

Jersey (Mr. PALLONE) each will control 30 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. UPTON. I yield myself such time as I may consume.

Mr. Chairman, this bill is part of our effort to restore fiscal accountability to the Federal Government. In the rush to pass some kind, any kind of health care reform, the 111th Congress enacted a massive law, 2,000 and some pages, that gave the Secretary of HHS unprecedented new authority.

□ 1350

Although it got little attention at the time, one of those new powers is an unlimited tap on the Federal Treasury.

Section 1311(a) of PPACA provides the Secretary of HHS a direct appropriation of such sums as necessary for grants to states to facilitate the purchase of qualified health plans in newly created exchanges. Shockingly, the Congress gave an executive branch official the sole authority to determine the size of the appropriation. Without any further Congressional action, the Secretary can literally spend hundreds of billions of dollars at the Department's discretion. The only real restriction on this unlimited appropriation is the Secretary's imagination. Given Washington's reckless fiscal habits, Americans concerned about record spending, deficits, and debt have much to fear from section 1311(a) of PPACA.

This unprecedented tap on the Federal Treasury should never have been granted to one individual, and given the huge uncertainty regarding PPACA, it certainly should not be continued now. Two Federal district courts have struck down the law. State AGs have asked for an expedited review of the litigation, but this administration has refused to let it happen. As a result, the future of the law remains certainly murky. Both supporters and opponents should be able to agree that resolving the case expeditiously in the courts, the Supreme Court, is in the best interest of the country.

But, in the interim, we should not be spending billions of dollars, billions of dollars of taxpayers' dollars on something that might never happen. Repealing the fund will protect precious taxpayer resources at a time of record red ink. Rampant spending on the Federal credit card is unsustainable and certainly dangerous. And the Federal Government is now going to be borrowing 42 cents of every dollar for these grants, \$58,000 every second. Just think about this. We're facing a \$1.6 trillion deficit, and the President's budgets will nearly double the national debt from \$14 trillion to \$26 trillion.

This program in PPACA is a prime example of the hidden costs of the health care law. While the program itself, remember, was billed as costing taxpayers \$2 billion, CBO confirmed to us last week that repealing the program will reduce the deficit by \$14 billion. That's because fewer Americans

will be pushed into the exchanges, and a million more Americans will retain their employer-provided health care coverage.

This bill is about accountability to taxpayers and fiscal responsibility in the Congress. I urge my colleagues to support this bill that will reduce the deficit by \$14 billion.

At this point, Mr. Chairman, I would ask unanimous consent that all of my remaining time be given to Dr. BURGESS to manage the bill on the floor.

The CHAIR. Without objection, the gentleman from Texas will control the time.

There was no objection.

Mr. PALLONE. I yield myself 3 minutes.

Mr. Chairman, this is just another in the Republican series of efforts to try to repeal the Affordable Care Act. I don't need to say, but I will say over and over again how effective the Affordable Care Act has been.

We have already put in place most of the anti-discriminatory aspects of the Affordable Care Act so that people now can have their children up to 26 on their insurance policy. They don't have lifetime or annual limits on care. We've ended arbitrary rescissions. We're giving patients access to preventive services without cost. We've begun the process of filling up the doughnut hole by giving seniors a \$250 rebate last year, and now a 50 percent discount on the drugs. The list goes on and on. People are starting to see the benefits of the Affordable Care Act.

But as you know, over the next few years, until 2014, one of the major benefits of it is that we will now cover almost every American; 32 more million Americans that have no insurance now, with a guaranteed good benefits package, lower costs, and help in paying their premiums.

The fact of the matter is, the Republicans want to eliminate all this. And when they talk today about bringing up a bill that would eliminate the grants or the funding for the state exchanges, this is at the core of the Affordable Care Act because, without effective state exchanges, robust state exchanges that are actually tailored, if you will, to individual States, it will be more difficult to do the things that I mentioned that are the commitment and the promise of the Affordable Care Act.

Now, what I don't understand though is that my colleagues on the other side of the aisle have always been advocates for States' rights. The consequence of their legislation today if it were to become law would mean that States, and 49 States and most of the territories have asked for these grants, would be denied these grants to set up the State exchanges. Most likely, what will happen then is that, rather than have a State exchange which is tailored to their own State and their own constituents, they will end up having a Federal or national exchange.

Now frankly, I don't have a problem with that. But if you're a States rights

advocate, which is what a lot of the Republicans have been saying all along, why would you want to force the States to not have their own flexibility, not set up their own State exchanges and instead set up a Federal exchange?

The exchanges aren't going to go away with this legislation. It's simply going to mean that the States can't do a good job, or that they're going to yield that power to the Federal Government and you're going to have a national exchange.

This is the worst time to do this. As we know, States are hurting. They don't have money. Most of them have a crisis in terms of balancing their budget. Why would you want to deny them the money to set up the exchange?

I'll give you an example in my own State. My own State has applied for some of these grants. They are using it to do demographics to find out what kind of people they have, what their health care needs are, so they can tailor the State exchange in a way that's most effective to cover the most Americans and provide them good quality health care at a low cost. That's what this is all about.

And for the Republicans today to bring this bill up in their effort to try to repeal the whole package, it absolutely makes no sense whatsoever. I just don't understand it.

They talk about mandatory funding. Well, we have mandatory funding for Medicare, for Medicaid, for all kind of things in this Congress. All they're going to do with this is make it more difficult for the States to establish their own exchange.

I reserve the balance of my time.

Mr. BURGESS. Mr. Chairman, I would just remind the gentleman, the ranking member from New Jersey, in our committee hearing earlier this year we heard from the Governor of Utah who had been setting up a state exchange prior to the passage of the Patient Protection and Affordable Care Act, and now was left with an uncomfortable situation where it has been ruled unconstitutional by two district courts. He's waiting for whatever happens in the court system. But as he told us in committee, "I'm walking on shifting sands. I no longer know where to go. Passage of the Patient Protection and Affordable Care Act has made my life infinitely harder."

I would now yield 2 minutes to the gentleman from New Jersey (Mr. LANCE).

Mr. LANCE. Mr. Chairman, I rise today in support of H.R. 1213. We currently have a debt in this country of \$14 trillion and it is rising rapidly. The annual deficit this year will be \$1.65 trillion, the largest as a percentage of gross domestic product since 1945.

Current levels of Federal spending are simply unsustainable. We cannot continue on this fiscal path that we have been traveling.

To this end, the House Energy and Commerce Committee has spent nearly

the entire portion of its spring session identifying excess and unaccounted spending within programs, particularly the President's health care bill, in an effort to decrease Federal expenditures, in an effort to put our Nation on a path of fiscal responsibility.

This is one of the legislative fruits of the committee's efforts. According to the nonpartisan Congressional Budget Office, passage of this bill to repeal the Federal health care insurance exchange funding requirements would save American taxpayers \$14 billion over the next 10 years.

I urge my colleagues here in the House to pass this fiscally responsible piece of legislation that takes an important step in defunding the health care law and reduces Federal spending and the deficit, and I hope that at an early date the Supreme Court will rule on the constitutionality of the health care law.

□ 1400

Mr. PALLONE. Mr. Chairman, I yield 4 minutes to the ranking member of our full Energy and Commerce Committee, the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, we are not focusing on the big issues that the American people care about with this bill. Instead, what we have before us is not a bill to increase jobs or to help those lives torn apart by the recent natural disaster storms or to address the country's high energy costs. Unfortunately, what the Republican leadership offers up, once again, is a debate on the Affordable Care Act. This is another piece of legislation that is going nowhere. The Senate will never pass it, and the President will never sign it. This bill, H.R. 1213, was analyzed by the Congressional Budget Office, and the budgetary estimate shows this bill diminishes coverage and raises costs. It punishes the States, and especially hurts working Americans and their families.

First, the bill will leave people uninsured. This legislation, according to the Congressional Budget Office, will result in lower enrollment by an estimated 5 percent to 10 percent below the levels expected under current law between 2014 and 2016. In other words, there would be almost 2 million fewer people enrolled in State exchanges.

Second, it will increase the costs to employers as they continue to fight off a sluggish economy.

Third, it will increase costs to consumers through increased premiums in the individual market.

Fourth, without Federal assistance, fewer States would be able to set up and operate State-run exchanges. Currently, 49 States, the District of Columbia and four territories have gotten beyond the ideological debate that we are having over and over again in this House, and they have responded by asking for funds so they can do the job of setting up a marketplace in which it would be best for families and busi-

nesses to choose their health insurance.

Fifth and notably, 85 percent of the total \$14 billion in cuts comes at the expense of low- and moderate-income Americans who are not able to access health insurance through exchanges.

It is time to stop debating bills that move the country in the wrong direction for political reasons. This bill takes a direct shot at the heart of health reform and at the new marketplace that marks the end of insurance company abuses, and it puts Americans in charge of their health care.

This is the wrong bill at the wrong time. It accomplishes nothing. We still don't know what the Republican proposal would be for health care. They said they were going to repeal it and then replace it. We don't know what they would replace it with. What we do know is that, for health care like Medicare and Medicaid, which insure millions of Americans, their proposal would be to decimate those two programs. With this bill, they would like to be sure, evidently, that States and working families don't have access to private insurance and that they don't have the ability to choose the best deal for them and their families.

I urge the defeat of this bill.

Mr. BURGESS. Mr. Chairman, I yield 2 minutes to the subcommittee chairman of the Oversight and Investigations Subcommittee, the gentleman from Florida (Mr. STEARNS).

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Chairman, there are two points or arguments that I've heard from the other side.

One, they are talking about States' rights. It's really almost pathetic to think that they are arguing on States' rights, because the health care bill that they and the administration are advocating forces State governments to pay for existing established exchanges. No States rights there. That's part of what the Secretary of Health and Human Services will do, and she will use this money as an incentive to bribe them, which is unlimited to her, to force States to pay for existing established exchanges. But once they do it, the money will stop.

The other point is that they are saying we aren't talking about jobs and that we're focusing on this particular bill that's not really getting us jobs. Yet this bill does focus on spending. It's limiting spending. With the national debt of the United States just increased by \$262 billion at the start of this year, we need to handle our debt here in this country and control spending.

So I am pleased that we are taking up H.R. 1213, which would eliminate uncapped, unlimited programs in the Patient Protection and Affordable Care Act, which is ObamaCare. This provision grants far too much in budgetary authority to the Secretary of Health and Human Services and far too few

program requirements to ensure proper oversight. That's why we need to pass this bill. This is fiscal responsibility. It is fiscally irresponsible to argue, as they say, for giving any one in the Administration as an individual unlimited, mandatory spending authority, which is what is in ObamaCare.

I am glad we have an opportunity to correct this legislative error. We must gain fiscal control over our government programs, starting with these exchanges. Whether it's recapturing wasteful stimulus program dollars, eliminating fraud or using the appropriations process to set budgetary priorities rather than mandatory spending, we must all exercise fiscal restraint, and that is what this bill does. Just because we followed Greece into democracy does not mean that we should follow them into bankruptcy.

Mr. PALLONE. I now yield 1½ minutes to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. I thank my friend for yielding to me, and I rise in strong opposition to this bill.

As Ronald Reagan used to say, There you go again.

And there my Republican colleagues go again.

We sat through days and days of this in the Health Subcommittee and in the Energy and Commerce full committee. This is—I don't know—the third or fourth or fifth or sixth bill on the floor which is trying to destroy the health care bill. I proudly support the health care bill, and I think it's time to stop scaring the American people. This is political theater. The Senate is not going to pass this, and the President certainly would veto it if it passes. So all we are having is, once again, another debate about health care on the House floor again and again and again.

I think my friends on the other side of the aisle have made their point. They oppose health care reform. Okay. Fine. How many times do we have to vote on it? It would repeal the Affordable Health Care Act, a bill which puts the American people back in charge of their health care by requiring insurance companies to be more transparent and accountable for their costs and actions, thus ending many of the worst abuses by the industry and improving the quality of care.

I urge my colleagues to vote against this bill.

Mr. BURGESS. Mr. Chairman, I yield 2 minutes to the gentlelady from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Chairman, I rise in support of the bill because this is the right step at the right time. If you're listening to the American people, one of the things they have said loud and clear is that they do not want the ObamaCare bill on the books. They want this repealed.

When my colleagues ask "how many times do we have to revisit this issue?" we are going to keep revisiting this issue until we get every single piece of this bill off the books, because it is too

expensive to afford. A great example of this is exactly what we're dealing with, which is the little slice of it that gives as much as may be needed, as much as may be consumed, as much as the HHS Secretary says they will need for this unlimited slush fund to give money to the States for these grants.

Now, I will remind my colleagues from across the aisle that our former Democrat Governor has called this program the "mother of all unfunded mandates." Mr. Chairman, there is a reason he called this program such. It is because he knows that putting this burden onto the States is far too expensive for the States to afford. It doesn't make it right to set up a slush fund, which will have no congressional oversight. The HHS Secretary can spend as much as she thinks is necessary, and she does not have to come back to us in Congress for this.

