funded research into improving the safety of propane use is important to the public. I also endorse research into propane's potential benefits for the environment. We cannot afford to overlook any alternative in our energy mix, and this bill will help maximize the benefits of this fuel.

I commend the bill's author, Mr. TAUZIN, and the propane industry for working to move this bill forward. This legislation was unanimously reported by the Commerce Committee on June 27, and I believe it has at this time, some 230 cosponsors on both sides of the aisle, including many members of the Commerce Committee.

I know of no objections to H.R. 1514 on this side of the aisle, and I would urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

□ 1245

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

I would first of all thank the gentleman from New Jersey [Mr. PALLONE] for his support on this very, very important legislation. Clean fuel I think is something that we have to look forward to in the future of this country, as well as alternative fuels. We certainly want to go on record as supporting that.

Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. TAUZIN], the chief sponsor of the bill, who has been pushing this for a long time.

Mr. TAUZIN. Mr. Speaker, let me first thank Chairman SCHAEFER for shepherding this bill to the House floor today and for all his extraordinary cooperation and support, and I particularly want to say the same thing for the gentleman from New Jersey, Mr. PALLONE, the ranking minority member, who has been a sponsor and a very good friend for many years and a very strong supporter of this effort. I want to thank the gentleman for all his personal efforts in making this a bipartisan bill that has broad, in fact, bipartisan support from nearly 231 cosponsors in the House, Democrats and Republicans coming together behind a bill that makes just good common sense.

This bill has 34 cosponsors in the U.S. Senate, led by Senator DOMENICI. It has large support in this body. It is similar to the bill we offered in the last Congress. It was not acted upon before the Congress adjourned. We learned from last Congress' efforts and we have made improvements in this bill.

Propane, as the Speaker knows, is an incredibly important fuel for many Americans—60 million Americans use propane. It is economical and it is environmentally sound. It is used by 7.7 million homes for cooking and hot water heating. It is used by one-half of all American farmers to dry crops, power tractors, and warm greenhouses, and it is used for recreational purposes by tens of millions of people for outdoor cooking, camping, and recreational vehicles.

It is one of the very few fuels that does not receive Federal money in support of education, research, safety, and marketing efforts. And so this bill represents the best example of private funded research programs in America. It simply gives the propane industry, from the producers to the marketers and suppliers, an opportunity themselves to put together a research, education, safety, and marketing program for this critically important fuel for America.

Again, it is a bill that has broad support not only in the industry but among so many Americans and so many Members of this House and the body on the other side. I want to thank the chairman of the committee for bringing it forward, and I particularly again want to single out the gentleman from New Jersey [Mr. PALLONE] for his extraordinary efforts in cooperation, and urge adoption of the bill.

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1514.

The SPEAKER pro tempore (Mr. WICKER). Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. PALLONE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I again thank both the gentleman from New Jersey [Mr. PALLONE] and the gentleman from Louisiana [Mr. TAUZIN] for working with us on this very, very important piece of legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 1514, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

WAIVING MEDICAID ENROLLMENT COMPOSITION

Mr. TAUZIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3871) to waive temporarily the Medicaid enrollment composition rule for certain health maintenance organizations.

The Clerk read as follows:

H.R. 3871

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

SECTION 1. WAIVER OF 75/25 MEDICAID ENROLLMENT RULE FOR CERTAIN MANAGED CARE ORGANIZATIONS.

The requirement of section 1903(m)(2)(A)(ii) of the Social Security Act is waived—

(1) with respect to Catholic Health Services Plan of Brooklyn and Queens, Inc. (doing business as Fidelis Health Plan) and Managed Healthcare Systems of New York, Inc., for contract periods through January 1, 1999, and

(2) with respect to Health Partners of Philadelphia, Inc., for contract periods through December 31, 1999.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana [Mr. TAUZIN] and the gentleman from New Jersey [Mr. PALLONE] each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. TAUZIN].

