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

agency's opening cash balance for such fiscal year, the portion of such balance that is the greater of—

''(i) the amount that exceeds the maximum amount of funds for current expenditures that the local educational agency was allowed by State law to carry over from the prior fiscal year, if State restrictions on such amounts were applied uniformly to all local educational agencies in the State; or

''(ii) the amount that exceeds 30 percent of the local educational agency's operating costs for the prior fiscal year.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to fiscal years after fiscal year 1996.

SEC. 6. PAYMENTS RELATING TO FEDERAL PROPERTY.

Section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702) (as amended by section 1) is further amended by adding at the end thereof the following new subsection:

''(i) PRIORITY PAYMENTS.—Notwithstanding subsection (b)(1)(B), and for any fiscal year beginning with fiscal year 1997 for which the amount appropriated to carry out this section exceeds the amount so appropriated for fiscal year 1996, the Secretary shall first use such excess amount to increase the payment that would otherwise be made under this section to not more than 50 percent of the maximum amount determined under subsection (b) for any local educational agency that—

''(1) received a payment under this section for fiscal year 1996;

''(2) serves a school district that contains all or a portion of a United States military academy;

''(3) serves a school district in which the local tax assessor has certified that at least 60 percent of the real property is federally owned; and

''(4) demonstrates to the satisfaction of the Secretary that such agency's per-pupil revenue derived from local sources for current expenditures is not less than that revenue for the preceding fiscal year.''.

SEC. 7. TREATMENT OF IMPACT AID PAYMENTS.

(a) IN GENERAL.—The Secretary of Education shall treat any State as having met the requirements of section 5(d)(2)(A) of the Act of September 30, 1950 (Public Law 874, 81st Congress) for fiscal year 1991 (as such section was in effect for such fiscal year), and as not having met those requirements for each of the fiscal years 1992, 1993, and 1994 (as such section was in effect for fiscal year 1992, 1993, and 1994, respectively), if—

(1) the State's program of State aid was not certified by the Secretary under section 5(d)(2)(C)(i) of the Act of September 30, 1950 (Public Law 874, 81st Congress) for any fiscal year prior to fiscal year 1991;

(2) the State submitted timely notice under that section of the State's intention to seek that certification for fiscal year 1991;

(3) the Secretary determined that the State did not meet the requirements of section 5(d)(2)(A) of such Act for fiscal year 1991; and

(4) the State made a payment to each local educational agency in the State (other than a local educational agency that received a payment under section 3(d)(2)(B) of such Act for fiscal year 1991) in an amount equal to the difference between the amount such agency received under such Act for fiscal year 1991 and the amount such agency would have received under such Act for fiscal year 1991 if payments under such Act had not been taken into consideration in awarding State aid to such agencies for fiscal year 1991.

(b) REPAYMENT NOT REQUIRED.—Notwithstanding any other provision of law, any local educational agency in a State that meets the requirements of paragraphs (1) through (4) of subsection (a) and that received funds under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress) for fiscal year 1991 (as such section was in effect for such fiscal year) shall not, by virtue of subsection (a), be required to repay those funds to the Secretary of Education.

SEC. 8. SPECIAL RULE RELATING TO AVAILABILITY OF FUNDS FOR THE LOCAL EDUCATIONAL AGENCY SERVING THE NORTH HANOVER TOWNSHIP PUBLIC SCHOOLS, NEW JERSEY, UNDER PUBLIC LAW 874, 81ST CONGRESS.

The Secretary of Education shall not consider any funds that the Secretary of Education determines the local educational agency serving the North Hanover Township Public Schools, New Jersey, has designated for a future liability under an early retirement incentive program as funds available to such local educational agency for purposes of determining the eligibility of such local educational agency for a payment for fiscal year 1994, or the amount of any such 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 for such fiscal year.

SEC. 9. CORRECTED LOCAL CONTRIBUTION RATE.

(a) COMPUTATION.—The Secretary of Education shall compute a payment for a local educational agency under the Act of September 30, 1950 (Public Law 874, 81st Congress) for each of the fiscal years 1991 through 1994 (as such Act was in effect for each of those fiscal years, as the case may be) using a corrected local contribution rate based on generally comparable school districts, if—

(1) an incorrect local contribution rate was submitted to the Secretary of Education by the State in which such agency is located, and the incorrect local contribution rate was verified as correct by the Secretary of Education; and

(2) the corrected local contribution rate is subject to review by the Secretary of Education.

