



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142

WASHINGTON, THURSDAY, AUGUST 1, 1996

No. 116

House of Representatives

The House met at 10 a.m.

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

We are aware, O God, that the thoughts we think are translated into words and our words are transposed into action and all that we do has great effect on us and those whom we represent and serve. Remind us day by day, O God, that what we think or say or do has a profound impression on the meaning and substance of all things. May Your word of peace be made known in our lives and may all we ask or think or do bring glory to Your creation and serve people whatever their need. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. 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. Will the gentleman from New Jersey [Mr. PALLONE] come forward and lead the House in the Pledge of Allegiance.

Mr. PALLONE led 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment, a bill and a joint resolution of the House of the following titles:

H.R. 3215. An act to amend title 18, United States Code, to repeal the provision relating

to Federal employees contracting or trading with Indians.

H.J. Res. 166. Joint resolution granting the consent of Congress to the Mutual Aid Agreement between the city of Bristol, Virginia, and the city of Bristol, Tennessee.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1936. An act to amend the Nuclear Waste Policy Act of 1982.

S. 1995. An act to authorize construction of the Smithsonian Institution National Air and Space Museum Dulles Center at Washington Dulles International Airport, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will make a statement.

On May 25, 1995, the Chair took the opportunity to reiterate guidelines on the prohibition against former Members exercising floor privileges during the consideration of a matter in which they have a personal or pecuniary interest or are employed or retained as a lobbyist.

Clause 3 of House rule XXXII and the subsequent guidelines issued by previous Speakers on this matter make it clear that consideration of legislative measures is not limited solely to those pending before the House. Consideration also includes all bills and resolutions either which have been called up by a full committee or subcommittee or on which hearings have been held by a full committee or subcommittee of the House.

Former Members can be prohibited from privileges of the floor, the Speaker's lobby and respective Cloakrooms should it be ascertained they have direct interests in legislation that is before a subcommittee, full committee, or the House. Not only do those circumstances prohibit former Members but the fact that a former Member is employed or retained by a lobbying or-

ganization attempting to directly or indirectly influence pending legislation is cause for prohibiting access to the House Chamber.

First announced by Speaker O'Neill on January 6, 1977, again on June 7, 1978, and by Speaker Foley in 1994, the guidelines were intended to prohibit former Members from using their floor privileges under the restrictions laid out in this rule. This restriction extends not only to the House floor but adjacent rooms, the Cloakrooms, and the Speaker's lobby.

Members who have reason to know that a former Member is on the floor inconsistent with clause 3, rule XXXII should notify the Sergeant at Arms promptly.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain ten 1 minutes on each side.

THIS CONGRESS THE MOST PRODUCTIVE IN DECADES

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, I want to congratulate the Republican Congress on the work that it is achieving this week in culmination of what has been years of hard work.

Yesterday the President agreed to sign our welfare reform measure and we passed it overwhelmingly through this body. We are going to go out now and address the needs of the American working men and women and the American family.

After this week is over, if the President again agrees to sign the work before this body, men and women working in America will no longer have to be afraid to change jobs, will no longer have to be concerned that they will

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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lose their insurance portability, will no longer have to be disadvantaged if they are self-employed in the acquisition of the insurance that best fits their family's needs.

In addition to that, given the terrible burdens that fall on the family when two parents are working outside the home, we have an opportunity to allow them to have the choice, in legislation we will pass through this House this week, to choose between overtime and flex time so that those families that value time with their children more than the extra money may be free to choose for that configuration of compensation and time that best suits the needs of the family.

These are indeed good days for the families of America, and I must say, Mr. Speaker, I am so proud of the work that is done by this Republican Congress, the most productive Congress in decades.

KENNEDY HEALTH INSURANCE REFORM BILL BROUGHT TO HOUSE FLOOR

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, it is a testimony to President Clinton and to the Democrats in Congress that the Kennedy health insurance reform bill will finally be brought to the floor in the House of Representatives today.

It was not until President Clinton this year, in his State of the Union address, said that he wanted to see health care reform and that people could take their health insurance with them when they changed jobs or lost jobs, or that they would not be barred from health insurance because of preexisting medical conditions, it was not until the President came forward and said he wanted that bill, a clean bill passed, that finally we were able to, grudgingly, get the Republican leadership to move this health insurance reform bill.

Even so, the Republican leadership constantly tried to kill and destroy the bill by throwing in the poison pill of medical savings accounts. Finally, the bill that comes to the floor today is essentially a clean bill. There is some provision for MSA's but it is a very small provision.