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

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

Mr. TAUZIN. Mr. Speaker, on behalf of Chairman BLILEY and Chairman BILIRAKIS, I bring to the floor H.R. 3871 and urge support of the measure.

H.R. 3871 amends title 19 of the Social Security Act to extend 3 existing 75–25 percent waivers of section 1903. Section 1903 is the section of the current Medicaid law that requires that Medicaid beneficiaries constitute less than 75 percent of the membership of any prepaid health maintenance organization.

A present, a number of States and health plans are operating under federally approved waivers of this section. The bill we are considering today extends those 75–25 waivers held by 3 of these plans: Health Partners of Philadelphia, Fidelis Health Plan of New York, and Managed Healthcare Systems of New York.

Health Partners of Philadelphia is a not-for-profit voluntary health maintenance organization comprised of local teaching hospitals. It is independently licensed by the Commonwealth of Pennsylvania and fully accredited by the National Committee for Quality Assurance. It serves approximately 87,000 Medicaid recipients and 250 commercially enrolled individuals in Philadelphia and the surrounding area.

While Health Partners' chief focus is on primary care, health education and prevention, it also provides transportation services, expanded vision and dental benefits, multilingual capability, 24-hour access to mental health and substance abuse treatment, as well as home visits for new and expectant mothers and fathers.

Fidelis Health Plan, operated by the Catholic Health Services Plan of Brooklyn and Queens, was established by the Catholic medical center which serves those two areas. The principal focus of the care provided by Fidelis to its 19,960 Medicaid recipients is primarily in preventive care as well as health education. Enrollees elect their own primary care practitioner who serves as personal provider and coordinates the primary and specialty care they receive through the plan.

Finally, Managed Healthcare Systems of New York, a minority-controlled managed care company founded

in 1994, serves nearly 39,000 enrollees in Brooklyn and Queens. MHS' primary and preventive care and health education services are conducted with the use of mobile health vans, a school-based health center, an after-school learning center, newly established primary care clinics, as well as community outreach efforts for pregnancy, asthma, diabetes, sickle cell anemia, tuberculosis, and HIV/AIDS.

I urge my colleagues to support this noncontroversial measure so that we can continue to improve the services that Medicaid beneficiaries receive.

Mr. Speaker, I would like to thank the gentleman from New Jersey [Mr. PALLONE] for his efforts and those of the minority in bringing this bill forward.

Mr. Speaker, I reserve the balance of my time.

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

We have no objection to passage of H.R. 3871 before us today on the Suspension Calendar. As was mentioned by the gentleman from Louisiana [Mr. TAUZIN], the bill amends the section of current Medicaid law which requires that Medicaid beneficiaries cannot constitute more than 75 percent of the membership of any prepaid health maintenance organization.

Basically 3 plans, Health Partners of Philadelphia, Fidelis Health Plan of New York, and Managed Healthcare Systems of New York, would continue operating under their federally approved waiver of this provision for an additional 2 years, and under the conditions of the waiver the Health Care Financing Administration will continue to monitor these plans to ensure that these Medicaid beneficiaries are receiving appropriate quality care.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MANTON].

Mr. MANTON. Mr. Speaker, I rise to express my strong support for H.R. 3871. Under this legislation, the Catholic Health Services Plan of Brooklyn and Queens, also known as Fidelis Care, and the Managed Healthcare Systems of New York would have their current waiver of the 75–25 Medicaid requirements extended through January 1, 1999.

Fidelis Care began enrolling members in Queens in November 1994 by providing a prepaid health services plan.

With a current enrollment of 18,960, the plan provides a comprehensive package of benefits available to all its members. The Catholic Medical Center of Brooklyn and Queens, which sponsors Fidelis Care, provides excellent health care services to my constituents. This legislation would allow them to continue to deliver their quality health services to the communities of Queens and Brooklyn.

This legislation also addresses the Managed Healthcare System of New York which has been a true community organization by serving Brooklyn since January 1994.

Currently serving 39,000 enrollees in Brooklyn and Queens, MHS brings high quality managed care to inner-city communities. Many programs provided by MHS are available to all residents of the community, regardless if they are members of MHS.