We do not need legislation with this nebulous language, and we do not need to give that authority of spending taxpayer money on this to the HHS Secretary. It is important that we distinguish: Are we for reforming health care? There are portions of health care that need to be reformed; but what happened in ObamaCare? PPACA is not health care reform. It is a movement away from patient-centered health care to government control. It is time for us to get back on the right track.

□ 1410

Mr. PALLONE. Mr. Chairman, I yield myself 15 seconds.

I hold the gentlewoman in a lot of respect, but it bothers me that you say we are going to come back and keep voting and voting again on repeal, repeal, repeal. We know this isn't going to pass the Senate.

When I went home the last 2 weeks, all I heard was: What are you doing to create jobs? Deal with the economy.

When we deal with this and keep doing the same thing over and over again, we don't deal with jobs.

I yield now 1½ minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. I thank my colleague for yielding.

Mr. Chairman, I rise in the strongest opposition to this shortsighted legislation. We all know that the only reason this bill is before us today is to try to derail the Affordable Care Act, which is already helping so many. And the exchanges this bill targets will make a clear impact, making it easier for individuals and small businesses to shop for insurance based on quality and price. They will provide the key structure to ensure the numerous consumer protections in the law are followed, and they will make the health insurance market both more competitive and more transparent.

Furthermore, the exchange program gives States flexibility to build the best plan they can to meet the unique needs of their residents. But this bill would defund that, resulting in an unfunded mandate. Forty-nine States

have already received funds to begin this process. Many States are poised to move from planning to implementation. However, repeal would stop this development in its tracks.

What is clear is that a vote for this bill does not reduce costs; it just shifts them onto the backs of already cash-strapped States. It means delays: Delays that CBO has noted will lead to increased costs for consumers; delays that will result in 2 million more Americans being uninsured through 2015 alone.

I find it ironic that my Republican colleagues, who for so long have called for increasing a State's autonomy, are here to vote down a program that does exactly that, especially when their vote will lead to increased costs and more Americans being uninsured.

I urge my colleagues on both sides of the aisle to vote against H.R. 1213.

Mr. BURGESS. Mr. Chairman, I yield 2 minutes to a valuable member of the committee, the gentleman from Kansas (Mr. POMPEO).

(Mr. POMPEO asked and was given permission to revise and extend his remarks.)

Mr. POMPEO. Mr. Chairman, I rise today in strong support of H.R. 1213, a repeal of a mandatory piece of spending inside of ObamaCare that will do a great deal to not only destroy health care in America but destroy jobs in Kansas and all across our country.

I spent the last couple weeks back in the district. I was in Greenwood and Elk and Chautauqua and Montgomery County, in Butler County and Sedgewick County. I heard the ranking member today say he wants us to do the people's work. I will tell you that every day I heard about people that were frightened by ObamaCare. I talked to business leaders that understood that the last thing they wanted to do was to hire a full-time employee because of the burdens and obligations that would come from this piece of legislation.

I was proud at the very beginning of my time in Congress to vote to repeal the entire bill, and I am equally proud today to attempt to put back in the box this mandatory spending provision. This spending provision gives, without any oversight, any restraints, the Secretary of Health and Human Services powers that are very, very large. I happen to have a special perspective on that.

Today's Secretary of HHS was my Governor for the last 8 years. The last thing that we want to do in health care is to give my former Governor an unlimited checkbook. We have seen what that has done to Kansas. I know what that will do to the United States of America.

This is very clear. When we talk about health care, what we are talking about is trying to find a way to reduce costs. The absolute worst thing you can do if you are trying to reduce costs is give the government an unlimited checkbook. They will spend it. They will spend it every day. They will spend it all the time.

I urge the strong support of H.R. 1213 so that we can stop this horrible piece of mandatory spending.

Mr. PALLONE. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. I thank the gentleman.

Mr. Chairman, I rise in opposition to this Republican proposal because it will not create jobs, it will not stimulate our struggling economy, and it will not put the middle class back to work. Instead, the bill that we are considering today would take away funding for States to offer new affordable insurance options for their citizens. And this bill would lead to job loss, hindering our fragile economic recovery.

Bait and switch—that is what it is called when you say one thing and do another, when you run for office promising to create jobs and bolster the economy and get elected and start doing something entirely different.

Last election was about jobs and the economy, and Congress should be at the forefront. But instead of leading and putting Americans back to work, we are considering a bill to repeal funding that will create jobs and provide families and small businesses with access to affordable health care options.

Forty-eight States, including my home State of Wisconsin, have already received up to \$1 million each to get health insurance exchanges up and running, including hiring key staff for implementation. In other words, this funding is creating jobs.

This Republican bill raises a very important question: Are we going to ask cash-strapped States to return the money they have already been awarded? Are we going to prevent these States from receiving further funding that will create jobs?

I fail to see how rescinding these dollars that will be used to create jobs is the right thing to do to get our economy back on track, and I urge my colleagues to stand up for Americans looking for work and looking for affordable health care and vote against this bill.

Mr. BURGESS. Mr. Chairman, I would just point out that this bill only rescinds monies that have not been obligated. Monies that have been obligated would not be rescinded.

I now yield 2 minutes to the gentleman from Iowa, STEVE KING.

Mr. KING of Iowa. I thank the gentleman from Texas for yielding, and I also thank Dr. BURGESS for the leadership role that he has taken nationally in opposition to ObamaCare. His voice is essential to this and putting this unconstitutional bill behind us one day, taking us down the path of liberty and freedom with a constitutional path.

I rise in strong support for H.R. 1213, Mr. Chairman.

I would point out that much has been made of \$105.5 billion in automatic spending that was written into ObamaCare. That is a number that was

kind of like a mirage; it was hard to pin down. Over time and working with CRS, we produced, finally, that number: \$105.5 billion in automatic spending written into a bill that I don't think any Member of Congress—in fact, I am certain not a single Member of Congress—was aware of that figure when ObamaCare was passed about 13 months ago.

However, this bill, H.R. 1213, doesn't address that \$105.5 billion in automatic, irresponsible, unconstitutional spending. It addresses an open slot where the drafters of ObamaCare just simply overlooked writing a figure in when they granted, there, unlimited authority to the Secretary of Health and Human Services, Kathleen Sebelius, to spend the amount of money that she sees fit to carry out the provisions of this section that are repealed by H.R. 1213.

It wasn't just a blank check, Mr. Chairman. It is a series of blank checks—in fact, an infinite number of blank checks that an infinite amount of money could conceivably be written into. That is how bad this is. That's how unquantifiable it is. I know that CBO has attempted to put a number on it, but it requires some assumptions to even do that.

The 112th Congress has been bound by the 111th Congress by this term we call "mandatory spending." I don't concede that there is anything such as mandatory spending in this Congress. No previous Congress can bind a subsequent Congress. This Congress has to approve all spending of every Federal dollar before it can be expended, and we need to stand on that principle, Mr. Chairman, this unlimited and mandatory spending that is unconstitutional.

The CHAIR. The time of the gentleman has expired.

Mr. BURGESS. I yield the gentleman an additional 30 seconds.

Mr. KING of Iowa. I thank the gentleman from Texas.

I would make the point also that the funding that would go to set up the State exchanges, we need to be very well aware of what that can be. If the States take this free money, so to speak, from this unlimited slush fund of Kathleen Sebelius and set up the State exchanges, even though they believe they have control of these exchanges, it sets them up to be nationalized by a far more powerful Federal Government. And even though they oppose ObamaCare, they might be complicit in its implementation if they accept this money.

I urge adoption of H.R. 1213, and I thank the gentleman from Texas.

Mr. PALLONE. Mr. Chairman, I yield myself 30 seconds.

I would just like to point out to the gentleman, 49 States and the District of Columbia, along with 4 territories, have been awarded \$54 million in planning grants. So all you are doing here—these exchanges are still going to exist even if this bill passed and became law. All you are doing is taking away the

money, in almost every case, from your own State to try to set up these exchanges and not have it become a national exchange.

So the gentleman can talk all he wants about the funding, but the fact of the matter is it is most likely his own State is asking for this funding so they can get these exchanges established. Why do the Republicans want to take money away from their own State?

I yield now 1½ minutes to the gentleman from the Virgin Islands (Mrs. CHRISTENSEN).

□ 1420

Mrs. CHRISTENSEN. Mr. Chairman, today I rise with great disappointment to speak out against yet another attempt to repeal an Affordable Care Act provision that is at the very core of increasing access to health care for the over 30 million uninsured Americans.

As my colleague said, almost \$54 million in planning grants have been awarded to help 49 States, the District of Columbia and four territories, including \$1 million to the Virgin Islands, to create unique State and territorial-based solutions to improve our States' and territories' health insurance markets. We must not repeal this funding, as H.R. 1213 would do, because by placing the burden entirely on the already-overburdened States, it will make it more difficult for them to establish changes, and it will increase the costs to families who are seeking to insure themselves. This is really another effort to get rid of exchanges altogether.

In deciding how to vote today, I ask my colleagues to think about all of their constituents who suffer unduly from health conditions that could be prevented or controlled if only they had access to health insurance, preventive care, and treatment. These constituents, our fellow Americans, demand that we stand up and fight for their access to affordable health insurance, as Democrats have always done and are doing today.

I urge all of my colleagues to vote against this legislation that would undermine the ability of millions of Americans to have access to health insurance and access to needed health care services.

Mr. BURGESS. Mr. Chairman, I yield myself 1 minute.

How many times did we hear over the runup to the passage of the Patient Protection and Affordable Care Act, if you like what you have, you can keep it? It turns out nothing could be further from the truth. In fact, the real truth is they don't want you to keep your current insurance.

We have heard Members on the other side of the aisle claim that 2 million fewer people will be enrolled in the exchange and that the bill will increase costs to the employers. So here is some shocking news: These assertions that during the health care debate many people said repeatedly that under the

bill you will not be able to keep your health insurance you like, in spite of promises made by the Democrats, people were concerned that the new law would encourage employers to drop health care coverage for workers.

In fact, we received some memos to that effect as part of an investigation that then-Chairman WAXMAN actually initiated right after the passage of the bill. But then when trying to pass the bill, the Democrats repeatedly denied those claims. Now they seem to relish the fact that employers will drop coverage, and they actually see it as a negative that 1 million people will continue to have employer-sponsored insurance, the coverage that they precisely wanted to keep.

I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, can I inquire how much time remains on both sides?

The CHAIR. The gentleman from New Jersey has 17¾ minutes remaining. The gentleman from Texas has 15 minutes.

Mr. PALLONE. I yield now 2 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GENE GREEN of Texas. I thank my colleague on the Energy and Commerce Committee for yielding to me.

To follow up what my colleague also from Texas and on Energy and Commerce talked about employers dropping insurance, that is why we need these insurance exchanges. Even before the Affordable Care Act, employers were dropping insurance for their employees or making it cost prohibitive for them to cover themselves. So that is why we need the exchanges.

Here they are defunding it today, and H.R. 1213 would repeal the section of the Affordable Care Act that provides funding for the creation and facilitation of State-based health insurance exchanges. Those are not government insurance companies. Those are private sector exchanges.

During the health reform debate, the Republicans spent most of their time saying health reform would limit the ability to tailor their own health care systems. The Affordable Care Act would ensure States would have the ability to create their own health insurance exchanges, meet the health care needs of their State, and still provide consistent basic health coverage nationally.

We provided States with planning grants to come up with proposals on how they will run their health insurance exchanges so States will run their own exchanges rather than the Federal Government doing it. Yet here we are today stripping the ability of the States to run their own health insurance exchanges by eliminating those planning grants, just another example of the hypocrisy of the Republican Party.

This is yet further political messaging by the Republican majority in an attempt to defund health reform. They are playing games with funds

dedicated to our States, forcing them to spend their own money when State budgets are already limited. The majority has the wrong priorities, and I think the American people know it.

Mr. BURGESS. I yield myself 3 minutes.

Mr. Chairman, States are coming to the realization that there is no flexibility in these grants. They are coming to understand that the mere words that a State gets to develop an exchange that fits their individual needs, in fact, just rings hollow.

The other side has used the word "flexibility" as a big bait-and-switch, just similar to the words "if you like what you have, you can keep it." The authors of the bill praised these words, but they are simply not true. The law clearly puts Washington in control, in firm control, in absolute control, of these exchanges.

For example, section 1302, the Secretary will choose the essential benefits that must be paid for by individuals and families in the State exchange.

Section 1302 (d)(2), the Secretary will control whether an HSA can be offered.

Section 1311(h), the Secretary can by regulation select the doctors and other health professionals that are allowed to provide care in the exchange plans. As a physician, I find this one of the more chilling provisions in this legislation.

Section 1311(i), the Secretary—the Secretary—decides whether a plan provides linguistically appropriate and culturally sensitive information. If they do not meet the Secretary's approval, they cannot have that plan.

Section 1311(c)(1) and section 1311(e), the Secretary—the Secretary—determines the process and requirements for certifying whether a plan can be sold in the exchange.

Section 1311(c)(1)(I)(6), the Secretary can decide when individuals can enroll in the exchange plan.

Section 1311(d)(4), the Secretary will judge the adequacy of an exchange Internet Web site.

