

all local governments have recognized the tribe's cooperative spirit and have actively supported this relocation. Thus, this legislation would simply allow for the alternate parcel of reservation land in Fife to be put into trust status in order to meet the requirements of the State of Washington.

Again, I want to thank the chairman, the ranking member and the Resources Committee for their assistance in moving this piece of legislation that will result in further job creation and economic development in the Port of Tacoma, not only helping the tribe in the local community, but positively affecting our Nation's balance of trade.

Mrs. CHRISTENSEN. I yield back the balance of my time.

Mr. RADANOVICH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. RADANOVICH) that the House suspend the rules and pass the Senate bill, S. 1382.

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

A motion to reconsider was laid on the table.

PROVIDING FOR CONCURRENCE BY HOUSE WITH AMENDMENT IN SENATE AMENDMENT TO H.R. 1499, HEROES EARNED RETIREMENT OPPORTUNITIES ACT

Mr. SAM JOHNSON of Texas. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 803) providing for the concurrence by the House with amendment in the amendment of the Senate to H.R. 1499.

The Clerk read as follows:

H. RES. 803

Resolved, That upon the adoption of this resolution the bill (H.R. 1499) entitled "An Act to amend the Internal Revenue Code of 1986 to allow members of the Armed Forces serving in a combat zone to make contributions to their individual retirement plans even if the compensation on which such contribution is based is excluded from gross income, and for other purposes", with the Senate amendment thereto, shall be considered to have been taken from the Speaker's table to the end that the Senate amendment thereto be, and the same is hereby, agreed to with an amendment as follows:

Add at the end of the Senate amendment the following:

Page 3, after line 3, insert the following new subsection:

(c) CONTRIBUTIONS FOR TAXABLE YEARS ENDING BEFORE ENACTMENT.—

(1) IN GENERAL.—In the case of any taxpayer with respect to whom compensation was excluded from gross income under section 112 of the Internal Revenue Code of 1986 for any taxable year beginning after December 31, 2003, and ending before the date of the enactment of this Act, any contribution to an individual retirement plan made on account of such taxable year and not later than the last day of the 3-year period beginning on the date of the enactment of this Act shall be treated, for purposes of such Code, as having been made on the last day of such taxable year.

(2) WAIVER OF LIMITATIONS.—

(A) CREDIT OR REFUND.—If the credit or refund of any overpayment of tax resulting from a contribution to which paragraph (1) applies is prevented at any time by the operation of any law or rule of law (including res judicata), such credit or refund may nevertheless be allowed or made if the claim therefor is filed before the close of the 1-year period beginning on the date that such contribution is made (determined without regard to paragraph (1)).

(B) ASSESSMENT OF DEFICIENCY.—The period for assessing a deficiency attributable to a contribution to which paragraph (1) applies shall not expire before the close of the 3-year period beginning on the date that such contribution is made. Such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.

(3) INDIVIDUAL RETIREMENT PLAN DEFINED.—For purposes of this subsection, the term "individual retirement plan" has the meaning given such term by section 7701(a)(37) of such Code.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SAM JOHNSON) and the gentleman from Michigan (Mr. LEVIN) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

Mr. SAM JOHNSON of Texas. Mr. Speaker, this is an important bill that will allow our troops serving in combat zones to contribute some of their tax-exempt combat pay to retirement savings. Because combat pay is exempt from tax, it does not qualify as earned income that is normally allowed in an individual retirement account.

Mr. Speaker, I would now like to yield as much time as she may consume to the Representative from North Carolina (Ms. FOXX).

□ 1445

Ms. FOXX. Mr. Speaker, I am truly honored to be here today. I am honored because the mere consideration of this bill represents the greatness of our Republican democracy. At this time 2 years ago, I dreamed of coming before this House and working for the people of the Fifth Congressional District of North Carolina. Here I am today promoting a bill I wrote to help those very constituents who deserve it the most.

Just over a year ago, the family of Army Specialist Michael Hensley from my district in Clemmons, North Carolina, contacted me with a problem that his son and many of our other brave soldiers are facing.