I commend my colleagues, Mr. TOWNS, FRANKS, and GREENWOOD, for their efforts in crafting H.R. 3871 and I look forward to the passage of this simple, yet important legislation.

Mr. PALLONE. Mr. Speaker, I yield 3 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. I thank the gentleman for yielding me this time, and I thank the chairman and the ranking member for this legislation.

Mr. Speaker, this legislation does not directly affect the District of Columbia but rather 3 plans in Philadelphia and New York. Yet I feel compelled to come to the floor to rise in strong support of H.R. 3871, in a real sense, as they say ''in the street,'' because we have been there and done that.

For a number of years we have had a similar plan in the District which, at low cost, rendered exceptional care to Medicaid recipients. It took an enormous amount of work to get a waiver. I am particularly grateful to the committee for its help in obtaining that waiver for Chartered Health Care that goes until October 1, 1999.

I simply would like to bring out the larger issue involved in what may look like a private bill. It is not that at all. These plans have to come here because of the way the statute is structured.

The notion that at least 25 percent in a plan have to come from the commercial sector, from private parties, like us, and not only from welfare recipients, is very well-intentioned, particularly if you recall Medicaid mills, some of which perhaps still exist today. The problem, of course, which this proxy for quality is that these plans serve largely inner city residents. They are not a part of larger organizations like Blue Cross and Blue Shield, and so they encounter great difficulty when they try to recruit 25 percent of their clientele from people who are already attached to Blue Cross and Blue Shield or larger operations or HMO's near their own workplaces.

The disabilities that come with not getting this waiver are great and are passed onto cities and ultimately to us and to the Federal Government. They cannot borrow as easily, they pay higher interest pending a waiver, but they are doing a remarkable service. They behave like managed care organizations but they have to be paid on a fee-for-service model without these waivers.

Health Care Financing Administration of course, monitors these organizations, and so this legislation carried no risk, but what it does do is free these organizations to do the job that must be done in the inner cities to keep people from going to emergency rooms and going to doctors who charge too much. I commend both sides for the work they have done on this bill.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3871.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BILIRAKIS. Mr. Speaker, I would like to join my colleagues in supporting H.R. 3871. This measure amends section 1903 of the Social Security Act to extend the ''75–25'' waivers of three worthy health plans. As such, it represents a positive step in our efforts to build a better Medicaid Program.

In the past, the Federal Medicaid statute has been amended to address needs and concerns specific to the role of health maintenance organizations [HMO's] in the Medicaid Program. As in the commercial sector, HMO's increasingly play a valued role in providing high-quality, efficient health care services. Nevertheless, there have been instances where intervention has been necessary.

Early State experimentation with managed care resulted in occasional reports of inaccurate information dissemination to enrollees, restricted access to nonparticipating providers, inconsistent provision of benefits, and, in certain cases, financial instability of the enrolling plan.

In response, Congress has undertaken various actions over the last 20 years to ensure that all managed care enrollees receive the quality care for which the industry is known. Unfortunately, certain unintended consequences resulted.

For example, the Health Maintenance Organization Amendments of 1976, which limited the percentage of Medicaid and Medicare beneficiaries enrolled in risk contracts to 50 percent, had the unintended effect of sharply limiting managed care enrollment by Medicaid beneficiaries. In fact, by 1981 little more than 1 percent of the Medicaid population were enrolled in HMO's. Just as startling, 85 percent of those beneficiaries were located in just four States.

Congress sought to correct this problem in the Omnibus Budget Reconciliation Act of 1981 which, among other changes, increased the allowable percentage of Medicaid beneficiaries that could be enrolled in HMO's from 50 percent to 75 percent.

But as we have seen in far too many instances, current Medicaid law still creates significant obstacles for plans that focus on the needs of low-income communities. Although these plans have achieved notable success in enhancing the quality of care received by area Medicaid beneficiaries, they have been less successful in attracting commercial clients from outlying areas.