Section 1311(k), the Secretary will determine whether an exchange establishes rules that conflict with or prevent the application of regulations promulgated by the Secretary. In other words, not only do they get to make the rules; they get to be the referee.

Concerns were raised prior to the passage of the Patient Protection Affordable Care Act that the law was designed, designed, for employers to drop coverage so Washington would control health care through ObamaCare exchanges. Now the other side protests when 1 million people will keep their employer-sponsored insurance because they would rather have them under the direct and absolute control of Washington, D.C., rather than their State capitals.

I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, I yield myself 30 seconds.

Again, I don't understand what Dr. BURGESS is trying to say, the point he

is trying to make. If we don't have this funding under this bill, States are not going to be able to choose the type of marketplace that is best for their families and businesses. By passing this bill, you take away ultimately the States' right to make the decisions about what kind of plans they have and how they want to tailor these plans.

All he is doing with this bill is handing it over to the Federal Government, exactly the opposite of what he is saying. What he is reading is essentially what is going to happen if there is no State exchange and there is a Federal exchange. So why deny the States the money, when they can tailor the exchange with those grants?

I yield now 2 minutes to the gentleman from Connecticut (Ms. DELAURO), the ranking member on the Labor-HHS appropriations subcommittee.

Ms. DELAURO. Mr. Chairman, I rise in opposition to this attempt to defund one of the central cost-cutting reforms of the Affordable Care Act. Like so much in the majority's budget, this bill takes money out of families' pockets and gives it to the health insurance industry.

The exchanges will give all Americans the chance to prosper from what Members of Congress and large employers have enjoyed for years: large group rates, lower administrative costs, greater transparency. They also expand choices, giving everyone access to a much fuller range of plans. The exchanges work to create real competition in the health industry and thus drive costs down for everyone.

But my colleagues on the other side of the aisle want to place the control again in the hands of the health insurance industry and the insurance companies. Given what they are prepared to do in the Republican budget by ending Medicare and throwing seniors to the private insurance market, this is in the same vein.

□ 1430

This bill wants to eliminate this free market reform and allow insurers to continue to act as monopolies. According to the CBO, the Congressional Budget Office, which is independent and nonpartisan, it will knock 2 million people out of the exchanges, increase health insurance premiums, and leave 50,000 more Americans uninsured. In fact, 85 percent of the so-called savings here comes from cutting off Americans' access to health insurance.

This is not the direction we want to go. We want to cover more people, reduce health care costs. This bill raises premiums; it raises the number of uninsured in America. I urge my colleagues to reject it.

A final point. We in this body are very fortunate. We have health insurance. Our kids have health insurance. When we get ill, we go to the head of the line, the same as our families. Every single time we take to this floor, the majority in this body wants to re-

peal health care reform, wants to take away the opportunity from millions of Americans to have the same kind of health care coverage that Members of Congress and their families have.

Mr. BURGESS. I yield myself 1 minute, Mr. Chairman.

I would remind my colleagues on the other side of the aisle that the Governor of Utah coming to our committee hearing said that he was setting up exchanges prior to the passage of the Patient Protection and Affordable Care Act. The passage of the Patient Protection and Affordable Care Act has limited his ability to provide those exchanges. In fact, he went so far as to say now, with the nebulous future surrounding the Patient Protection and Affordable Care Act, because of activity in the courts—not in the United States House of Representatives, but in the courts—remember them, the third branch of government that gets to decide if something is constitutional or not—because of the ambiguity surrounding the cases in the courts, the Governor of Utah felt that he could not go forward with the plan that he was implementing, and he worried that the money he had already spent, his own State's money on developing State exchanges, would now be for naught. He does not know what the rules will be going forward if the Patient Protection and Affordable Care Act is allowed to stand because those rules have yet to be written. Those rules have yet to be interpreted.

So in a very perverse way, we have made it harder for a State to provide exchanges by passing the Patient Protection and Affordable Care Act.

I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, I yield myself 1 minute.

I have heard Dr. BURGESS talk about Governors. I just want to give you some quotes from some Governors—Republican Governors. Nathan Deal, a former member of the Energy and Commerce Committee, former chairman of the Health Subcommittee, this is what he said with regard to the State exchanges and the grants. He says: "One of the real problems that some of us as Governors foresee is if the mandates on States remain in place, the funding from the Federal level to carry out those mandates is withheld. That's the worst possible condition that States could be left in."

That is exactly what my colleague from Texas is proposing. The States will continue to have the mandate to set up the exchange or, without money and therefore not be able to tailor to exchange to the State or alternatively letting it go to the Federal Government, having the Federal Government run a Federal exchange.

Nathan Deal, one of our own Members, chairman of the subcommittee, said, Worst possible scenario. I don't understand. Again, I keep saying the same thing, but I have to repeat it, Mr. Chairman. To say that we're going to have State exchanges without having

the funding means the State exchange will either be lousy, or it simply won't exist and the Federal Government takes over.

I yield now 2 minutes to the gentleman from Michigan (Mr. LEVIN), the ranking member on the Ways and Means Committee.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Thank you, Mr. PALLONE. Thank you for your efforts.

I have been listening to the debate here, and the majority, I would describe it this way: You're so single-minded about the health care reform that you really have become mindless. You come here and talk about Federal control, but essentially what this bill would do would be to increase it. CBO says, Pass this bill and you will have more Federal control—not less—and less State control. It makes no sense. It's mindless. And you come here and say there's one governor who says something about his exchange. But every State but one has applied for and received a grant for their exchange. It's mindless, your position.

My State has already received the grant, the State of Michigan; and they have used it to bring everybody to the table, including private industry, including consumers, hospitals, et cetera, to develop a plan that's right for our State. It's mindless for you to come here and say you want to pass a bill that withdraws from our States the ability to plan for the health care for our citizens in a way that is helpful to our State. So maybe there will be a mindless "yes" vote here. It's happened before. Where are the jobs bills?

Mr. BURGESS. I yield myself such time as I may consume.

Mr. Chairman, I would not presume to put words into the mouth of the Governor of Georgia, but I do know from a long association with him that he was very abhorrent of any mandates that were placed on the States. So I do not doubt the fact that he said the worst of all possible worlds would be to get the mandate and not get anything else to help him back that mandate. But to be very clear, the mandates themselves are the anathema.

Why would those mandates be a problem for the Governor of Georgia or the Governor of any other State? Because now the decisionmaking does not rest with the State. The State is mandated. The State is mandated to set up these changes. And yet the Health and Human Services Secretary will choose the essential benefits that must be paid for by individuals and their families.

That's no longer a State decision. That's no longer a gubernatorial directive. That is now a directive from the Secretary of Health and Human Services. They would also decide whether their planned provider network is adequate, regardless of whether or not it covers the doctor that you use and you like. The Secretary—not the Governor, not the Governor's chief of staff, not

someone in the State legislature—the Secretary of the Department of Health and Human Services, who has that now unprecedented power and is only limited by her own imagination.

The Secretary would impose price controls on health coverage. The Secretary would pick who gets a waiver from the annual limit requirements. The Secretary would establish cost-sharing requirements regardless of their effects on premiums, not a gubernatorial directive, not something established by the State Commission of Insurance, not something contributed to by the Governor's chief of staff, not something decided by any State legislature, but by the Secretary of the Department of Health and Human Services.

Again, Chairman UPTON in his opening remarks said the spending would only be limited by the imagination, by the limits of the imagination of the Secretary of the Department of Health and Human Services. We know who that is this year. We don't know who that is next year. We certainly do not know who that is in 2 years' time.

It is the responsibility of this Congress to exercise the due oversight over these programs. We abnegated that authority by the forward funding of these programs. As Mr. KING pointed out in his remarks, we abnegated that authority. It's now time for Congress to claim that back. That's not mindless. The mindlessness, I might remind the Chair, was when this bill was passed a year ago without due proper authorization and oversight.

I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, I yield myself 1 minute.

Again, I listened to the gentlewoman from Tennessee (Mrs. BLACKBURN) before, and basically she said we're just going to keep repealing and repealing and repealing. I understand that you want to get rid of the whole bill. But why do you bring up legislation today that, again, I guess you're doing it because you don't want to keep repealing the whole bill over and over again because it becomes ludicrous. So instead you take pieces out—in this case, the State exchanges—and you say we're not going to give States the grants to actually follow up.

It's obvious, when we talked about Nathan Deal, he doesn't like the law. He'd like to see it repealed. But he's saying if you're not going to repeal it, then don't defund it because then the States can't carry out their functions in an effective way.

So all I'm saying to my colleague from Texas is if you just want to keep repealing and repealing, like Mrs. BLACKBURN said, go ahead and do it. We'll waste time, which doesn't make sense. But if you're going to then take pieces out, then don't say to the States, We're going to defund you and not allow you to do what you're already required to do or set this over to the Federal Government.

You see, this is the absurdity of what the other side of the aisle is trying to do. It's just a complete waste of time.

I yield now 2 minutes to the gentleman from California (Mr. MILLER).

Mr. GEORGE MILLER of California. I thank the gentleman for yielding.

What is it about the Republican Party that insists that its mandate in Washington, D.C. is to keep the American public away from affordable health care? First, they start by ending Medicare so that senior citizens who retire will have to pay much more for their health care than they would otherwise. Those on Medicare, because they'll be closed in, an aging population, their health care costs will continue to go up in the future far beyond their ability to pay.

They have decided that they're going to raise the price of prescription drugs to senior citizens. They have decided that they're going to decrease the access of young people to health care by not providing for school-based clinics, health care clinics. They've decided they'll roll back preexisting conditions to prevent women from getting coverage of health care, young children from getting coverage of health care from life-threatening diseases that they were born with.

What is it about the Republican Party that they don't want people to have access to health care in this country that's affordable? They don't mind them being in the lottery. If they can find it and afford it, maybe they can have it. But if they can't, it's tough.

So now we come to a time when they said they don't want one-size-fits-all in Washington. The States should have a right to set up the exchanges. The States have an option: they can set up an exchange or not set up an exchange. Some 49 States have stepped forward and said, We want a right to customize the exchange for the purposes of the people we represent, the nature of our State, the economy of our State, the age of our State. We want to do this.

□ 1440

And now they're saying, well, that's good, but we're not going to give you any money to plan to do that. So what are they doing, according to CBO? They're now threatening, once again, the access to affordable health care for 50,000 or more Americans.

So they've threatened the access to health care for women. They've threatened the access to health care for children. They've threatened the access to health care for seniors. They've threatened the access to health care for those who are about to become seniors. They just can't stop doing this.

The CHAIR. The time of the gentleman has expired.

Mr. PALLONE. I yield the gentleman an additional 30 seconds.

Mr. GEORGE MILLER of California. They want to say they're just repealing the health care bill that was passed. They're just repealing that.

No, what they are doing is they're standing in the way, the very same

rights that they have as Members of Congress to have a federally setup exchange for Federal employees where policies pass muster, that you get real value if you buy one. Whether you buy a health savings account or whether you buy a plan for your family or for an individual, you get real value. You get access. The rights they have as Members of Congress, once again they're stepping into the breach to make sure that their constituents won't have that right at the State level because when there are no State exchanges, they won't have that right.

It's a really strange view of their obligations to the American public, to working families, to children, and to seniors. And it's a real strange view about their position of privilege that they would have all of this for themselves but not for their constituents.

The CHAIR. The time of the gentleman has again expired.

ANNOUNCEMENT BY THE CHAIR

The CHAIR. The Chair would ask all Members to heed the gavel.

Mr. BURGESS. Mr. Chairman, I will direct my remarks to the Chair and not to anyone in particular, which I believe is one of the habits of the House; and I yield myself 1 minute for this purpose.

I was always taught growing up that if you're going to tell a story, you ought to begin it with "once upon a time." I think I should have heard a few "once upon a times" in that last tirade that was just leveled upon the House.

Their hypocrisy knows no bounds, Mr. Chairman. The other side claims that the health care law is about State flexibility, but they oppose H.R. 1213 because some States might assess a health plan fee to fund the operation of exchanges that the State wants to set up. If you're for flexibility, then eliminate complete control that the Secretary has over the State exchanges. Let States establish exchanges without onerous and costly Federal mandates and finance them according to how each State feels is appropriate.

Now, to talk about hypocrisy, what the other side fails to mention is that the Patient Protection and Affordable Care Act advocates taxing health care plans that sell insurance in the exchanges. Rather than being silent on how States should fund their exchanges once the grant money runs out, the Democrat health care bill actually spells out that the States should consider charging taxes on health insurance premiums for plans sold in the exchange.

The CHAIR. The time of the gentleman has expired.

Mr. BURGESS. I yield myself an additional 30 seconds.

The hypocrisy could be tolerable if it just simply ended there. However, the other side also fails to mention that the Patient Protection and Affordable Care Act directly charges a \$60 billion tax on Americans' health insurance premiums, in section 9010, or that imposes tens of billions of dollars in di-

rect taxes on medical devices and drugs that people will use that will increase their health care premiums, according to the CMS actuary.

I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. GARAMENDI).

Mr. GARAMENDI. I thank my friend from New Jersey.

Mr. Chairman, this is all about creating a mechanism for competition—fair, open, fully disclosed competition.