It was the recognition of the fact that only a clean bill, as promulgated and as preached by President Clinton, could pass this House and pass the Senate, it was only when the Republican leadership understood that, that it was possible to bring this bill to the floor today.

CONGRESS REFORMS HEALTH CARE AND WELFARE THIS WEEK

(Mr. GANSKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GANSKE. Mr. Speaker, today we take up the Health Insurance Port-

ability and Accountability Act of 1996. This bill is long overdue. The American people have demanded this kind of change for many years. We will provide genuine health care reform, expand accessibility, ensure portability, and all without a Government takeover of the health care sector.

This bill fights fraud and abuse, it allows the self-employed to increase their health care deductible, it establishes medical savings accounts, and it provides deductions for long-term care.

This is a win-win proposal for the American people. We will provide expanded health care coverage without creating huge new bureaucracies. In fact, we will give more power to individuals to make their own decisions on health insurance.

Mr. Speaker, the debate gets pretty hot sometimes, but this week alone we will have reformed health care and welfare. I want to salute my colleagues on both sides of the aisle who have helped make this the most productive Congress in a generation.

CONFERENCE REPORT ON H.R. 3448, SMALL BUSINESS JOB PROTECTION ACT OF 1996

Mr. ARCHER submitted the following conference report and statement on the bill (H.R. 3448) to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act:

CONFERENCE REPORT (H. REPT. 104-737)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3448), to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

TITLE I

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—SMALL BUSINESS AND OTHER TAX PROVISIONS

Sec. 1101. Amendment of 1986 Code.

Sec. 1102. Underpayments of estimated tax.

Subtitle A—Expensing; Etc.

Sec. 1111. Increase in expense treatment for small businesses.

Sec. 1112. Treatment of employee tips.

Sec. 1113. Treatment of storage of product samples.

Sec. 1114. Treatment of certain charitable risk pools.

Sec. 1115. Treatment of dues paid to agricultural or horticultural organizations.

Sec. 1116. Clarification of employment tax status of certain fishermen.

Sec. 1117. Modifications of tax-exempt bond rules for first-time farmers.

Sec. 1118. Newspaper distributors treated as direct sellers.

Sec. 1119. Application of involuntary conversion rules to presidentially declared disasters.

Sec. 1120. Class life for gas station convenience stores and similar structures.

Sec. 1121. Treatment of abandonment of lessor improvements at termination of lease.

Sec. 1122. Special rules relating to determination whether individuals are employees for purposes of employment taxes.

Sec. 1123. Treatment of housing provided to employees by academic health centers.

Subtitle B—Extension of Certain Expiring Provisions

Sec. 1201. Work opportunity tax credit.

Sec. 1202. Employer-provided educational assistance programs.

Sec. 1203. FUTA exemption for alien agricultural workers.

Sec. 1204. Research credit.

Sec. 1205. Orphan drug tax credit.

Sec. 1206. Contributions of stock to private foundations.

Sec. 1207. Extension of binding contract date for biomass and coal facilities.

Sec. 1208. Moratorium for excise tax on diesel fuel sold for use or used in diesel-powered motorboats.

Subtitle C—Provisions Relating to S Corporations

Sec. 1301. S corporations permitted to have 75 shareholders.

Sec. 1302. Electing small business trusts.

Sec. 1303. Expansion of post-death qualification for certain trusts.

Sec. 1304. Financial institutions permitted to hold safe harbor debt.

Sec. 1305. Rules relating to inadvertent terminations and invalid elections.

Sec. 1306. Agreement to terminate year.

Sec. 1307. Expansion of post-termination transition period.

Sec. 1308. S corporations permitted to hold subsidiaries.

Sec. 1309. Treatment of distributions during loss years.

Sec. 1310. Treatment of S corporations under subchapter C.

Sec. 1311. Elimination of certain earnings and profits.

Sec. 1312. Carryover of disallowed losses and deductions under at-risk rules allowed.

Sec. 1313. Adjustments to basis of inherited S stock to reflect certain items of income.

Sec. 1314. S corporations eligible for rules applicable to real property subdivided for sale by noncorporate taxpayers.

Sec. 1315. Financial institutions.

Sec. 1316. Certain exempt organizations allowed to be shareholders.

Sec. 1317. Effective date.

Subtitle D—Pension Simplification

CHAPTER 1—SIMPLIFIED DISTRIBUTION RULES

Sec. 1401. Repeal of 5-year income averaging for lump-sum distributions.