The current law requirement that one-quarter of their enrolled population consist of such customers, therefore, often places them in the difficult position of having to choose between devoting resources to their Medicaid-funded enrollees or to the expense of competing against broader-based firms for commercial clients.

Clearly, fundamental reform of the Medicaid Program is needed. Until such time as a more favorable climate for such reform exists, however, measures like H.R. 3871 are necessary

to relieve well-performing health plans of the unreasonable and often counterproductive requirements of title XIX.

In this case, I am glad to say, we will remove the obstacles that threaten three noteworthy plans: Health Partners of Philadelphia, Fidelis Health Plan—operated by the Catholic Health Services Plan of Brooklyn and Queens—and Managed Healthcare Systems of New York.

I commend my colleagues on both sides of the aisle for supporting this measure. With it, the Medicaid recipients of the Philadelphia and New York City regions will continue to receive high-quality, efficient, and responsive health care services.

I thank you.

Mr. PALLONE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TAUZIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. TAUZIN] that the House suspend the rules and pass the bill, H.R. 3871.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1300

IMPACT AID TECHNICAL AMENDMENTS ACT OF 1996

Mr. CUNNINGHAM. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 3269) to amend the Impact Aid Program to provide for a hold-harmless with respect to amounts for payments relating to the Federal acquisition of real property, and for other purposes.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. HOLD-HARMLESS AMOUNTS FOR PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

Section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702) is amended by adding at the end the following new subsections:

''(g) FORMER DISTRICTS.—

''(1) IN GENERAL.—Where the school district of any local educational agency described in paragraph (2) is formed at any time after 1938 by the consolidation of two or more former school districts, such agency may elect (at any time such agency files an application under section 8005) for any fiscal year after fiscal year 1994 to have (A) the eligibility of such local educational agency, and (B) the amount which such agency shall be eligible to receive, determined under this section only with respect to such of the former school districts comprising such consolidated school districts as such agency shall designate in such election.

''(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—A local educational agency referred to in paragraph (1) is any local educational agency that, for fiscal year 1994 or any preceding fiscal year, applied for and was determined eligible under section 2(c) of the Act of September 30, 1950 (Public Law 874, 81st Congress) as such section was in effect for such fiscal year.

''(h) HOLD-HARMLESS AMOUNTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2)(A), the total amount that the Secretary shall pay under subsection (b) to a local educational agency that is otherwise eligible for a payment under this section—

''(A) for fiscal year 1995 shall not be less than 85 percent of the amount such agency received for fiscal year 1994 under section 2 of the Act of September 30, 1950 (Public Law 874, 81st Congress) as such section was in effect on September 30, 1994; or

''(B) for fiscal year 1996 shall not be less than 85 percent of the amount such agency received for fiscal year 1995 under subsection (b).

''(2) RATABLE REDUCTIONS.—(A)(i) If necessary in order to make payments to local educational agencies in accordance with paragraph (1) for any fiscal year, the Secretary first shall ratably reduce payments under subsection (b) for such year to local educational agencies that do not receive a payment under this subsection for such year.

''(ii) If additional funds become available for making payments under subsection (b) for such year, then payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.

''(B)(i) If the sums made available under this title for any fiscal year are insufficient to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraph (1) after the application of subparagraph (A) for such year, then the Secretary shall ratably reduce payments under paragraph (1) to all such agencies for such year.

''(ii) If additional funds become available for making payments under paragraph (1) for such fiscal year, then payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.''.

SEC. 2. APPLICATIONS FOR INCREASED PAYMENTS.

(a) PAYMENTS.—Notwithstanding any other provision of law—

(1) the Bonesteel-Fairfax School District Number 26–5, South Dakota, and the Wagner Community School District Number 11–4, South Dakota, shall be eligible to apply for payment for fiscal year 1994 under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on September 30, 1994); and

(2) the Secretary of Education shall use a subgroup of 10 or more generally comparable local educational agencies for the purpose of calculating a payment described in paragraph (1) for a local educational agency described in such paragraph.