The exchanges actually come from maybe 20 years ago. I know that in California when I was elected insurance commissioner in 1991, we established an exchange program. It passed the legislature. Unfortunately, Governor Wilson vetoed that legislation. Had it gone into place, there would have been a marketplace for insurance consumers. Right now consumers are at the whims of the market. They have no power.

An exchange is simply a way to accumulate the purchasing power of thousands or hundreds of thousands of individuals and small businesses so that their risk is spread out over that large population. Right now small businesses and individuals simply are at the mercy of the insurance companies. They have no way to spread their risk, and, therefore, their rates are exceedingly high, and in many cases it's impossible to get insurance.

For the life of me, I don't understand why the Republicans want to repeal the exchanges. I always hear from them competition and free market. This is exactly that. This is competition, in which the health insurance companies have to compete with a similar policy, four different kinds of policies, a very rich one and a very basic one, and they have to compete on quality. What's the problem with that? And they'll be able to get insurance. Right now they can't. So they're going to repeal it. It makes no sense.

It also makes no sense that the Republicans would go out and terminate Medicare. Hello? You're going to terminate Medicare, a guaranteed insurance policy for everyone over 65? Oh, I know, only those who are below 55 years of age will never see Medicare. It's gone. It's history. Oh, you're going to give them a voucher, a small percentage of the total cost 10 years out? Good luck. And you throw them to the whims of the insurance companies without an exchange.

What's this all about? I think Congressman MILLER may have had it right. How do you view the world? People need health care. Insurance is a way to get health care. An exchange is a way to spread the risk for a large pool of people so the risk isn't there and access to the market.

California has an exchange. California last year established a law to put in place an exchange. It was signed by a Republican Governor, folks. Are you listening? Governor Schwarzenegger signed the exchange program. It's going into operation in a year and a

half so that people in California can get insurance. Two million people will not be able to get insurance if this bill were to pass. And the only thing you offer is the termination of Medicare? Oh, and by the way, you're going to reduce Medicaid by \$700 billion.

Mr. BURGESS. Mr. Chairman, I yield myself 1 minute.

Although the issue of Medicare is not the subject of this debate today, I can recall a time about 20 years ago when Paul Tsongas, a former Senator, came to Dallas to talk to a group called the Dallas Business Group on Health. It was the day after President Clinton had come to this House and addressed a joint session of the House and Senate and unveiled his health care plan in September of 1993. Senator Tsongas came to talk to us in Dallas, and he said, "It was a beautiful speech. There wasn't a dry eye in the house. The only problem was that the President proposed five new entitlement programs, and we cannot pay for the ones that we have."

□ 1450

Former Senator Tsongas then went on to articulate how the rate of rise of entitlement spending was going to cripple this country in the future such that by at some point between 2015 and 2020 this country would see intergenerational conflict the likes of which it had never seen before.

Yes, it is incumbent upon us to recognize that train wreck that is coming and deal with it. Representative RYAN put forward a very thoughtful plan 2 weeks ago. Let's see the plan from the other side. So far that's been lacking.

I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, may I inquire how much time is remaining?

The CHAIR. The gentleman from New Jersey has 4¼ minutes remaining. The gentleman from Texas has 6½ minutes remaining.

Mr. PALLONE. I yield myself the balance of my time.

Mr. Chairman, I am pleased that my colleague on the other side, Dr. BURGESS, got up and talked about the Ryan budget, or the Republican budget, I should say, because as far as I know every Republican voted for it, and most Democrats voted against it, and he also mentioned, I think, President Clinton's efforts to achieve health care reform.

The Democrats over the years—Harry Truman, President Clinton, President Obama—have all been reaching out to try to achieve health care reform and find a low-cost way of providing a good benefit package to all Americans, and it's sad to think that on the other side of the aisle, when they became the majority, the first thing they did was to pass this Republican budget that actually puts an end to Medicare and really jeopardizes the future of Medicaid as well.

I think it says a lot about the fact that the Democrats are trying to expand health care choices and options

and provide low-cost health care with a good benefit package. The Republicans are taking the plans that exist now like Medicare and Medicaid and either ending them in the case of Medicare or in the case of Medicaid really making it so it's going to be very difficult for Medicaid to continue.

We already have in place, as I mentioned in the beginning of this debate, many of the positive aspects of the Affordable Care Act, all those things that eliminate discrimination, let you put your children on your policy, start to plug up the donut hole for prescription drugs for seniors. This is working. This is legislation that's working and making a difference for the American people and making it possible now with these State exchanges, once they're up and running with the tax credits that are available, for even those other 32 or 30 to 40 million Americans who don't have health insurance now to finally have it.

Now, why do the Republicans want to eliminate this? I listened to Dr. BURGESS. He says it costs too much. The fact of the matter is the CBO said the Affordable Care Act was going to save money, reduce the deficit over 10 years. I know they only like to look at the CBO numbers when they think they're beneficial to their point of view, but the fact of the matter is the CBO is a nonpartisan arm of this Congress and they say that the Affordable Care Act reduces the deficit over 10 years. At the same time, we're covering everyone and we're providing a good benefit package just like, say, Blue Cross or Blue Shield does today.

What this bill does is to eliminate choices, because if the States are allowed to tailor a program in exchange for their own constituents in their State, I believe it will be more robust, it will be a better plan tailored to those people from New Jersey, in my case, or Texas, in the case of Dr. BURGESS. By taking away the money for the exchanges, all you're going to do is make that more and more difficult. States will still have to do it, but they won't have a good plan. They may limit their choices. They may not have a lot of choices which they would have if they have some money to plan and be rational about how this works.

Of course, the more likely scenario is that we will simply have a Federal exchange and a lot of States will opt out and not even have their own State exchange. I think that would be a mistake to do. I really do. As much as I'd rather have a Federal exchange than no exchange, I do think it makes sense to have State exchanges.

So, again, I think that what the Republicans are doing now, and I think that Mrs. BLACKBURN said it earlier—she said we're just going to repeal this, and we're going to take a piece of it and repeal something else until we get rid of the whole thing. Well, don't waste the time of the Congress on doing the same thing over and over again. I was home for the last 2 weeks.

We all had a break. We're at home for 2 weeks. All I heard, I didn't hear about health care. I heard about jobs and how the economy was starting to sputter again.

You know, the last quarter was not as good as it could have been, and the fact of the matter is that since the Republicans have come into the majority here they're not doing anything to create jobs. We don't have a bill to create jobs. We keep doing the same thing every day. Today, it's going to be defund health care; tomorrow it's going to be abortion again. I don't know how many times we're going to have these same bills that come out of our Health Subcommittee and the Energy and Commerce Committee.

It is unfortunate. I urge my colleagues to vote "no" on this bill.

The CHAIR. The time of the gentleman has expired.

Mr. BURGESS. Mr. Chairman, at this point, I would like to yield 4 minutes to the chairman emeritus of the full committee, the gentleman from Texas (Mr. BARTON).

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Thank you, Congressman BURGESS, and it's good to see you in the Chair there, Mr. Chairman. I feel empowered and confident that you're going to make the right rulings as the day goes on.

We're going to have more amendments offered on this small part of the repeal effort of the new health care law than the Democratic majority allowed in the last Congress on all the health care legislation they brought to the floor. After general debate, we're going to have at least five amendments that were made in order under the rule. That's five more than Speaker PELOSI and then-Rules Committee Chairwoman Slaughter made in order in the last Congress when we were debating these issues.

Republicans are not necessarily opposed to the concept of these exchanges, Mr. Speaker. What we are opposed to is the process in the last Congress where the actual bill that became law was dumped in the dead of night, with no amendments made in order, little debate, in an up-or-down vote as soon as the Speaker twisted enough arms on the then-majority side of the Democratic party to move the bill.

So we're trying to repeal it piece by piece; once that's done, then to replace it. This particular bill that's before us is pretty straightforward. It repeals the authority of the Secretary of Health and Human Services to obligate such sums as necessary to fund these exchanges. This "such sums as necessary" could be \$50 million, could be \$100 million, could be \$200 million, could be a half a billion dollars. We just don't know. Those of us on the now-majority side, the Republican side, think that's bad management: such sums as necessary.

So we're not really having a debate on whether exchanges are good or bad.

I can agree with my friend from New Jersey that, in concept, exchanges are good. Now, I could have a debate that if you are going to have exchanges you ought to let the market operate and determine what's offered in the exchanges and not mandate what has to be qualified in order to be a part of the exchange. And we could have a debate on what the premiums are and what the coverage is and whether you allow flexibility or whether you put these Federal mandates on what has to be in the health care plan to be part of the exchange, but that's a different debate.

The debate today, Mr. Chairman, is should the Secretary of Health and Human Services have the ability to obligate, without any constraints by the Congress, such sums as necessary to empower and fund these health exchanges. We say "no." So we're going to urge a "yes" vote at the appropriate time so that we can take away that authority, send this bill to the other body, and hopefully have that pass, and then at some point in the future bring back a reform bill where we have the policy debate which, again, I think you can say that there will be some agreement between the majority and the minority side on the underlying policy. But on the fact that the Secretary of Health and Human Services shouldn't be able to just obligate with no oversight by the Congress how much money goes into the creation and maintenance of these exchanges, we think the answer to that is, the current Secretary or any future Secretary should not have that authority, and that is why we have put forward the bill.

□ 1500

Mr. BURGESS. I urge an "aye" vote on the measure.

Mr. BLUMENAUER. Mr. Chair, I rise in opposition to H.R. 1213, which repeals grant programs established in the Affordable Care Act to support State efforts to set up health insurance marketplaces. The Affordable Care Act calls for these "exchanges" to be established by January 1, 2014. Under H.R. 1213, fewer States will have the resources necessary to create these marketplaces, and in the wake of this legislation, fewer people will get help buying insurance. As a result, 500,000 more people will be uninsured in 2015.

These exchanges are designed to allow Americans to compare prices and health insurance plans and decide which option is right for them. These grants are critical to help States develop and begin operation of exchanges able to perform these functions. In fact, nearly all States have already received grant funding to begin establishing their own marketplaces, including my State of Oregon, which will receive \$48 million. The Affordable Care Act establishes these exchanges to negotiate prices for a large volume of individuals, securing the kind of group discounts that large employers now enjoy. In addition to providing consumer protections, the exchanges actually provide for a robust private insurance market. This price competition plays a critical role in reducing health care costs.

Rather than making refinements to improve the law, H.R. 1213 simply proposes to eliminate funding. It would not advance the key objectives of the Affordable Care Act or offer alternative solutions for meeting these important objectives, and this legislation makes it more difficult to achieve better and more affordable care.

Many of the ill-founded criticisms of the Affordable Care Act stem from concerns about the country's burden of public debt. While I share many of these concerns about our public debt, I cannot condone this approach to balancing the nation's books. The Congressional Budget Office finds that the vast majority of the bill's \$14 billion in savings results from reduced spending on premium and cost-sharing for low-income people to buy insurance, not from the elimination of the \$1.9 billion in grants to help set up the exchanges. This legislation continues the Republican effort to balance our nation's books on the backs of the poor and I oppose this legislation.

Mr. DINGELL. Mr. Chair, I rise in opposition today to H.R. 1213, which would repeal funding available to States to establish health insurance Exchanges. Repealing this funding will dramatically hamper States' efforts to provide critical access to affordable and high quality insurance for the uninsured or underinsured.

The Exchanges are a vital component to the Affordable Care Act in that they will help simplify the process of purchasing insurance for American families and small businesses.

For the first time, individuals, families and small business alike will be able to shop for their coverage like they would for any other product—comparing the benefits, the services and prices side-by-side so that they can make a decision about what coverage will best fit their needs and their budget. These marketplaces will be transparent and competitive.

It is ironic that my colleagues across the aisle continually claim that the States best know the needs and challenges facing their population, yet today's legislation would hamstring the ability of States to plan and prepare their own exchanges.

HHS has already made available more than \$296 million to 48 States, the District of Columbia and four territories to begin this work, and my home State of Michigan received more than \$999,000 to begin their planning.

This funding will help Michigan determine who will be eligible for the Exchange, review the technical components needed to run the Exchange, develop a model and structure, as well as begin stakeholder discussions on implementation.

Repealing this funding will not only hurt Michigan's efforts, but also the efforts of the other States and territories that have already begun planning and building their own marketplace and delaying implementation.

According to CBO, such a delay would prevent almost two million people from enrolling in state exchanges, and increase the number of uninsured by 500,000 in 2015. Further, CBO found that 85 percent of the cuts in H.R. 1213 will come on the backs of low and moderate income families through subsidy reductions for the purchase of health coverage.

More importantly, the successes of critical consumer protections that make up the Patients Bill of Rights in the Affordable Care Act depend on working Exchanges by 2014.

These reforms will end the worst abuses in the insurance industry:

Ending discrimination for pre-existing conditions, gender, health status or family history;

Requiring coverage of preventative care services;

Protecting the patients' choice of doctors;

Preventing rescissions of coverage as a patient is being wheeled into the operating room; and

Prohibiting arbitrary limits on coverage, among other things.

