requirements. A few provisions would result in minor administrative costs for some state and local governments—employee verification and preemption of laws restricting the flow of information to and from the INS—but even in aggregate, CBO estimates these amounts would be insignificant.

8. Appropriation or other Federal financial assistance provided in bill to cover mandate costs: None.

9. Other impacts on State, local and tribal governments: H.R. 2202 contains many additional provisions affecting public benefits to aliens that, while not mandates, could have significant impacts on the budgets of state and local governments. On balance, CBO expects that these provisions would result in an overall net savings to state and local governments.

Means-tested Federal programs

H.R. 2202 would result in significant savings to state and local governments by reducing the number of illegal aliens receiving means-tested benefits through federal programs, including Medicaid, AFDC, and Supplemental Security Income (SSI). These federal programs are administered by state or local governments and have matching requirements for participation. Thus, reductions in caseloads would reduce state and local, as well as federal, outlays in these programs. CBO estimates that the savings to state and local governments would exceed $750 million over the next five years.

H.R. 2202 would lower alien caseloads in means-tested federal programs primarily by placing stricter eligibility requirements on future legal entrants. The bill would lengthen the time sponsored aliens must wait before they can go on AFDC or SSI, and, most notably, apply such a waiting period to the Medicaid program. H.R. 2202 would also deny means-tested benefits to PRUCOLs. The remaining savings would come from restrictions on the number of legal entrants, particularly refugees who often rely on welfare upon their arrival in this country. Illegal aliens are currently ineligible for most federal assistance programs and would remain so under the proposed law.

Means-tested State and local programs

It is likely that some aliens displaced from federal assistance programs would turn to assistance programs funded by state and local governments, thereby increasing the costs of these programs. While several provisions in the bill could mitigate these costs—strengthening affidavits of support by sponsors, allowing the recovery of costs from sponsors, and authorizing agencies to ''deem'' or consider a sponsor's income when determining alien eligibility for programs—CBO expects that such tools would be used only in limited circumstances in the near future. At some point, state and, particularly, local governments become the providers of last resort, and as such, we anticipate that they would face added financial pressures on their public assistance programs that would at least partially offset the savings they realize from the federal programs.

Emergency medical services

H.R. 2202 would offer state and local governments full reimbursement for the costs of providing emergency medical services to non-legal aliens and PRUCOLs on the condition that they first verify the identity and

immigration status of such individuals with the INS. Existing law requires that state and local governments provide these services and, under current matching requirements, pay approximately half of the costs. While no reliable totals are available of the amounts currently spent to provide the services, areas with large alien populations claim that this requirement results in a substantial drain on their budgets. For example, California, with almost half the country's illegal alien population, estimates it spends over $350 million each year on these federally mandated services. Full federal reimbursement of emergency medical costs would result in significant savings to state and local governments.

Practical issues surrounding the verification requirement, however, call into question the ability of states and localities to collect the additional funds. Emergency patients often show up with no insurance and little other identification; therefore, if the INS drafted stringent rules for verification, we expect that few providers could qualify for full reimbursement. On the other hand, if the INS required only minimal identification, state and local governments could realize significant savings.

10. Previous CBO estimate: CBO provided a preliminary analysis of mandate costs to state and local governments as part of the federal cost estimate dated March 4, 1996. The initial conclusions presented in that estimate have not changed.

11. Estimate prepared by: Leo Lex and Karen McVey.

12. Estimate approved by: Robert A. Sunshine for Paul N. Van de Water, Assistant Director for Budget Analysis.

CONGRESSIONAL BUDGET OFFICE ESTIMATE OF COSTS OF PRIVATE SECTOR MANDATES

1. Bill number: H.R. 2202.

2. Bill title: Immigration in the National Interest Act of 1995.

3. Bill status: As ordered reported by the House Committee on Judiciary on October 24, 1995.

4. Bill purpose: H.R. 2202 would make many changes and additions to federal laws relating to immigration.

5. Private sector mandates contained in the bill: The bill would impose new requirements on the private sector in several titles. Generally speaking, the private sector mandates in H.R. 2202 lie in four areas: (1) provisions that affect aliens within the borders of the United States, (2) provisions that affect individuals who sponsor aliens and execute affidavits of support, (3) provisions that affect the transportation industry, and (4) provisions that affect employers of aliens. In addition, a few provisions would reduce existing mandates on employers and offset marginally some of the costs imposed by new mandates.

6. Estimated direct cost to the private sector: Assuming H.R. 2202 were enacted this summer, CBO estimates that the direct costs of private sector mandates identified in this bill would be minimal through 1999. However, the direct costs associated with new private sector mandates would exceed $100 million in 2000, $300 million in 2001, and $600 million in 2002. The lion's share of those costs would be imposed on sponsors of aliens who execute affidavits of support; such costs are now borne by the federal government and state and local governments for the provision of benefits under public assistance programs.

