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REPORT
109–303

PROVIDING FOR CONSIDERATION OF H.R. 4241, DEFICIT REDUCTION ACT OF 2005

NOVEMBER 17 (legislative day, NOVEMBER 16), 2005.—Referred to the House Calendar and ordered to be printed

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

R E P O R T

[To accompany H. Res. 560]

The Committee on Rules, having had under consideration House Resolution 560, 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 the consideration of H.R. 4241, Deficit Reduction Act of 2005, under a closed rule. The rule provides two hours of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

The rule waives all points of order against consideration of the bill. The rule provides that the amendment printed in this report shall be considered as adopted. The rule waives all points of order against provisions in the bill, as amended. The rule provides one motion to recommit with or without instructions.

Section 2 of the rule provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

Section 3 of the rule provides that after passage of H.R. 4241, it shall be in order to take from the Speaker's table S. 1932 and to consider the Senate bill in the House. The rule waives all points of order against S. 1932 and against its consideration. The rule provides for a motion to strike all after the enacting clause of S. 1932 and to insert in lieu thereof the provisions of H.R. 4241 as passed by the House. Finally, the rule waives all points of order against the motion to strike and insert.

EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of the bill includes a waiver of clause 4(a) of rule XIII (requiring a three-day availability of the committee report). The waiver is necessary because while the Committee on the Budget filed its report (H. Rept. 109–276) on November 7, 2005, the printed version of the report was not available until November 16, 2005.

SUMMARY OF AMENDMENT TO BE CONSIDERED AS ADOPTED

(Summary provided by the amendment sponsor.)

Nussle: *Agriculture Title:* Grants an exception from the 7-year residency requirement for food stamp eligibility B as written in the base bill B for persons with lawful permanent residence in the United States for at least 5 years upon enactment who are over 60, or who have pending applications for U.S. citizenship. Preserves categorical eligibility for school lunch programs for persons who receive non-cash TANF services. *Energy and Commerce Title:* Raises the home equity limit for determining Medicaid eligibility to $750,000 (from $500,000 in the reported bill). Maintains the current $3 co-payment rather than increasing it to $5 as prescribed in the bill. Allows the Secretary to delay the change in pharmacy reimbursement rates under Medicaid if a Government Accountability Office report finds the average prices paid by pharmacies are above the new reimbursable amounts. Expands the uses of Medicaid Transformation Grants provided by the Secretary to encourage the use of generic drugs and reduce Medicaid drug spending. *Resources Title:* Drops the provision allowing oil and natural gas leasing in a portion of the Arctic National Wildlife Refuge. Drops provisions allowing oil and natural gas leasing in the Outer Continental Shelf [OCS], including payments to State and local governments from OCS receipts.

TEXT OF AMENDMENT TO BE CONSIDERED AS ADOPTED

Page 13, after line 24, insert the following:

(c) CERTIFICATION FOR SCHOOL LUNCH PROGRAM.—Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in subsection (b)(12)—

(A) in subparagraph (A)—

(i) in clause (v), by striking "; or" and inserting a semicolon;

(ii) in clause (vi), by striking the period and inserting "; or"; and

(iii) by adding at the end the following new clause:

"(vii) a member of a household in which each member receives or is eligible to receive non-cash or in-kind benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), and requires participants to have a gross monthly income at or below 200 percent of the Federal poverty level."; and

(B) in subparagraph (B), by striking "or assistance" and inserting ", benefits, or assistance"; and

(2) in subsection (d)(2)—

(A) in subparagraph (D), by striking "; or" and inserting a semicolon;

(B) in subparagraph (E), by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(F) documentation has been provided to the local educational agency showing that the household is one in which each member receives or is eligible to receive noncash or in-kind benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), and requires participants to have a gross monthly income at or below 200 percent of the Federal poverty level.".

Page 14, strike lines 19 through 25, and insert the following:

SEC. 1603. RESIDENCY REQUIREMENT.

Section 402(a)(2)(L) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(L)) is amended by striking "for a period of 5 years or more beginning" and inserting the following:

"for a period—

"(1) effective until September 30, 2010—

"(A) for an alien—

"(i)(I) who is 60 years of age or older; or

"(II) with respect to whom—

"(aa) an application for naturalization under the Immigration and Nationality Act is approved; or

"(bb) such application is pending under such Act and no previous application for naturalization has been rejected under such Act; and

"(ii) who is a member of a household that receives food stamp benefits;

as of the date of the enactment of the Agricultural Reconciliation Act of 2005, of 5 years or more; and

"(B) for an alien with respect to whom subparagraph (A) does not apply, of 7 years or more; and

"(2) effective beginning on October 1, 2010, of 5 years or more;

beginning".

Page 237, line 17, insert ", ESTIMATED PAYMENT AMOUNTS, AND PHARMACY ACQUISITION COSTS" after "DISPENSING FEES".

Page 237, line 21, insert ", and on whether the estimated average payment amounts to pharmacies for covered outpatient drugs under the medicaid program after implementation of the amendments made by this section are below the average prices paid by pharmacies for acquiring such drugs" after "pharmacies".

Page 237, after line 24, insert the following new subsection (and redesignate the succeeding subsection accordingly:

(e) SECRETARIAL AUTHORITY TO DELAY IMPLEMENTATION.—The Secretary of Health and Human Services may delay the implementation of the amendments made by subsections (a) and (b)(3)(C) for a period of not more than 1 year, if the Comptroller General finds, in the study conducted under subsection (d), that the estimated average payment amounts to pharmacies for covered outpatient drugs under the medicaid program after implementation of such amendments are below the average prices paid by pharmacies for acquir-

ing such drugs. If the Secretary delays the implementation of such amendments under this subsection, the Secretary shall transmit to Congress, prior to the termination of the period of delay, a report containing specific recommendations for legislation to establish a more equitable payment system.

Page 256, line 14, strike "$500,000" and insert "$750,000".

Page 265, strike line 7 and all that follows through page 266, line 2, and insert the following:

"(4) INDEXING NOMINAL AMOUNTS.—In applying section 1916 under paragraph (1) with respect to cost sharing that is 'nominal' in amount, the Secretary shall increase such 'nominal' amounts for each year (beginning with 2006) by the annual percentage increase in the medical care component of the consumer price index for all urban consumers (U.S. city average) as rounded up in an appropriate manner.".

Page 329, after line 22, insert the following:

"(E) Methods in reducing, in clinically appropriate ways, expenditures under this title for covered outpatient drugs, particularly in the categories of greatest drug utilization, by increasing the utilization of generic drugs through the use of education programs and other incentives to promote greater use of generic drugs.".

Strike subtitle A of title VI (beginning at page 527, line 1), and make appropriate conforming changes.

Strike subtitle E of title VI (beginning at page 591, line 1), and make appropriate conforming changes.

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