If we want the States to be able to pave their own path forward in creating a robust and successful exchange designed to help employers and consumers to navigate the purchase of health coverage, than we cannot vote in favor of defunding these critical grants.

I urge my colleagues to vote against this attempt to defund the Affordable Care Act.

Mr. STARK. Mr. Chair, I rise in opposition to H.R. 1213, legislation being brought forth by my Republican colleagues in the House as another step in their ongoing march to undo health reform. Like those that have come before it, this bill is going nowhere in the U.S. Senate. Yet, we are here wasting taxpayer dollars and government resources debating it.

This bill would repeal health reform's mandatory funding to states to help them establish health insurance exchanges. Exchanges are the new, fair marketplaces established in health reform to ensure that people have access to quality, affordable health insurance. The law provides grants to states to help them develop these new marketplaces which are to begin operating on January 1, 2014. CBO estimates that HHS will spend \$1.9 billion on these grants between 2012 and 2015, after which grant monies are no longer available.

This legislation is the strangest of the repeal bills they've brought up so far. In fact, it is downright comical. If this bill were to be enacted into law, it would actually create a federal takeover of the American health care system—the very thing Republicans campaigned against in the last election cycle!

That's right. This bill would cause states to lose funding to create health insurance exchanges. However, a key fact that Republicans fail to highlight is that if States don't establish them, the law requires the Federal Government to do so. As most States are facing budget crises, a lack of Federal funds to develop exchanges would lessen the chance that many States move forward with such plans. Therefore, it would fall to the Federal Government to take over. That's what CBO presumes in their analysis as well.

So, we have before us today a bill that I predict all House Republicans will support that would actually mandate a Federal takeover of health care and it's being considered as part of their effort to repeal health reform.

Are you confused? I am too. With this bill before us today, House Republicans have officially "jumped the shark" with their health reform repeal efforts.

It is disgraceful that we are wasting taxpayer dollars and precious time we could use tackling the real issues facing America—like creating jobs, withdrawing our troops from Afghanistan, or addressing rising gas costs by reducing corporate welfare for the oil industry—in order for House Republicans to continue paying lip service to their repeal efforts.

I urge my colleagues to join with me and oppose this Republican bill to repeal funding for health insurance exchanges.

Mr. VAN HOLLEN. Mr. Chair, today we are considering yet another bill in the Republican

majority's efforts to repeal the Affordable Care Act. H.R. 1213 would repeal the funding from the Affordable Care Act for States to establish competitive and transparent insurance exchanges.

This legislation will gut meaningful health insurance reform. A critical piece of the Affordable Care Act was to allow States to create insurance exchanges that will allow individuals and small businesses to comparison shop for affordable and quality health insurance coverage, just like what Members of Congress can currently do through the Federal Employees Health Benefits Program.

Many states—including Maryland—have already used Federal funding to set up these exchanges. Repealing this funding would have negative consequences for States and consumers. According to the non-partisan Congressional Budget Office, without Federal assistance, fewer States will be able to establish an insurance exchange, and the establishment of the exchange, enrollment and operations will be significantly delayed.

Mr. Chair, I urge my colleagues to oppose this misguided legislation.

Mr. GUTIERREZ. Mr. Chair, this bill would increase both health care costs and the number of American families who would be unable to purchase health insurance.

A central pillar of the Patient Protection and Affordable Care Act are the flexible, state-based health insurance exchanges that will bring greater competition, consumer protection and choice into the health insurance marketplace. Exchanges drive down premium costs for consumers and small business owners, and will empower all Americans to shop for the best available health insurance plan for their families. If repealed, half a million Americans who would be covered under the current law will find themselves unable to purchase insurance.

For the record, I strongly oppose H.R. 1213 and any effort to de-fund the Health Benefit Exchanges or the Patient Protection and Affordable Care Act.

Mr. BURGESS. I yield back the balance of my time.

The CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule and shall be considered read.

The text of the bill is as follows:

H.R. 1213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEALING MANDATORY FUNDING TO STATES TO ESTABLISH AMERICAN HEALTH BENEFIT EXCHANGES.

(a) IN GENERAL.—Section 1311(a) of the Patient Protection and Affordable Care Act (42 U.S.C. 13031(a)) is repealed.

(b) RESCISSION OF UNOBLIGATED FUNDS.—Of the funds made available under such section 1311(a), the unobligated balance is rescinded.

The CHAIR. No amendment to the bill is in order except those printed in House Report 112-70. Each such amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent of the amendment,

shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MS. JACKSON LEE OF TEXAS

The CHAIR. It is now in order to consider amendment No. 1 printed in House Report 112-70.

Ms. JACKSON LEE of Texas. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

In section 1, add at the end the following:
(C) NOTICE OF RESCISSION OF UNOBLIGATED FUNDS.—Not later than 10 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall post on the public website of the Department of Health and Human Services a notice of—

(1) the rescission, pursuant to subsection (b), of the unobligated balance of funds made available by section 1311(a) of the Patient Protection and Affordable Care Act (42 U.S.C. 18031(a)); and

(2) the amount of such funds so rescinded.

The CHAIR. Pursuant to House Resolution 236, the gentlewoman from Texas (Ms. JACKSON LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. JACKSON LEE of Texas. Mr. Chairman, listening to the general debate, I would have to say that I am concerned and not supportive of this legislation and would hope that we would vote against the underlying bill.

But I have an amendment that I believe my colleagues on both sides of the aisle would appreciate, and it's very simple. This amendment will provide the public with important information about mandatory funding to States for health benefit exchanges that will no longer be available for the public and small businesses to use in order to obtain competitive health coverage for their necessary health care, post the moneys that are rescinded, and let the public judge for themselves: Good health care or not.

This particular amendment deals directly with the concern that we don't have the ability to move forward on health exchanges that will help the vast numbers of Americans. For example, the American health benefit exchanges make it easier for small businesses and the public to obtain competitive health insurance on the basis of price quality rather than to be subject to the abuses of insurance companies who would charge exorbitant, prohibitive rates. The health care exchange program is a key element of the Affordable Care Act, aimed at providing coverage to the uninsured.

There are 6.2 million residents in my home State of Texas that do not have health care insurance. Of the 26 percent of the Texas population that is uninsured, 18 percent are children. Insurance exchanges would also be available to small businesses with fewer than 100 employees. Texas is home to nearly 400,000 small businesses employing less

than 500 people and nearly 2 million self-employed entrepreneurs. Letting everyone know that we are making a good dent in the deficit, which we can do in many, many other ways, will also show them why I don't have good health care. Meaning, why don't small businesses and farmers?

So at this time, Mr. Chairman, I would ask that my colleagues support an amendment that is transparent to let you know what the savings are. But what's the question? What's happening to the accelerating rate of health care and the sick people who are getting sicker?

With that, I reserve the balance of my time.

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

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. BURGESS. I supported a seemingly similar amendment 3 weeks ago when the House considered H.R. 1217, a bill related to the public health slush fund in the Patient Protection and Affordable Care Act. However, I have to oppose this amendment because, despite the seeming similarity of the two amendments, this really is an apples-to-oranges comparison. The public health slush fund considered under H.R. 1217 provided a specified amount in mandatory funding for the Secretary in fiscal year 2011 and each year thereafter. In Ms. JACKSON LEE's amendment 3 weeks ago, it would be possible to determine the amount of funds that would be rescinded in fiscal year 2011 if H.R. 1217 had been enacted into law. But the amendment offered today by Ms. JACKSON LEE actually strengthens the arguments in favor of passing H.R. 1213, the bill before us today.

Section 1311 of the Patient Protection and Affordable Care Act provided the Secretary with an unlimited amount of money with virtually limitless discretion to spend on establishing exchanges or what activities could facilitate enrollment in what are known as qualified health plans. Giving the Secretary a blank check to spend is an abdication of our responsibility here in the House of Representatives. This blank check also makes it impossible to implement the Jackson Lee amendment. There is no dollar figure for how much the Secretary can spend on this program. It is simply an unknown unknown. The Secretary could decide tomorrow to spend another \$100 million or another \$100 billion. In 2013 the Secretary could take the advice of CMS and funnel money into any amount of activities. Congress and, for that matter, the general public won't know that until the money is spent.

I think the gentlelady from Texas has good intentions with her amendment. Unfortunately, because Congress decided to leave it entirely up to the Secretary of Health and Human Services and the Secretary alone to determine the amounts of money that can be spent, the amendment does not work in this circumstance. I urge my colleagues to oppose the amendment.

Ms. JACKSON LEE of Texas. I thank the gentleman from Texas. But he well knows that we have had mandatory appropriations, and it is not difficult to indicate what money you are allegedly saving. So if the American public can juxtapose those so-called savings on the backs of the elderly, losing Medicare of course, on the backs of sick families and sick children, and to see how we can stop the normal primary medical care that you would get for children that are in need that these health exchanges would provide, and as well neonatal care for children who are born prematurely, this is what the Republicans would like us to do as we eliminate our health exchanges.

Frankly, he should look at what has already happened. Forty-nine States, including the State of Dr. BURGESS and myself, the State of Texas, have applied for funding for health exchanges. And so to stop in the middle and suggest that you are now impacting the deficit—no, you are killing and losing and indicating that you want to close down the good health care that we are trying to promote. Insurance exchanges would also be available again to small businesses, and Texas is home to nearly 400,000 of them. The Kaiser Foundation says 23 percent of the Texas population lives in poverty. They would be able to participate in these exchanges. I would make the argument that it's good to put how much money you are allegedly saving so you can see how much you are losing by all the sick people who would not have care.

I reserve the balance of my time.

Mr. BURGESS. Again, I would just simply point out that the gentlelady's amendment under the legislation that was considered previously was appropriate because there were actually funding levels that were mentioned in the legislation.

Now, reading from the Patient Protection and Affordable Care Act here in section 4002, under the Prevention and Public Health Fund, in paragraph B, which discusses funding: There are hereby authorized to be appropriated and appropriated to the fund out of any moneys in the Treasury not otherwise appropriated, one, for fiscal year 2010 \$500 million; two, for fiscal year 2011 \$750,000, and so on and so forth. In other words, the funding is explicit under the previously considered legislation.

Under the legislation today, which is the health benefits exchange, here is how the funding language reads: For each fiscal year, the Secretary shall determine the total amount that the Secretary will make available for each State for grants under this subsection. Well, we have no earthly idea. Is that \$10, \$100, \$100 million, \$100 billion, \$13 trillion? We have no earthly idea.

So while the intent of this amendment in previous legislation was one which the majority could accept, in this case, it actually becomes meaningless because there is no dollar figure

specified as the upper limit as to what the Secretary can spend.

I reserve the balance of my time.

Ms. JACKSON LEE of Texas. I thank my good friend from Texas, and he has made my argument because the Secretary of Health and Human Services can explicitly state the funding that might be used. In addition, isn't it interesting that this is being repealed on the basis of savings, and yet the Republicans can't explain whether there are going to be any savings or not.

At the same time, sick people are going to get sicker. And in my State, 444 people out of every 100,000 have cancer. Of the population, 9.3 percent are diabetic, 32 percent are overweight; and they will not be able to have the coverage. I am going to ask my colleagues to vote on a sensible amendment. Show us what you are going to save. Let it be put on the Web site. Let the American people see it. And explain why you would rather put these dollars on while you raise the cost in an unbelievable way. And because of the fact that people will not have insurance, they will get sicker and sicker and sicker and sicker. God forbid if we take out Medicare and all the seniors will wind up being sick and lose their lives as well.

I reserve the balance of my time.

□ 1510

Mr. BURGESS. I reserve the balance of my time.

Ms. JACKSON LEE of Texas. Mr. Chairman, let me just say that, if H.R. 1213 passes, it will severely harm cash-strapped States who cannot afford to establish the health benefit exchanges which, by the way, will help people of all backgrounds, and particularly our small businesses, our farmers and, yes, the children that you've seen on these posters.

I ask my colleagues to support this important amendment. Show your cards. If we're saving money, let it be on the Web site, and let us compare those savings against the thousands and millions of individuals who will be blocked from having health exchange opportunities. While some of us will have savings accounts, others will have nothing, absolutely zero.

Vote for the Jackson Lee amendment to really show the cards of what happens when you cut out and repeal health care coverage for America.

Mr. Chairman, I would first like to state my clear position that I am adamantly opposed to H.R. 1213 and its Repeal of the Mandatory Funding Provided to States to Establish American Health Benefit Exchanges under the Affordable Care Act. The funding for American health benefit exchanges curbs insurance company abuses, saves lives and saves money.

If H.R. 1213 to Repeal Mandatory Funding Provided to States to Establish American Health Benefit Exchanges Provided under Section 1311(a) of the Patient Protection and Affordable Care Act is enacted into law:

I. WHAT MY AMENDMENT DOES IS

Requires the Department of Health and Human Services to post public notice on its of-

ficial website that the funds from Section 1311(a) of the Patient Protection and Affordable Care Act that will be rescinded including the amount of the funds rescinded.

This amendment will provide the public with important information about mandatory funding to States for health benefit exchanges that will no longer be available for the public and small businesses to use in order to obtain competitive health coverage for their necessary health care.