Title III—Inspection, apprehension, detention, adjudication, and removal of inadmissible and deportable aliens

Title III (new section 241) of the bill would impose new mandates on the transportation industry, in particular, those carriers arriving in the U.S. from overseas. Agents that transport stowaways to the U.S., even unknowingly, would be responsible for removing them and for the costs associated with their removal. In addition, carriers of stowaways would be responsible for any personal care required by illegal aliens because of a mental or physical condition.

This mandate is not expected to impose large costs on the transportation industry. Over the last two years, only about 2000 stowaways have been detained in total.

Title VI—Restrictions on benefits for aliens

Title VI would impose new requirements on citizens and permanent residents who execute affidavits of support for legal immigrants. At present, immigrants who are expected to become public charges must obtain a financial sponsor who signs an affidavit of support. A portion of the sponsor's income is then ''deemed'' to the immigrant for use in the means-test for several federal welfare programs. Affidavits of support, however, are not legally binding documents. H.R. 2202 would make affidavits of support legally binding, expand the responsibilities of financial sponsors, and place an enforceable duty on sponsors to reimburse the federal government or states for benefits provided in certain circumstances.

Supporting aliens to prevent them from becoming public charges would impose considerable cost on sponsors, who are included in the private sector under the Unfunded Mandates Reform Act of 1995. Assuming this bill were enacted this summer, sponsors of immigrants would face over $20 million in additional costs in 1998. Costs would grow quickly, however. Over the period from 1998 to 2002, assuming that affidavits of support would be enforced, the costs to sponsors would exceed $100 million annually and would total $1 billion during the first five years that the mandate is effective.

Title VIII—Miscellaneous provisions

Title VIII would impose new private sector mandates on employers who hire temporary non-immigrant workers. Under section 806, if an employer within a certain period following or preceding the laying-off of American workers files an application for an H–1B nonimmigrant worker, that employer would be required to pay a wage to the non-immigrant that is at least 110 percent of the average of the last wage earned by all such laid-off workers. The costs associated with that mandate are dependent on how often H–1B workers are used to replace laid-off workers. In addition, section 806 contains provisions that would reduce mandates imposed on employers that are classified as non-H–1B dependent employers that would offset somewhat the costs of new mandates in that section.

Although no specific information exists on the extent of this practice, available data suggests that the new mandate to pay 110 percent of the average wage would not be particularly costly. About 65,000 H–1B visas are awarded each year. H–1B workers can stay in the U.S. for three years (or six years if awarded a one-time extension). Therefore, at most 390,000 H–1B workers are in the country at any one time, although the total number is probably less than that. The exact number is difficult to determine for several reasons:

Canadians are not required to obtain H–1B visas to become non-immigrant workers (although they do require approval from the federal government) and are thus not counted.

Some H–1B workers return home for temporary visits and must therefore obtain an additional H–1B visa. This means that on average, there is more than one H–1B visa issued per each non-Canadian non-immigrant worker.

No record is kept of when H–1B workers leave the United States.

According to a survey conducted in 1992 by the Immigration and Naturalization Service, close to 70 percent of H–1B workers are professionals—mainly health professionals, engineers, and computer scientists. Data from the Department of Labor in 1994 suggests an even greater concentration in the health professions.

Because the occupations of most H–1B workers are not subject to widespread layoffs, and given the total number of H–1B workers probably extant in the United States, CBO concludes that the total cost of this mandate would not be substantial.

Other provisions

Several other provisions in H.R. 2202 would impose new mandates on citizens and aliens but would result in little or no monetary cost. For example, Title IV would require aliens to provide additional information to the Attorney General or the Immigration and Naturalization Service. Title VI contains a new mandate that sponsors would be required to notify the federal government and states of any change of address.

7. Previous CBO estimate: CBO provided a preliminary analysis of mandate costs to the private sector as part of the federal cost estimate dated March 4, 1996. The initial conclusions presented in that estimate have not changed.

8. Estimate prepared by: Dan Mont and Matt Eyles.

9. Estimate approved by: Joseph R. Antos, Assistant Director for Health and Human Resources.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, the Chair declares the House adjourned until tomorrow, Tuesday, March 19, 1996, at 12:30 p.m. for morning hour debates.

There was no objection.

Accordingly (at 2 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until Tuesday, March 19, 1996, at 12:30 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2254. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notification that the Department of the Navy intends to renew the lease of *Manitowoc* to the Taipei Economic and Cultural Representative, pursuant to 10 U.S.C. 7307(b)(2); to the Committee on National Security.

2255. A letter from the Acting President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to the Republic of Korea, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

2256. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–222, ''Clean Hands Before Receiving a License or Permit Act of 1996,'' pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

2257. A letter from the Director, Defense Security Assistance Agency, transmitting informing Congress of the delivery of articles, services and training to Laos, as directed by Presidential Determination 93–45,