(b) PAYMENT.—Using funds appropriated under the Act of September 30, 1950 (Public Law 874, 81st Congress) for fiscal years 1991 through 1994 that remain available for obligation (if any), the Secretary of Education shall make payments based on the computations described in subsection (a) to the local educational agency for such fiscal years.

SEC. 10. STATE EQUALIZATION PLANS.

Subparagraph (A) of section 8009(b)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7709(b)(2)) is amended by striking ''more than'' and all that follows through the period and inserting ''more than 25 percent.''.

The SPEAKER pro tempore (Mr. WICKER). Pursuant to the rule, the gentleman from California [Mr. CUNNINGHAM] and the gentleman from Oregon [Mr. BLUMENAUER] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. CUNNINGHAM].

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

Mr. Speaker, I rise in favor of H.R. 3269, the Impact Aid Technical Amendments Act.

Mr. Speaker, the Federal Government has a responsibility to children attending schools that lose tax revenues associated with a Government facility, such as a military base. That is why we have impact aid. What happens is many times someone in the military will sign up in one State and maintain their residency there. They pay their State taxes to that State. They then receive orders to another State and their children may attend school in that new State. But the tax revenue does not follow them. This is what impact aid does. It equals out the amount of the impact on those schools.

Unfortunately, parts of the impact aid law last authorized in the 103rd Congress are having unintended effects or are failing to keep up with changing circumstances. Some school districts may not receive the impact aid that their circumstances demand, so H.R. 3269 makes minor technical corrections in the impact aid law so that federally impacted school districts are treated fairly.

H.R. 3269 was adopted by voice vote in the House on May 7, 1996. It made four changes in the impact aid law. Two were related to Federal property payments, one addressed the effects of military housing renovation, and the last clarified the intent of Congress with regard to impact aid payments to Hawaii.

The Senate made additional technical changes, which I support. They include a long overdue adjustment for schools near West Point in New York; a technical change involving the effects of a heavily impacted New Jersey school pension escrow account upon its impact aid payment in a previous fiscal year; a matter affecting a small number of schools in South Dakota; a provision previously adopted by the Senate regarding impact aid within the State of Nebraska; and a delay in the equalization mandate for schools in the States of Kansas and Alaska.

Mr. Speaker, in developing this legislation, we sought to include minor technical corrections in three categories: unintended consequences of the previous authorization, areas where the Department interpreted Congressional intent in an unintended way, and issues unforeseen by the 103rd Congress. It is not a comprehensive correction, particularly when one considers the many new ways the military is arranging family housing.

Mr. Speaker, I urge adoption of H.R. 3269, the Impact Aid Technical Amendments, so we can send it to the President to become law.

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

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

Mr. Speaker, I rise in support of H.R. 3269, the Impact Aid Technical Amendments of 1996. The Impact Aid Program was reauthorized during the 103d Congress. At that time, significant changes were made to the existing Impact Aid Program which greatly enhanced its operation.

During this Congress, the Committee on Economic and Educational Opportunities held a hearing to review how the changes in the Impact Aid Program were being carried out. We discovered that on the whole, the Impact Aid Program is functioning much more effectively as a result of the changes made during the 103d Congress. However, we also discovered certain situations where there was a need for minor corrections, H.R. 3269 makes the necessary

technical corrections to further enhance the operation of the Impact Aid Program and I urge my colleagues to support the bill.

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

Mr. CUNNINGHAM. Mr. Speaker, I yield myself such time as I may consume for a colloquy with the gentleman from Illinois [Mr. FAWELL].

I yield to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Speaker, I thank the chairman for yielding. I regret that I have not had the opportunity to take a good long look at the details at least, or the ramifications of the amendment that was affixed to this bill in the Senate.

I represent several school districts in my district back in Illinois which receive section 8002 funds, and I am very concerned that an amendment, or the amendment that was affixed to this bill in the Senate would essentially provide that a large portion of new funding, I guess we cannot ascertain just how much, for this program would go to one particular school district in 1997, and, more importantly, every fiscal year thereafter.

That does concern me, because, of course, there are a lot of districts throughout this country who are not getting full funding as it is right now, and if all future increases in appropriations were to be subject to this amendment, I think I would have to object.

I would request, therefore, of the chairman, and perhaps the ranking member might want to have something to say about this, that we revisit this issue at a later date, with the understanding that an adjustment would be made so that the changes in the distribution formula are not in effect for every increase in appropriations for future fiscal years, but would be basically in effect only for the fiscal year that we are dealing with, fiscal year 1997, and not for future fiscal years. That is the deep concern I have.