Specialist Hensley wanted to do the responsible thing by making the maximum allowable contribution to his individual retirement account, but found out that because of the nature of his wages, he would not be able to contribute to his nest egg this year. Thanks to the Republican leadership of this House, we stand here this afternoon to solve this problem.

Mr. Speaker, our current Tax Code wrongfully prohibits many of our brave men and women serving in combat zones from taking advantage of individual retirement accounts, or IRAs.

Most soldiers serving in these combat zones are paid in wages designated as military hazard pay. As deployment times have grown longer and longer, many soldiers now serve entire calendar years overseas, making their yearly compensation consist of hazard pay exclusively. These wages are not taxed, nor should they be. However, since this compensation is nontaxable, the wages are not eligible for IRA contributions. That is entirely unfair.

As we all know, IRAs are an excellent tool for responsible retirement savings, and responsible retirement savings should be encouraged for everyone, but especially for those who take up arms in war zones and fight for our freedom.

The men and women defending America in harm's way overseas should not be excluded from fully participating in the important retirement investment opportunity that IRAs provide because of a glitch in our Tax Code.

H.R. 1499, the Heroes Earned Retirement Opportunities, or HERO Act, will correct this serious injustice. The HERO Act simply designates combat hazard pay earned by a member of the Armed Forces as eligible for contribution to retirement accounts. The legislation, which is endorsed by the Reserve Officers Association and the Military Officers Association of America, would not actually tax these wages. It would merely allow them to be invested in the same retirement accounts available to all Americans.

To quote the Military Officers Association of America in their letter of support for the bill: "This change makes perfect sense in view of all we are asking our servicemembers to do in the war on terror in Iraq, Afghanistan and elsewhere." I could not have said it better myself.

Mr. Speaker, our heroes defending America overseas certainly deserve the same access to retirement savings that we receive. In fact, we should be encouraging and even facilitating retirement savings whenever possible. Americans need to take responsibility for and control of their retirement. Those responsible enough to save their hard-earned wages should be rewarded, not burdened with taxes and regulations.

I would like to thank our Republican majority leader, JOHN BOEHNER, as well as Chairman BILL THOMAS, for recognizing the importance of this bill and for expeditiously bringing it to the floor of this House. I would also like to thank Chairman DUNCAN HUNTER for his service to our Nation in Vietnam, for his excellent leadership on the House Armed Services Committee and for cosponsoring and supporting this great bill. His commitment to our troops is to be applauded.

Lastly, I would like to thank Congressman SAM JOHNSON for his 29 years of service to our Nation and for his cosponsorship of this bill and his assistance in the Ways and Means Committee to bring the bill to the floor of the House. Congressman JOHNSON is a

true hero, having served as a prisoner of war. It is an honor to have him as a cosponsor and to have had his strong support throughout the effort to get this bill passed.

I urge all my colleagues to help right this fundamental wrong by voting for this straightforward, commonsense legislation.

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

Mr. Speaker, I stand today in support of H.R. 1499. This bill is actively supported by my Democratic colleagues. On May 23, 2005, this bill passed the House under suspension of the rules by voice vote. The bill was referred to the Senate and was approved with an amendment to change the effective date. Because of the later effective date as passed by the Senate, the bill is before us again today merely to incorporate a technical change. This change would indeed ensure that our service men and women can make eligible contributions for previous tax years, 2004 and 2005, for which the deadline has passed, but years for which they were eligible to make these contributions.

We acknowledge fully the work of our military personnel who continue to perform so ably for our Nation. We honor their bravery and their sacrifice. Therefore, it goes without saying that we endorse this effort by the Congress to make it possible for these men and women to take advantage of every tax benefit that is available to them, including saving for their retirement.

H.R. 1499, as my colleague and friend, the gentleman from Texas, Mr. JOHNSON, has said, would allow our service men and women to treat their compensation received while serving in combat as taxable income in order to help them meet the income eligibility requirement for making contributions to an individual retirement account.

At a recent hearing of our committee, two of our five witnesses highlighted the large shortfall in retirement savings many of our workers in this country face. I am sure that many members of the military fall within this group. This bill is a small step in the right direction of closing that gap.