This amendment also assists my Republican colleagues by permitting them to easily and transparently show the American public that they are cutting government spending, by how much they are cutting spending, and where they are cutting government spending. So I expect that my Republican colleagues will fully support this amendment.

II. PURPOSE OF THE MANDATORY FUNDING TO STATES FOR AMERICAN HEALTH BENEFIT EXCHANGES CREATED UNDER THE AFFORDABLE CARE ACT (SECTION 1311(A) OF THE AFFORDABLE CARE ACT)

When Congress passed the Affordable Care Act in 2010 and the President signed it into law, the Department of Health and Human Services was mandated to provide funding by making Grants to States for the purpose of establishing "American Health Benefit Exchanges," so to make it easier for small businesses and the public to obtain competitive health insurance on the basis of "Price & Quality" rather than be subject to the abuses of insurance companies who would charge exorbitant, prohibitive rates for coverage. This was already a cost cutting measure. This is sorely needed insurance reform.

The health insurance exchange program is a key element of the Affordable Care Act aimed at providing coverage to the uninsured. Six million two hundred thousand residents in my home state of Texas do not have health care coverage. Of the 26 percent of the Texan population that is uninsured, 18 percent are children.

Insurance exchanges would also be available to small businesses with fewer than 100 employees. Texas is home to nearly 400,000 small businesses employing less than 500 people, and nearly 2 million self-employed entrepreneurs who would certainly benefit from a health insurance exchange.

According to the Kaiser Family Foundation, 23 percent of Texas' population lives in poverty. Health insurance exchange programs would provide relief to those living at less than 133 percent of the poverty level, about \$14,484 dollars annually, by making them eligible for Medicaid in all states. More than 30 percent of impoverished Texans would be eligible for Medicaid under this provision.

The Health Benefit Exchange Programs were championed as a means for people to get affordable health care and now they are opposing that very principle in H.R. 1213.

If H.R. 1213 passes, it will severely harm cash-strapped states who cannot afford to establish the health benefit exchanges on their own.

The Affordable Care Act requires all State Health Benefit Exchanges to be self-sustaining by Year 2015 and no further Federal grants will be made to states for health benefit exchanges after January 1, 2015. This sounds like the State's rights that my Republican colleagues have been championing on this Floor for a very long time in the course of debating health care reform. Now, they are opposed to

the very State's rights contained in the Affordable Care Act that pertain to health benefit exchanges.

This bill takes away the ability of States to provide cost-saving health coverage through Health Benefit Exchanges.

This bill deals a severe blow to America's middle class and small businesses who simply seek to obtain affordable health insurance so they can do their part to help keep America healthy and contribute to our continued national economic growth.

I urge all of my colleagues to support my amendment to H.R. 1213 to facilitate transparency in government spending cuts and notice of funding that will no longer be available to them.

The CHAIR. The time of the gentleman has expired.

The gentleman from Texas has 1½ minutes remaining.

Mr. BURGESS. Mr. Chairman, the real travesty here is the fact that there is no upper limit on what the Secretary of Health and Human Services can spend on the exchanges. It is pointless to put up on the Web site how much money has been saved when the actual amount of money to be spent equals infinity.

We are borrowing 42 cents out of every dollar that we spend at the Federal level from the Chinese and handing the bill to our children and grandchildren. That has to stop. That's what this legislation is about today. That is why I urge my colleagues to vote against the Jackson Lee amendment and vote for the underlying bill.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Texas (Ms. JACKSON LEE).

The question was taken; and the Chair announced that the noes appeared to have it.

Ms. JACKSON LEE of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas will be postponed.

AMENDMENT NO. 2 OFFERED BY MS. WATERS

The CHAIR. It is now in order to consider amendment No. 2 printed in House Report 112-70.

Ms. WATERS. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of section 1, add the following new subsection:

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the extent to which States are expected to have difficulties establishing Health Benefit Exchanges without Federal assistance repealed and rescinded under subsections (a) and (b).

The CHAIR. Pursuant to House Resolution 236, the gentleman from California (Ms. WATERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Ms. WATERS. Mr. Chairman, my amendment requires the Secretary of Health and Human Services to submit to Congress a report on the extent to which States are expected to have difficulties establishing health benefit exchanges without the Federal assistance repealed by this bill.

The Affordable Care Act requires the establishment of health benefit exchanges in every State. These exchanges will be a marketplace where individuals, families, and small businesses can purchase health insurance. The exchanges will feature a variety of health plans offered by different insurance companies, all of which must offer a comprehensive set of essential health benefits at affordable prices. The purpose of these exchanges is to enable American consumers to compare premiums, out-of-pocket expenses and benefits, and make informed choices among competing health plans.

The Affordable Care Act places an emphasis on State-based health reform. The Affordable Care Act allows States to set up their own health benefit exchanges and offers grants to States to assist them in doing so. A total of 49 States, the District of Columbia, and four territories have already applied for these exchange grants. These States and territories are working hard to determine what type of health insurance marketplace will be best for their families and businesses.

Without Federal funding, some States could have difficulty establishing exchanges in a timely manner. This could lead to poor management of the exchanges, fewer health plans included on the exchanges, and years of delay in getting the exchanges up and running.

Some States might simply refuse to establish exchanges at all in the absence of Federal assistance. This would result in greater costs for the Federal Government because the Affordable Care Act requires the Federal Government to set up health exchanges in those States that do not set up their own exchanges.

According to the Congressional Budget Office, States that attempt to set up health exchanges without Federal funding may face challenges in making their exchanges fully operational by 2014, as the law requires. These challenges could limit the desirability of the exchanges for consumers and reduce the capacity of some exchanges to process enrollment. As a result, CBO estimates that by 2015, there will be almost 2 million fewer people enrolled in State exchanges.

Many States are already facing declining revenues and budget pressures as a result of the Great Recession. Some States were forced to make painful choices, increasing taxes or cutting spending in order to make ends meet. Budget pressures have forced States to consider closing public health facilities, postpone transportation and infrastructure projects, and lay off teachers, law enforcement officers and other

public employees. If the Federal Government expects States to set up health exchanges without any assistance, it will only compound their budgetary problems.

My amendment requires the Secretary of Health and Human Services to report to Congress, within 6 months of enactment, on the difficulties States will encounter while trying to set up these exchanges without Federal help. If Congress is going to deny States the funding that was mandated for them to set up their health exchanges, Congress needs to know the extent of the difficulties States will face without these funds.

I urge my colleagues to support this amendment.

I yield back the balance of my time.

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

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. BURGESS. I stand in opposition to the Waters amendment because it does perpetuate the fallacy that the Patient Protection and Affordable Care Act will actually provide affordable health care options.

We've had this debate for some time, and my colleagues on the other side of the aisle have argued that the way to provide an affordable coverage option to the uninsured is through a massive 2,700-page law authorizing thousands of pages of new regulations. Yet we've learned that merely one costly requirement of the many contained in the Patient Protection Affordable Care Act has forced the Secretary to issue over 1,200 waivers.

Now, Mr. Chairman, I want you to take a minute with me and to envision in your mind's eye, I want you to visualize a central planner, maybe a very benevolent central planner, but a central planner nevertheless, moving data points around on a spreadsheet. That's what we're going to have under this.

Washington will literally impose thousands of new requirements on plans that kindly bureaucrats are kind enough to allow poor Americans to buy in the Patient Protection and Affordable Care Act's exchanges. The only way to make these federally controlled health plans affordable is through the massive subsidy contained in the Patient Protection and Affordable Care Act. Yet every Member of this body should know that we can no longer afford the "business as usual" spending binge to which my Democrat friends are clearly affixed.

I also reject the premise of this amendment. Remember, a few moments ago when debating the baseline bill, I said, you know, we've given the Secretary of Health and Human Services the ability to write all the rules of the game and then to function as the referee to interpret the rules. That's what we're furthering with this amendment.

The underlying assumption of this amendment is that the Secretary of Health and Human Services should

issue a report to judge the benefits of the regulations. Oh, by the way, regulations that her own department writes. Given the politically charged reports being issued by the Department of Health and Human Services since the passage of the Patient Protection and Affordable Care Act, we shouldn't pay for another taxpayer-financed advertisement for their health care law.

I urge my colleagues to oppose the Waters amendment.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from California (Ms. WATERS).

The question was taken; and the Chair announced that the noes appeared to have it.

Ms. WATERS. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California will be postponed.

□ 1520

AMENDMENT NO. 3 OFFERED BY MR. ELLISON

The CHAIR. It is now in order to consider amendment No. 3 printed in House Report 112-70.

Mr. ELLISON. I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end of section 1 the following new subsection:

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report that contains the results of a study on the possible delays and potential enrollment reductions into Health Benefit Exchanges as a result of the repeal and rescission of funds under subsections (a) and (b).

The CHAIR. Pursuant to House Resolution 236, the gentleman from Minnesota (Mr. ELLISON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota.

Mr. ELLISON. Mr. Chair, today I rise to offer an amendment to H.R. 1213, and I rise in opposition to the underlying bill.

My amendment is very simple. It directs the Secretary of Health and Human Services to submit a report to Congress 6 months after the enactment of the bill, a report which examines the possible delays and potential enrollment reductions in the health care exchanges that will result from this bill. Yet, before I dive into my amendment, Mr. Chair, let's review just for a moment.

From the year 2000 to the year 2006, the Republicans controlled the House, the Senate and the White House. They controlled all three of those institutions at a time when Americans were literally going bankrupt because of medical debt. The fact is that the Republicans refused to do anything at all to try to help Americans within our

health care system, which was dysfunctional and broken.

They did nothing.

They stood back and watched 60 percent of all bankruptcy filings happen as a result of medical debt. They sat back and watched 47 million uninsured Americans as they faced nothing more than emergency rooms as relief. They sat back and watched small businesses either have to offer no health care insurance at all or have to stomach enormous health care burdens as premiums just galloped along day after day. They sat back and watched while auto companies produced vehicles where as much as \$2,100 per car went to nothing but health care costs.

This is the Republican Conference that now seeks to try to take away what the Democratic Caucus and the United States Congress passed the last time. Instead of trying to say "we're here to do something; we're here to offer some solutions," all they want to do is to strip away from Americans that little bit of protection from the vicissitudes of the health care insurance industry that they have been subjected to for so many years. Instead of saying "we're here to help," they're here to help the insurance companies. That's whose side they're on. It is a shame and a disgrace, and I am very, very sad to see this bill on the floor today. So what I'd like to do is to offer an amendment, Mr. Chairman.

I offer an amendment to say, if we're going to do this, if we're going to take away from the American people these exchanges that are going to give them a little bit of relief, let's at least know what we're doing. Let's at least figure out what the effects are going to be on the American people instead of just snatching out of their hands these exchanges that are designed to give them a little bit of relief from the health care insurance companies. Let's find out who is going to be delayed and what potential enrollment reductions are going to exist. Let's figure it out.

This is an important and a meritorious amendment, and I think the least the Republican Conference can do is to say, You know what? If we are going to go back to the bad old days, which was before the Affordable Care Act was passed, at least we ought to know what harm we are going to be doing to the American people.

So I urge support of this amendment.

I reserve the balance of my time.

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

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. BURGESS. Mr. Chairman, I do feel obligated to point out that the insurance companies of this country love the Patient Protection and Affordable Care Act. Look what happened to their stock on March 24 of 2010. It went through the roof. The reason is that they got individual mandates, not supported by any Republican I'm aware of. They got individual mandates that

every man, woman and child in this country now has to purchase their products. They were suddenly released from creating products that people might actually want, and now you have to buy their products because the Federal Government tells you you must, and the Internal Revenue Service is going to be the enforcer; but let's confine our remarks to the business at hand, which is the Ellison amendment.

The amendment would require the Secretary of Health and Human Services to submit a report on the possible delays and potential enrollment reductions in health benefit exchanges. Now, here is a bit of irony. The reason we need this bill is that the authors were either inadvertently providing the Secretary of HHS an unprecedented unlimited tap on the Federal Treasury for these grants or they meant to provide this blank check to the Secretary. Now the amendment would ask the same Secretary to evaluate the impact of taking away their authority to spend unlimited money.

I wonder how they're going to rule on that?

Not one amendment has been offered this afternoon that would actually ask the Secretary to report on how the Secretary is going to spend these funds or provide information regarding how much money the Secretary actually intends to spend in this section. People should be aware that the amendment does not ask for a report on the benefit of health insurance exchanges. Rather, the amendment asks the Secretary to evaluate only the exchanges contemplated under the Patient Protection and Affordable Care Act, which gives the Secretary the authority to determine what plans can be sold and what benefits must be offered.

The Secretary is even given the authority to limit your choices of doctors. That's not rhetoric. That's in section 1311(h) of the Patient Protection and Affordable Care Act. Some States may want to create exchanges that look nothing like the centrally controlled exchanges called for in PPACA. Yet this amendment only wants the Secretary to report on exchanges that the Secretary is charged with creating. Some States may want to create exchanges that actually provide people real choices and that actually let people keep their doctors. Some States may feel that reforms other than exchanges fit their States better.

