

PROVIDING FOR CONSIDERATION OF THE SENATE AMENDMENTS TO THE BILL H.R. 5063, ARMED FORCES TAX FAIRNESS ACT OF 2002

NOVEMBER 13, 2002.—Referred to the House Calendar and ordered to be printed

Mr. LINDER, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 609]

The Committee on Rules, having had under consideration House Resolution 609, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for a single motion offered by the chairman of the Committee on Ways and Means or his designee to take from the Speaker's table the bill H.R. 5063, the Armed Forces Tax Fairness Act of 2002, and concur in each of the Senate amendments with the respective amendment printed in this report.

The rule waives all points of order against consideration of the motion. The rule provides one hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. Finally, the rule provides that the previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question.

The waiver of all points of order applies to the motion and therefore applies to the amendment printed in this report as part of the motion.

SUMMARY OF AMENDMENT INCLUDED IN THE MOTION

(Summary provided by sponsor)

Welfare: Provides for a full extension through March 31, 2003 of current funding and program rules in the TANF, child care, abstinence education, and transitional medical assistance programs.

- The CR that passed the House on November 13, 2002 extends TANF and related program funding and rules only from December 31, 2002 through January 11, 2003. This 11-day extension makes little programmatic sense for TANF and related programs that provide funds to States on a quarterly basis, and whose rules should extend for an entire quarter.

- There is precedent for this quarterly extension for welfare programs. The very first CR approved this fall (P.L. 107–229, signed September 30, 2002) extended TANF and related programs through December 31, 2002—all of the first quarter of FY 2003—while extending all other programs through October 4, 2002.

Unemployment: Extends Federally-funded temporary unemployment benefits of current recipients and those in certain high unemployment States through January 2003.

- Extends Federally funded unemployment benefits for up to 5 added weeks per individual by removing the current December 28, 2002 cutoff on benefits. This change will provide additional weeks of benefits to more than 800,000 individuals nationwide, including in all 50 States.

- Allows for the continued availability of special extended benefits in certain high unemployment States through February 1, 2003.

- Preliminary CBO estimate of cost: \$0.9B in FY2003, \$0.9B over 5 years, \$0.4B over 10 years.

Medicare: Clarifies that the Administration may not be sued for any redeterminations for prior fiscal years.

- Clarifies that the Administration may not be sued about its calculation of physician payments. The provision has a zero score from the Congressional Budget Office.

TEXT OF AMENDMENT INCLUDED IN THE MOTION

Strike all after the enacting clause and insert the following:

SECTION 1. Section 114 of Public Law 107–229 is amended by striking “the date specified in section 107(c) of this joint resolution” and inserting “March 31, 2003”.

SEC. 2. (a) IN GENERAL.—The Temporary Extended Unemployment Compensation Act of 2002 (26 U.S.C. 3304 note) is amended by adding at the end the following:

“SEC. 210. EXTENSION OF PROGRAM IN HIGH UNEMPLOYMENT STATES.

“(a) IN GENERAL.—Notwithstanding section 208(2), an agreement entered into under this title shall apply to weeks of unemployment beginning after December 28, 2002, and ending before February 2, 2003, but only as provided in this section and section 211.

“(b) NEW ACCOUNT.—If, at any time during the period described in subsection (a), an individual’s State is in an extended benefit period (as determined under section 203(c)(2)), and such individual meets the requirements of section 202(b)–(c), such State shall establish an account under this section for such individual (to be available beginning with the individual’s first week of unemployment within such period as to which both of those conditions are met) in an amount equal to the amount determined in accordance with section 203(b).

“(c) **ELIGIBILITY FOR PAYMENTS.**—In the case of an individual for whom an account is established under subsection (b)—

“(1) temporary extended unemployment compensation shall be payable for any week of unemployment described in subsection (a) for which such individual would qualify if the criteria in effect for the week ending on December 28, 2002, were applied (and section 202(d)(3) were disregarded); and

“(2) any temporary extended unemployment compensation payable to an individual under this section shall be payable only out of the account established for such individual under subsection (b).

“(d) **INELIGIBLE INDIVIDUALS.**—Notwithstanding any other provision of this section, no account under subsection (b) shall be established for the benefit of an individual for whom an account was established under section 203, if—

“(1) such account was at any time augmented in the manner described in section 203(c); and

“(2) such account (as so augmented)—

“(A) was exhausted before December 29, 2002; or

“(B) remains available, for weeks beginning on or after December 29, 2002, by virtue of section 211.

“SEC. 211. PHASE-OUT PROVISIONS.

“(a) **IN GENERAL.**—In the case of an individual who is receiving temporary extended unemployment compensation for a week of unemployment ending on December 28, 2002, the provisions of this title and of any agreement then in effect shall be applied in a manner such that any amounts remaining in an account established for such individual under section 203 as of that date shall continue to remain available to the same extent and in the same manner as if section 208(2) had been amended by striking ‘January 1’ and inserting ‘February 2’.

“(b) **COORDINATION PROVISION.**—After any amounts (in an account established under section 203) remaining available for the benefit of an individual by virtue of subsection (a) are exhausted, section 210 shall apply to such individual in accordance with its terms.

“(c) **RULE OF CONSTRUCTION.**—Nothing in this title shall be considered to permit or require the payment of any amount, out of an account established under section 203 or 210, for any week of unemployment ending after February 1, 2003.”.

(b) **CLERICAL AMENDMENT.**—The table of contents of Public Law 107–147 is amended by inserting after the item relating to section 209 the following:

“210. Extension of program in high unemployment States.

“211. Phase-out provisions.”.

SEC. 3. Section 1848(i)(1)(C) of the Social Security Act (42 U.S.C. 1395w–4(i)(1)(C)) is amended to read as follows:

“(C) the determination of conversion factors under subsection (d), including without limitation a prospective re-determination of the sustainable growth rates for any or all previous fiscal years,”.

Amend the title so as to read as follows: “An Act to make technical amendments to the Social Security Act and related Acts.”.