(b) APPLICATION.—In order to be eligible to receive a payment described in subsection (a), a school district described in such subsection shall apply for such payment within 30 days after the date of enactment of this Act.

(c) CONSTRUCTION.—Nothing in this section shall be construed to require a local educational agency that received a payment under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on September 30, 1994) for fiscal year 1994 to return such payment or a portion of such payment to the Federal Government.

SEC. 3. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN RESIDING ON MILITARY INSTALLATION HOUSING UNDERGOING RENOVATION.

(a) IN GENERAL.—Section 8003(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)) is amended by adding at the end the following new paragraph:

''(4) MILITARY INSTALLATION HOUSING UNDERGOING RENOVATION.—For purposes of computing the amount of a payment for a local educational agency for children described in paragraph (1)(D)(i), the Secretary shall consider such children to be children described in paragraph (1)(B) if the Secretary determines, on the basis of a certification provided to the Secretary by a designated representative of the Secretary of Defense, that such children would have resided in housing on Federal property in accordance with paragraph (1)(B) except that such housing was undergoing renovation on the date for which the Secretary determines the number of children under paragraph (1).''.

(b) EFFECTIVE DATE.—Paragraph (4) of section 8003(a) of the Elementary and Secondary Education Act of 1965, as added by subsection (a), shall apply with respect to fiscal years after fiscal year 1995.

SEC. 4. COMPUTATION OF PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN IN STATES WITH ONLY ONE LOCAL EDUCATIONAL AGENCY.

(a) IN GENERAL.—Section 8003(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)) is amended by adding at the end the following new paragraph:

''(3) STATES WITH ONLY ONE LOCAL EDUCATIONAL AGENCY.—

''(A) IN GENERAL.—In any of the 50 States of the United States in which there is only one local educational agency, the Secretary shall, for purposes of paragraphs (1)(B), (1)(C), and (2) of this subsection, and subsection (e), consider each administrative school district in the State to be a separate local educational agency.

''(B) COMPUTATION OF MAXIMUM AMOUNT OF BASIC SUPPORT PAYMENT AND THRESHOLD PAYMENT.—In computing the maximum payment amount under paragraph (1)(C) and the learning opportunity threshold payment under paragraph (2)(B) for an administrative school district described in subparagraph (A)—

''(i) the Secretary shall first determine the maximum payment amount and the total current expenditures for the State as a whole; and

''(ii) the Secretary shall then—

''(I) proportionately allocate such maximum payment amount among the administrative school districts on the basis of the respective weighted student units of such districts; and

''(II) proportionately allocate such total current expenditures among the administrative school districts on the basis of the respective number of students in average daily attendance at such districts.''.

(b) EFFECTIVE DATE.—Paragraph (3) of section 8003(b) of the Elementary and Secondary Education Act of 1965, as added by subsection (a), shall apply with respect to fiscal years after fiscal year 1994.

SEC. 5. DATA AND DETERMINATION OF AVAILABLE FUNDS.

(a) DATA.—Paragraph (4) of section 8003(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)) is amended—

(1) in the heading, by striking ''CURRENT YEAR'';

(2) by amending subparagraph (A) to read as follows:

''(A) shall use student, revenue, and tax data from the second fiscal year preceding the fiscal year for which the local educational agency is applying for assistance under this subsection;''; and

(3) in subparagraph (B), by striking ''such year'' and inserting ''the fiscal year for which the local educational agency is applying for assistance under this subsection''.

(b) DETERMINATION OF AVAILABLE FUNDS.—Paragraph (3) of section 8003(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)) is amended—

(1) in the matter preceding subclause (I) of subparagraph (A)(iii), by inserting '', except as provided in subparagraph (C),'' after ''but''; and

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

''(C) DETERMINATION OF AVAILABLE FUNDS.—When determining the amount of funds available to the local educational agency for current expenditures for purposes of subparagraph (A)(iii) for a fiscal year, the Secretary shall include, with respect to the local educational