I also oppose the amendment because it is a conflict of interest to ask the Secretary to report on whether the Secretary believes that unlimited funding and numerous authorities to control the exchanges are a bad or a good thing. I also reject the notion that only an exchange designed and controlled by Washington, D.C., can reduce the number of uninsured.

I reserve the balance of my time.

The CHAIR. The gentleman from Minnesota has 2 minutes remaining.

Mr. ELLISON. Mr. Chair, why all the attacks on the Secretary of Health and

Human Services? I believe our Secretary of Health and Human Services is an honorable person, and there is no basis to attack her integrity on the House floor. That again is a disgrace and a very sad occasion. This Secretary of Health and Human Services was appointed by a duly-elected President, and was confirmed by the Senate. Yet the Secretary has to withstand all of these attacks on her integrity.

The fact is that this is still nothing but a diversion and a distraction. This is an attack on the American people's legislation to fix this health care system. As the gentleman goes on and on about government, look, health insurance companies, which have absolutely no accountability except to their stockholders and their highly paid CEOs, are denying care, denying treatment, denying doctors. This is the tragedy that Americans are living through every single day.

By the way, to the tune of as many as 52 million people, Americans have gone bankrupt, have lost their livelihoods, and have been uninsured. What is the gentleman's answer to that? We've heard nothing about this—only what's wrong, only blaming government. In this democratic Nation, which I am proud of, he attacks our government, the American people's government. This again is an abomination and a sad thing.

Let me just say, if the insurance companies love the bill so much, why have they lobbied against it to the tune of \$14 million a day? I remember standing on this House floor, seeing the insurance company lobbyists here every day. They spent as much as \$14 million a day to defeat the Affordable Care Act. This is the bill that, according to the gentleman, they love so much. The fact is that that, again, is not accurate. It's untrue.

This is a good amendment. It just adds a little bit of sunshine which will help people get into exchanges to get affordable health care insurance policies. As that is stripped away and snatched out of their hands, Americans will at least know why and the impact of it.

I yield back the balance of my time.

The CHAIR. The gentleman from Texas also has 2 minutes remaining.

Mr. BURGESS. Mr. Chairman, I will direct my remarks to you and will try not to make them personal, but I am offended that the previous speaker would say that I am attacking the Secretary of Health and Human Services. Nothing could be further from the truth.

The fact of the matter is, Mr. Chairman, that the Patient Protection and Affordable Care Act that was pushed through this Congress by then-Speaker PELOSI and members of the Democratic Caucus gave the Secretary of Health and Human Services unprecedented power. With regard to every man, woman and child in this country, the most intimate aspects of their lives are now controlled by the Secretary of

Health and Human Services. Further, every time in this law where it reads “and the Secretary shall—” and I believe there are almost 2,000 of those phrases—there is a new episode of a Federal rulemaking. There are thousands of pages that go in the Federal Register.

□ 1530

Now, I know most people spend part of their nights reading the Federal Register every evening; but for those who don't, these regulations are coming at you at an alarming rate.

Let's be honest about the insurance companies. The insurance companies love this bill. They get an individual mandate: you've got to buy their product. You have no choice. It is a mandate enforced by the Secretary and, oh, by the way, by the Internal Revenue Service.

Look, this is a bad amendment. Let us defeat this amendment. Support the underlying bill.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Minnesota (Mr. ELLISON).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. ELLISON. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Minnesota will be postponed.

AMENDMENT NO. 4 OFFERED BY MR. PALLONE

The CHAIR. It is now in order to consider amendment No. 4 printed in House Report 112-70.

Mr. PALLONE. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

In section 1, add at the end the following:

(C) GAO REPORT ON IMPACTS THAT FUNDING WOULD HAVE ON STATES ESTABLISHING EXCHANGES, IF NOT REPEALED AND RESCINDED.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study to determine the impacts that expenditures by States, using the funding made available under subsection (a) of section 1311 of the Patient Protection and Affordable Care Act (42 U.S.C. 18031), would have in establishing State-run American Health Benefit Exchanges (as described in subsection (b) of such section) that reflect the marketplace of the specific State (as opposed to State exchanges established and operated by the Federal Government), if such funding were not repealed and rescinded under subsections (a) and (b) of this section. In determining such impacts, the Comptroller General shall at a minimum address—

(A) whether employers with over 50 employees are permitted in such Exchanges to purchase insurance over time;

(B) what type financing mechanisms will be used to operate such Exchanges;

(C) whether such Exchanges will be active negotiators in selecting health plans to obtain the best price and quality for citizens;

(D) whether States will operate such Exchanges together with one or more other States; and

(E) whether there will be more than one such Exchange (subsidiary exchanges), each serving a geographically distinct area, in some States.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Congress a report setting forth the results and conclusions of the study under paragraph (1).

The CHAIR. Pursuant to House Resolution 236, the gentleman from New Jersey (Mr. PALLONE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. PALLONE. I yield myself 3 minutes.

Mr. Chairman, my amendment requires the Comptroller General of the Government Accountability Office to study the impacts of the exchange grants on allowing States to set up State-run exchanges, as opposed to having the Federal Government establish and operate the States' exchanges.

Dr. BURGESS and I have had a colloquy on this back and forth all afternoon, and I know he just mentioned it again. My whole point today has been that if we are going to have exchanges, which I know many of my Republican colleagues would not want to do, but they are not repealing the State exchanges. They are simply saying that they are not going to give them any money to proceed.

I think that is a very shortsighted plan because the fact of the matter is that the State exchanges would work best if they had the flexibility and they had the money so that they could figure out what was the best way to tailor the health care exchange program to their needs in their State. My view is that by denying them that money through the State grants, we are simply letting the Federal Government come in and essentially run the exchange.

My colleague Mr. BURGESS keeps mentioning over and over again, well, the Health and Human Services Secretary is going to do this and is going to do that. Well, if he doesn't like that, then why in the world would he let her do it by saying they are not giving the States the money to do their own thing? I mean, if you believe in States' rights, if you don't want the Health and Human Services Secretary to control the process, then let the States do their thing, and the only way they are going to be able to do that is if they get some money to accomplish that goal.

I mentioned my home State of New Jersey has already received some money through these grants. They are doing demographic surveys. They are trying to find out who the clientele are, what the health concerns are of the clientele so that they can make decisions about what kinds of plans they would have on the exchanges, what they would offer on the exchanges. This is the type of thing that is allowed and encouraged if you have State grants. Without the State grants, that won't be possible.

All I'm saying with my amendment is to let us see what the GAO says would happen if the Federal Government comes in and runs these exchanges rather than the States. I don't think it is going to be a good thing by comparison, but I would like the GAO to certainly study it.

I would point out, 49 States, the District of Columbia, and four territories have gotten beyond the ideology and have applied for these exchange grants. There is almost nobody on either side of the aisle that doesn't have their State applying for these grants, because the States know that if they are going to set up these exchanges, they might as well have the money so they can have the flexibility to do it the right way. So all you are doing by repealing these grants is pulling the rug out from the States, your own State in almost every case, whether you are a Democrat or a Republican.

I don't want to repeat what Mr. Deal said, now the Governor of Georgia, but my colleague from Texas often mentions the Governor of Utah, and I just wanted to read a quote from the Governor of Utah.

The CHAIR. The time of the gentleman has expired.

Mr. PALLONE. I yield myself an additional 30 seconds, Mr. Chairman.

Governor Herbert of Utah stated at a recent hearing in the Energy and Commerce Committee on March 1—and he was commenting on Governor Barbour, who also appeared before the committee—he said: I am not saying it is the approach. It is an approach. And I would just echo what Governor Barbour said. You know, all States ought to have the opportunities to find the solutions to the problem.

So again, even the Governor of Utah, which Dr. BURGESS has mentioned many times, has said: I may not like the Affordable Care Act; I may not even like exchanges. But if you are going to have exchanges, it certainly makes sense for States to operate them and have the money to do it in a right way.

That is what this bill would stop. That is why we need the GAO report.

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

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. BURGESS. Mr. Chairman, I yield myself 4 minutes.

The description provided by the author to the Rules Committee states that the amendment “would require the Government Accountability Office to report on benefits of funding in setting up State-run exchanges that reflect the State's marketplace, as opposed to State exchanges established and operated by the Federal Government.”

That description sounds appealing enough in its own right; but sort of like the health care reform law of last year, you have to read the amendment to find out what is in it.

The amendment does not ask the Government Accountability Office to examine the benefits of State-run health insurance exchanges. Rather, the amendment asks the GAO to report only the exchanges called for in the Patient Protection Affordable Care Act, whose rules and structure are dominated by Washington rather than States or individuals.

The amendment description speaks to “setting up State-run exchanges that reflect the State’s marketplace.” However, talk about State flexibility in the Patient Protection and Affordable Care Act is just that: it is merely talk.

I would remind my colleagues about the Golden Rule: He with the gold makes the rules.

So let’s once again look at just a few areas where Washington will dictate operation and structures of the exchanges.

For the purposes of comparison, let me use Washington versus Austin, the capital of my State.

So will Washington or Austin choose the essential benefits that must be paid for by the individuals and families? Section 1302 of the Patient Protection Affordable Care Act says that responsibility is Washington’s.

Will Washington or Austin control whether health savings accounts and other consumer-driven plans can be offered? Section 1302(d)(2) says Washington wins that round.

What about, will it be Washington or Austin that will select the doctors and other health care professionals that are allowed to provide care in the exchange plans? Well, section 1311(h) gives that authority to Washington, not Austin.

Washington or Austin to decide if your plan’s provider network is adequate regardless of whether or not it covers your doctor? Section 1311(c)(1)(B) gives that authority to Washington, DC.

Will it be Washington or Austin to decide whether a plan provides linguistically appropriate and culturally sensitive information? Section 1311(i) gives the nod to Washington.

Will it be Washington or Austin that determines whether a State plan is properly accredited? Well, once again, section 1311(c)(1)(B), Washington wins that round also.

Washington or Austin, who do you think is going to win this one, can decide when individuals can enroll in an exchange plan? Section 1113(c)(1)(I)(6), Washington, DC wins that one.

Washington or Austin, impose certification and decertification plan requirements written by the Department of Health and Human Services? Well, that’s hardly fair because HHS is in Washington, and, you guessed it, Washington wins that round.

Washington or Austin, who do you think is going to win this one: judge the adequacy of an exchange Internet Web site? That’s something that the States should be able to decide. After all, who knows the residents of the

State better than Austin in the State of Texas? Well, Washington actually wins that round.

How about this one: Washington or Austin, force State government to pay for existing benefit requirements? Well, guess what, Washington, not the State. Washington will be the one making that determination.

□ 1540

Then under section 1321, If the Secretary determines a State has not taken the necessary steps, as determined by the Secretary, to meet all the requirements set forth by the Secretary, then the Secretary will take over the State exchange.

I think, Mr. Chair, you begin to get the impression that this is not State flexibility; this is of and run by Washington, DC.

I reserve the balance of my time.

The CHAIR. The gentleman from New Jersey has 1½ minutes remaining.

Mr. PALLONE. Mr. Chairman, I yield myself such time as I may consume.

My colleague on the other side, I don’t understand. You are saying that you want Austin to do it, you want Austin to have the flexibility to frame a program that is done best because you think that Austin and the State are going to do it best. Well, if that is the case, why in the world are you putting this bill on the floor? Because my whole point in this amendment is that, by passing this bill, you are simply abdicating the right of the State to make a decision and to have the flexibility to set up a good program that is tailored to the State. It is the exact opposite of what you are saying you want to do.

If you believe that the Secretary of Health and Human Services in Washington is going to make the wrong decision, I don’t think she would, but if you believe that, then you shouldn’t be offering this bill, because this bill takes away the flexibility and the power of Austin or the States to make the right decisions. It is totally contrary to the purpose of what you are trying to accomplish. To me, it is mind-boggling.

Now, I think what you are really trying to do, of course, is just say let’s forget about the exchanges, let’s defund the exchanges, let’s get rid of the whole Affordable Care Act. Obviously, that would be very unfortunate because so many more people are going to be covered at a low cost with a good benefit package and all the benefits and the antidiscriminatory practices that have already been in place would be gotten rid of.

I would say again, if you are totally opposed to the bill, that is one thing. But if you feel strongly that the State exchanges should be run by the States, then your legislation today is totally misplaced.

The CHAIR. The time of the gentleman has expired.

ANNOUNCEMENT BY THE CHAIR

The CHAIR. The Chair would remind all Members to address their remarks to the Chair.

The gentleman from Texas has 1 minute remaining.

Mr. BURGESS. I yield myself the balance of my time.

The Patient Protection and Affordable Care Act, as seductive as the title sounds, does not empower the States. In fact, it does just the opposite.

Some States have created or are in the process of creating State exchanges that would not meet the requirements set forth by Washington. For these and other States that don’t believe that Washington knows best, I oppose this amendment. I urge my colleagues to oppose the amendment. I urge my colleagues to support the underlying bill.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from New Jersey (Mr. PALLONE).

The amendment was rejected.

AMENDMENT NO. 5 OFFERED BY MR. WELCH

The CHAIR. It is now in order to consider amendment No. 5 printed in House Report 112-70.

