offered by the gentleman from Pennsylvania (Mr. SHERWOOD) that the House suspend the rules and pass the bill, H.R. 3023, as amended.

The question was taken.

Mr. GEORGE MILLER of California. 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 motion will be postponed.

□

GENERAL LEAVE

Mr. SHERWOOD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3023 and H.R. 4408.

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

There was no objection.

□

KEEPING SOCIAL SECURITY AND MEDICARE SOLVENT

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Michigan. Mr. Speaker, this afternoon the President is releasing his mid-session economic review. That review indicates that there will be over $800 billion more revenues coming into the Federal Government in the next 10 years than was projected just last January, $800 billion. There is a substantial increase in this year, 2000, of $45 billion more than we anticipated just 6 months ago. It is $64 billion more next year in 2001 than we anticipated.

That means that the Social Security ''lockbox'' as well as the Medicare ''lockbox'' that we passed last week is going to be maintained. It means that, with a little discipline from this body, we will not be spending that Social Security surplus or the Medicare trust fund surplus.

I think we are in a unique position and that unique position means that we have an opportunity now to keep Social Security and Medicare solvent. We have an opportunity to make the kind of changes that will not leave our kids and our grandkids with a huge debt and, in effect, say to them that they are going to be responsible for paying off that kind of debt, that now amounts to $5.7 trillion.

And why would they be responsible for more debt? It is because this body and the President of the United States have found it to their political advantage to simply spend more and more money.

At some time we are going to have to decide, as part of good public policy, how much taxes should be in this country, what is reasonable in terms of the percent of what a worker earns, should go for taxes. Right now, an average taxpayer, pays 41 percent of every dollar they earn in taxes.

After we decide on a reasonable level of taxation, then we have got to prioritize spending. Part of that priority has got to make sure that we keep Social Security and Medicare solvent.

□

CHURCH PLAN PARITY AND ENTANGLEMENT PREVENTION ACT

Mr. BOEHNER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1309) to amend title I of the Employee Retirement Income Security Act of 1974 to provide for the preemption of State law in certain cases relating to certain church plans.

The Clerk read as follows:

S. 1309

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

SECTION 1. PURPOSE.

The purpose of this Act is only to clarify the application to a church plan that is a welfare plan of State insurance laws that require or solely relate to licensing, solvency, insolvency, or the status of such plan as a single employer plan.

SEC. 2. CLARIFICATION OF CHURCH WELFARE PLAN STATUS UNDER STATE INSURANCE LAW.

(a) IN GENERAL.—For purposes of determining the status of a church plan that is a welfare plan under provisions of a State insurance law described in subsection (b), such a church plan (and any trust under such plan) shall be deemed to be a plan sponsored by a single employer that reimburses costs from general church assets, or purchases insurance coverage with general church assets, or both.

(b) STATE INSURANCE LAW.—A State insurance law described in this subsection is a law that—

(1) requires a church plan, or an organization described in section 414(e)(3)(A) of the Internal Revenue Code of 1986 and section 3(33)(C)(i) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(33)(C)(i)) to the extent that it is administering or funding such a plan, to be licensed; or

(2) relates solely to the solvency or insolvency of a church plan (including participation in State guaranty funds and associations).

(c) DEFINITIONS.—For purposes of this section:

(1) CHURCH PLAN.—The term ''church plan'' has the meaning given such term by section 414(e) of the Internal Revenue Code of 1986 and section 3(33) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(33)).

(2) REIMBURSES COSTS FROM GENERAL CHURCH ASSETS.—The term ''reimburses costs from general church assets'' means engaging in an activity that is not the spreading of risk solely for the purposes of the provisions of State insurance laws described in subsection (b).

(3) WELFARE PLAN.—The term ''welfare plan''—

(A) means any church plan to the extent that such plan provides medical, surgical, or hospital care or benefits, or benefits in the event of sickness, accident, disability, death or unemployment, or vacation benefits, apprenticeship or other training programs, or day care centers, scholarship funds, or prepaid legal services; and

(B) does not include any entity, such as a health insurance issuer described in section 9832(b)(2) of the Internal Revenue Code of 1986 or a health maintenance organization described in section 9832(b)(3) of such Code, or any other organization that does business with the church plan or organization sponsoring or maintaining such a plan.