Mr. CUNNINGHAM. Mr. Speaker, reclaiming my time, the gentleman is correct. There will be other changes in the future. This is one. That particular school district was West Point, which is one of our academies that was impacted due to a special significance. It was not my district or any particular district, but it was a military academy that was being affected.

But I agree. To be fair, we need to make sure that one district does not get all of the dollars, and that it is equalized. We will revisit this in the next Congress.

Mr. FAWELL. Mr. Speaker, I thank the chairman. So there would be an assumption that we would limit the benefits of this bill, insofar as that one particular district is concerned, to the increase in appropriations for this fiscal year, and not for future fiscal years.

Mr. CUNNINGHAM. The gentleman is correct.

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

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

Mr. CUNNINGHAM. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, in a colloquy just heard between the gentleman from California, Mr. CUNNINGHAM, and the gentleman from Illinois, Mr. FAWELL, a request on the part of Mr. FAWELL was that we revisit the issue of impact aid in the future Congresses. I would remind all Members that we revisit the issue of impact aid in every Congress, and I am glad we are revisiting it in this Congress.

Mr. Speaker, I compliment the gentleman from California, Mr. CUNNINGHAM, and the gentleman from Pennsylvania, the chairman of the full committee, Mr. GOODLING, for the job they have done in recognizing there are and were and probably will be some inequities in this very complicated formula.

Mr. Speaker, what makes it complicated is that in each State, because each State and locality has a different method of funding their schools, from time to time the Federal formula does not work as we would intend it to. Therefore, from time to time we need to make changes and modifications and adjustments to the formula.

In one case in particular, for example, in New Jersey, it happens to be in my district, North Hanover Township, there is the school that provides the educational facilities and programs for the boys and girls who are dependents of the Air Force families at McGuire Air Force Base. North Hanover Township has 85 percent of its student body which comes from military dependents from McGuire Air Force Base. In this case, in 1994 the North Hanover school district lost or did not receive almost $2 million which was intended to support those military dependent children. So this bill makes that correction and restores those funds for this school and benefits a large number of military dependent children.

Mr. Speaker, I think this is a very fine effort on the part of this Congress and in particular on the part of the gentleman from California [Mr. CUNNINGHAM] and the gentleman from Pennsylvania [Mr. GOODLING], and I urge support for this bill.

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

Mr. Speaker, all I would say is some of the things we work with in Congress are on a bipartisan basis, and this is one of them. Quite often when you are taking a look at the amount of dollars available from the Federal Government to go to specific programs, then we can reach a consensus on both sides of the aisle.

I would like to thank the new gentleman to the committee, the gentleman from Oregon [Mr. BLUMENAUER], for his partnership, as well as the gentlewoman from Hawaii [Mrs. MINK], who has worked diligently on this particular bill, and the gentlewoman from New York [Mrs. KELLY], and a host of others.

Mr. Speaker, I have no further speakers, and 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. CUNNINGHAM] that the House suspend the rules and concur in the Senate amendment to H.R. 3269.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate amendment to H.R. 3269.

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

There was no objection.

GENERAL ACCOUNTING OFFICE ACT OF 1996

Mr. LATOURETTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3864) to reform the management practices of the General Accounting Office, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3864

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 ''General Accounting Office Act of 1996''.

TITLE I—AMENDMENTS TO LAWS AUTHORIZING AUDITING, REPORTING, AND OTHER FUNCTIONS BY THE GENERAL ACCOUNTING OFFICE

SEC. 101. TRANSFERS AND TERMINATIONS OF FUNCTIONS.

(a) IN GENERAL.—

(1) FUNCTIONS TRANSFERRED.—In any case in which a provision of law authorizing the performance of a function by the Comptroller General of the United States or the General Accounting Office is amended by this title to substitute another Federal officer, employee, or agency in that authorization, the authority under that provision to perform that function is transferred to the other Federal officer, employee, or agency.

(2) FUNCTIONS TERMINATED.—In any case in which a provision of law authorizing the performance of a function by the Comptroller General of the United States or the General Accounting Office is repealed by this Act, the authority under that provision to perform that function is terminated.

(3) DELEGATION OF FUNCTIONS.—The Director of the Office of Management and Budget may delegate, in whole or in part, to any other agency or agencies any function transferred to or vested in the Director under section 103(d), 105(b), 116, or 202(n) of this Act,