Mr. WELCH. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. PRESERVING EXCHANGE GRANTS FOR STATES THAT APPLY FOR EARLY INNOVATOR GRANTS BEFORE 2012. SUBJECT TO AVAILABILITY OF APPROPRIATIONS.

(a) IN GENERAL.—Section 1311(a) of the Patient Protection and Affordable Care Act (42 U.S.C. 18031(a)) is amended—

(1) in paragraph (1)—

(A) by striking “shall be appropriated to the Secretary, out of any moneys in the Treasury not otherwise appropriated” and inserting “is authorized to be appropriated”;

(B) by inserting “(not to exceed \$1,900,000,000)” after “an amount”; and

(C) by inserting “that apply for an early innovator grant (as described in the January 20, 2011, Department of Health and Human Services funding opportunity announcement) before December 31, 2011,” after “States”;

(2) in paragraph (2), by striking “available to each State” inserting “available, subject to the amounts made available by an appropriations Act pursuant to paragraph (1), to each State described in paragraph (1)”;

(3) in paragraph (4)(A), by inserting “, subject to the amounts made available by an appropriations Act pursuant to such paragraph,” after “under paragraph (1)”;

(4) in paragraph (5), by striking “provide technical assistance to States” and inserting “, subject to the amounts made available by an appropriations Act pursuant to paragraph (1), provide technical assistance to States described in paragraph (1)”.

(b) RESCISSION OF UNOBLIGATED FUNDS.—Of the funds appropriated under such section 1311(a) before the date of the enactment of this Act, the unobligated balance is rescinded.

The CHAIR. Pursuant to House Resolution 236, the gentleman from Vermont (Mr. WELCH) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Vermont.

Mr. WELCH. Mr. Chairman, this Congress and the last Congress are at odds

about health care. It is a fundamental question of fundamental importance to the people of this country.

The last Congress passed the Patient Protection and Affordability Act. The first act of this Congress, of the House of Representatives, was to repeal that act. We have got disagreement about what should be done. The House legislation is pending in the Senate, likely to go nowhere. This legislation before us today is a further effort to unravel the law that was passed by the House, the Senate, and signed by the President last year.

Acknowledging that there is a serious debate within this body about the future direction of health care, this amendment would allow for the State health exchanges, where there have been applications by 13 States for early innovator grants, to go forward. It would exempt from the defunding \$1.9 billion that would be then subject to appropriations up to that amount. It wouldn't guarantee it. It would be subject to appropriations. My preference, quite frankly, was to make that mandatory, as it was in the original bill, but that was not permitted under the rules in order to make this amendment in order.

The advantage to doing this is it does, and I speak to my friend the gentleman from Texas, it allows the local States to be making decisions about how best to design their health care. Just to go through some of the recitation by the gentleman from Texas, the early innovator grants have been awarded to 11 States. Again, it allows them to decide what is the best design of these health exchanges. And these States include what we might call red States and blue States. It is Kansas and Wisconsin. It is Maryland and Massachusetts. It does include Vermont, my State, that has taken on responsibility to try to move forward to design a health care system that is good for business, good for consumers, and good for taxpayers.

So the fundamental question here is: Do you think that States can be a laboratory of experimentation and policy? The States take action. They implement a plan according to the design in Boston if it is Massachusetts, or Hartford if it is Connecticut, or Tulsa if it is Oklahoma, or Montpelier if it is Vermont; and the folks in that State, where they have fundamental responsibility for the citizens of that State, will be making the decision.

This allows us to be partners with the States where they take on this responsibility. They get some help from the Federal Government to implement these health benefit exchanges, and we are allowed, then, to basically get the benefit of the Federal system where States make decisions and the Federal Government is a partner.

I reserve the balance of my time.

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

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. BURGESS. I yield myself 4 minutes.

My colleagues on the other side of the aisle have argued that these grants encourage flexibility by promoting State control of the exchanges. Yet this argument is based on the premise that States can actually design the right health care plan for their citizens under the Patient Protection and Affordable Care Act. But when you look at the law, you understand that this concept is actually not true.

In reality, the relationship between the States and Washington, the States are the servant, not a partner of Washington under this health care law. The Secretary of Health and Human Services will control what benefits must be bought, must be bought, in an exchange.

A benevolent central planner, and I underscore the word "benevolent," but a benevolent central planner will decide whether you, your doctor, your nurse, your clinic, your hospital can provide care to you through an exchange plan. A regulation writer at the Department of Health and Human Services will decide whether or not your health savings account complies with their rules.

Rather than promote local control, the Patient Protection and Affordable Care Act's exchanges have only the veneer of providing States flexibility, and they certainly rob an individual and they rob families of health care choice, even if they are happy with the coverage that they currently have.

The Welch amendment does not authorize a grant program for States to establish exchanges, that is exchanges written with a lower case E, but, rather, Health Benefit Exchanges, all caps, that are contemplated in the Patient Protection and Affordable Care Act.

Section 1321 of the bill has the title "State Flexibility in Operation and Enforcement of Exchanges," but a reading of that section shows the title could not be anymore misleading. The section is littered with phrases such as "other requirements the Secretary determines appropriate," or words such as "the Secretary determines that an electing State has not taken the actions the Secretary determines necessary."

Section 1311(k), I have referenced that previously, section 1311(k) states that "an exchange may not establish rules that conflict with or prevent the application of regulations issued by the Secretary."

□ 1550

Mr. Chairman, I am encouraged that the supporter of the amendment believes that we should not provide the Secretary with a blank check. However, I oppose this amendment because it perpetuates the idea that the Federal Government should dictate how States establish exchanges.

Last year, we were told we need to read the bill to know what is in it. Today, I ask those here in this body to

ignore the rhetoric and actually read the bill. Those who do will clearly see that any suggestion that the Patient Protection and Affordable Care Act provides States flexibility does not hold up to the words in this 2,700-page bill.

I reserve the balance of my time.

Mr. WELCH. How much time do I have remaining?

The CHAIR. The gentleman has 2 minutes remaining.

Mr. WELCH. Thank you.

I want to talk a minute about Social Security. You have access to Social Security whether you live in Texas or you live in Vermont. It's a program that benefits every single citizen of this country. The underlying premise of Social Security is that we're all in it together. We all pay into the benefit program and we all benefit, whether you're rich or whether you're poor. We're all in it together.

Our amendment acknowledges that this is a stronger and better country if all of us have access to affordable health care, whether you live in Texas or you live in Vermont. So, yes, it is true that in the Welch amendment we maintain that national commitment to all Americans being covered and all Americans benefiting by access to health care, which we know they need. But what it also does is say that in the implementation and in the delivery of health care, driving decisions and authority down to the local level will help us be successful. It will allow States to show that maybe they have the better way of achieving this goal of access to health care for every citizen in the country.

So, yes, I say to the gentleman from Texas, we do embrace in my amendment the concept that every American should have access to affordable health care. But what we also do, I say to the gentleman from Texas, is acknowledge that States can experiment; that folks at the local level may have a better way to make decisions and actually to deliver care. And if they design a plan in Texas to do it one way and we design a plan to do it in Vermont another way, why not? Why not let the States figure out how to make good on this promise to America that every one of us can have access to the health care that we need.

I yield back the balance of my time.

The CHAIR. The gentleman from Texas has 2 minutes remaining.

Mr. BURGESS. I thank the chairman.

I would just say, once again, the flexibility does not exist. It's a veneer, it's a falsehood that under this plan the States would maintain flexibility. The Secretary determines whether or not the States are complying. The Secretary determines whether or not the plans are in compliance with what the Secretary thinks is a reasonable plan to be offered. If we want to talk about the ability of people to buy insurance across State lines, that's an argument that we can and should have. I don't

know why your side rejected that in the debates over the Patient Protection and Affordable Care Act. The fact of the matter is, they didn't. We are where are. Let's defeat this amendment and support the underlying bill.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Vermont (Mr. WELCH).

The amendment was rejected.

Mr. BURGESS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BURGESS) having assumed the chair, Mr. LATOURETTE, Chair of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1213) to repeal mandatory funding provided to States in the Patient Protection and Affordable Care Act to establish American Health Benefit Exchanges, had come to no resolution thereon.

REPEALING MANDATORY FUNDING FOR SCHOOL HEALTH CENTER CONSTRUCTION

The SPEAKER pro tempore. Pursuant to House Resolution 236 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1214.

□ 1555

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1214) to repeal mandatory funding for school-based health center construction, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Texas (Mr. BURGESS) and the gentleman from New Jersey (Mr. PALLONE) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. BURGESS. Mr. Chairman, I yield myself such time as I may consume.

The Patient Protection and Affordable Care Act included \$105 billion of directly appropriated mandatory funding of numerous programs and provisions included in the law. For example, section 4101(a) of the Patient Protection and Affordable Care Act provides \$50 million in mandatory spending for construction and expansion of school-based health centers every year, from the inception through 2013, for a total of \$150 million. In our current financial situation, it is not only necessary but it is our responsibility that we examine all of our spending and make all necessary adjustments.

H.R. 1214 is a simple bill aimed at a simple goal—to get some of the spending that the Patient Protection and Af-

fordable Care Act advanced inappropriately. Section 4101(a) of the Patient Protection and Affordable Care Act funds only the construction of school-based health centers. The \$50 million in grants are for construction only and there is an express prohibition on these funds being used to provide health services. No such provision was in the bill passed by the House. You will recall H.R. 3200 was the Health Care Reform Act that the House of Representatives worked through its committees of jurisdiction, on which we held hearings, on which we had debate on the floor of the House, and which passed the House in November of last year. It had no such provision in the House Democrats'-passed bill. Since no such provision was included in the health bill, and if the Senate Democrats considered the school-based health centers important enough to receive mandatory funding, why was the mandatory funding strictly limited to the construction of the buildings? Not one cent is guaranteed to see a child, but automatic checks out of the Treasury to build these centers.

I will point out that section 4101(b) of the Patient Protection and Affordable Care Act created a new discretionary grant program for school-based health centers. But this grant program requires them to use the funding to provide health care services. However, the President's budget did not fund section 4101(b), failing to provide school-based health centers money expressly for the purpose of actually providing the service.

Fundamentally, we might even have some agreement on school-based health centers. I am on record of having supported them in the past, and I believe opening health care points of access is important. I want to do more in this realm. But providing mandatory spending, forced spending to construct facilities without adequate safeguards if they will provide care is irresponsible and it certainly abdicates the pursestring nature of the House of Representatives. We are the people's House. It is our obligation to oversee the money that is spent on behalf of the people of the United States.

Not one guarantee of a doctor, not one cent of payment for an immunization, not one ounce of common sense is included in the policy. I will note that this bill does not touch the discretionary program to provide care. I urge my colleagues to support restoring a little fiscal restraint and a little responsible policy to a small part of the law which will destroy the practice of medicine as we know it in the Nation and put the taxpayer on the hook for trillions of dollars in spending.

I reserve the balance of my time.

□ 1600

Mr. PALLONE. I yield myself 3 minutes.

Mr. Chairman, once again I'm listening to my colleague Dr. BURGESS, whom I respect, and he's talking about

the common sense being lacking on the Democratic side. After listening to him, I think the rationale and the common sense is lacking on the Republican side.

My colleague from Texas has said over and over again he supports school-based clinics. He even supports Federal funding for school-based clinics. Then what is the possible rationale for posting this bill?

Many of my colleagues on the other side have said today they're opposed to the entire Affordable Care Act. They're opposed to funding the entire Affordable Care Act. Yet somehow today they're taking little pieces of the Affordable Care Act that they even agree with, from my understanding in listening to my colleague from Texas, and still saying we're going to defund them. I defy my colleague to really understand why.

School-based health clinics are a tremendous success story. These programs provide primary care, mental health, dental health services to vulnerable children across the country in every State. Multiple studies have found that these programs are cost-effective investments. They result in lower emergency room usage, hospitalizations, and Medicaid costs. In fact, patients seen at school-based health centers cost Medicaid on average \$30.40 less than comparable non-school-based health center patients.

This is saving the Federal Government money. That's the bottom line. And what we're trying to do here is to basically provide for construction, renovation, and equipment for these centers. Now, in order to get the grant for that, you have to show that you have the funds to operate the center. So when Dr. BURGESS says, why are you paying for construction, why are you paying for renovation, but you're not paying or you're not providing for operations? Every one of these has to show that they have the money to do the operations before they get the money for construction. What does construction and renovation mean? It means jobs.

I repeat again, when I was home for the last 2 weeks, all I heard from my constituents is, When are you going to improve the economy more? When are you going to create more jobs? This is a program that creates jobs, helps kids, provides for their well-being and their health, and it's all preventative. These projects have to be shovel ready in order to be funded. So we're talking about money that's going to be immediately spent to put these centers together and to renovate them.

I keep hearing my colleagues say repeal and replace. That's the mantra with the health care bill: We want to repeal it and replace it. But I never hear anything about replace. All I hear about is repeal, and in this case repealing a program that is a proven success.

It makes absolutely no sense to pass this bill. I hear my colleagues on the other side say over and over again