Other larger steps need to be taken. For example, Democratic Members of this Congress are hopeful that we can work with our Republican colleagues to preserve another tax benefit that may be of even greater help to many military families. A provision in current law would permit military families to treat combat pay as taxable compensation for purposes of claiming the Earned Income Tax Credit. This provision, though, is set to expire at the end of this year.

The EITC is a refundable credit many low- and middle-income taxpayers can claim when they file their Federal tax returns. Eligible families may claim a portion of their credit ratably during the year. The EITC helps to relieve the Federal tax burden on many families who are working full-time, yet find themselves at or below the poverty level.

We had hoped that this provision could be included as part of the bill before us today to further help military families. However, we were assured that this provision will be taken up later in the year, and we will continue to press for the extension of this provision before it expires.

Also let me finish by expressing my hope and the hope of so many on my side of the aisle that this Congress and the administration will meet their responsibilities to our veterans on health, on re-employment, and on so many other major needs of those in the military and the veterans of this country.

Mr. Speaker, I would say to my friend, Mr. JOHNSON, therefore anticipating your remarks, and your remarks indeed reflect your service to this country, I yield back the balance of my time.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as Mr. LEVIN pointed out, we passed this legislation before. Our colleagues in the Senate then passed the bill by unanimous consent back in October, but made a change regarding the effective date.

The HERO Act will help our combat troops save for their retirement, as Mr. LEVIN pointed out, or for first-time home purchases or for education by saving in a Roth IRA.

Currently, all Americans can save up to \$4,000 this year in an IRA or a Roth IRA. This cap on annual contributions will increase to \$5,000 in 2008. Right now our combat troops are not able to contribute to IRAs because that combat pay does not fit the definition of taxable earned income.

As Mr. LEVIN pointed out, our combat troops are putting their lives on the line in a very dangerous situation, and to recognize this service, their pay is not subject to tax. This bill is a way for Congress and the American people to say thank you every payday.

There are a lot of young servicemembers who are single who come home at the end of a tour in a combat zone with a nice little nest egg. Once we get this bill signed into law, it will be great for these young men and women to put some of that money into a Roth IRA for the purchase of a home, to spend on school, or just for long-term retirement. While there are plenty of other tantalizing things for these young people to spend their money on, we need to at least give them the opportunity to save some of it in the same way that all other Americans can save.

I am one of the conferees working out the differences between the House and Senate on the pension bill. I look forward to getting that bill completed soon so we can increase the opportunity of all Americans to save and to make their pension plans safer. However, our troops are prohibited from even contributing combat pay to an IRA, and we need to remedy this situation right now.

According to the Joint Committee on Taxation, the bill would provide \$70 million of tax benefits to military families over the next decade. We will pass the HERO Act with no controversy, and I hope our colleagues in the other body follow suit in the near future.

Mr. Speaker, I thank Mr. LEVIN for his comments, and I appreciate Ms. FOXX introducing the bill. It is the right thing to do.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SAM JOHNSON) that the House suspend the rules and agree to the resolution, H. Res. 803.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LEVIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

RURAL HEALTH CARE CAPITAL ACCESS ACT OF 2006

Mr. RENZI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4912) to amend section 242 of the National Housing Act to extend the exemption for critical access hospitals under the FHA program for mortgage insurance for hospitals.

The Clerk read as follows:

H.R. 4912

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Health Care Capital Access Act of 2006".

SEC. 2. EXTENSION.

Paragraph (1) of section 242(i) of the National Housing Act (12 U.S.C. 1715z-7(i)(1)) is amended by striking "July 31, 2006" and inserting "July 31, 2011".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. RENZI) and the gentleman from California (Mr. BACA) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona.

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

Mr. Speaker, I rise in support of H.R. 4912, the Rural Health Care Capital Access Act of 2006. This piece of legislation would extend the exemption of the current law that allows small rural hospitals to remain eligible for Federal Housing Administration mortgage insurance.

Recent health care statistics show a huge backlog of capital improvement needs for the majority of hospitals in the United States, and rural hospitals face even fewer opportunities to make