(d) ENFORCEMENT AUTHORITY.—Notwithstanding any other provision of this section, for purposes of enforcing provisions of State insurance laws that apply to a church plan that is a welfare plan, the church plan shall be subject to State enforcement as if the church plan were an insurer licensed by the State.

(e) APPLICATION OF SECTION.—Except as provided in subsection (d), the application of this section is limited to determining the status of a church plan that is a welfare plan under the provisions of State insurance laws described in subsection (b). This section shall not otherwise be construed to recharacterize the status, or modify or affect the rights, of any plan participant or beneficiary, including participants or beneficiaries who make plan contributions.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. BOEHNER) and the gentleman from New Jersey (Mr. ANDREWS) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BOEHNER).

GENERAL LEAVE

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1309.

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

There was no objection.

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

Mr. Speaker, I rise today in support of S. 1309, to clarify the status of church-sponsored health plans. Church plans are treated similarly to the health plans for the employees of State and local governments. These health plans are defined in the Employee Retirement Income Security Act, or, as we know it, ERISA, and then excluded from its provisions. This exclusion is important because of the need to protect unnecessary Government entanglement in the internal affairs of churches.

Ironically, our Federal effort to prevent Government intrusion has left the status of these church programs under State laws uncertain. State laws have developed without regard to the special characteristics of church benefit programs. Accordingly, these church programs are potentially subject to regulation by individual States, which was never intended when church plans were designed.

The impetus for the present legislation is twofold. First, from time to time, State insurance commissioners raise questions as to the need for church plans to obtain a license as an insurance company; and, secondly, due to their exclusion from ERISA, many insurance companies and health care providers are ambivalent about their capacity to contract with church plans for coverage or services.

The bill, S. 1309, attempts to solve both these problems by prohibiting a State from acquiring any church plan to obtain a license as an insurance company in that State and clarifies that a church plan should be treated as a single employer plan.

We have worked with Senator SESSIONS; the Church Alliance, the Church Pension Boards of 32 Protestant, Jewish, and Catholic denominations; the administration; and the National Association of Insurance Commissioners to revise H.R. 2183, a bill originally introduced by myself and the gentleman from New Jersey (Mr. ANDREWS) and a companion bill introduced by Senator SESSIONS in the other body.

The product of this process is S. 1309, as amended. This legislation clarifies the status of church welfare plans under certain specified State insurance law requirements, particularly the need to be licensed as an insurance company. With this clarification and the deeming of church plans to be single employer plans, churches will have greater bargaining power with health insurance companies and health network providers when purchasing coverage for their employees.

Additionally, the bill keeps intact certain regulatory responsibilities that State insurance departments presently have to protect consumers, such as regulations that prevent fraud and misrepresentations as to coverage.

Mr. Speaker, I urge my colleagues to support this measure.

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

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

Mr. Speaker, the minority does not object to the passage of this bill. I would note, for the record, that we would have preferred the bill follow regular order and have hearings and committee markups. But we certainly do not object to its passage. I support passage of the bill.

I thank my friend, the gentleman from Ohio (Mr. BOEHNER), for his cooperation with the administration, the National Association of Insurance Commissioners, and all of the interested parties in making this a reality.

As the gentleman from Ohio (Mr. BOEHNER) noted, this bill is closely patterned after H.R. 2183, which he and I introduced into the House June 14 of last year, and it accomplishes two important objectives. The first is balance.

It is important that the rights of individual plan participants in church-held plans be protected, that all of the consumer and fiduciary protections to which they are entitled are preserved. This bill does that.

It also provides for proper balance between the legitimate interests of the States and regulating the fiduciary health of health plans and projecting proper State regulation of health plans. It balances that against the need for church health plans to have similar contract authority with health plans around the country.

I believe it will, as the gentleman from Ohio (Mr. BOEHNER) just said, facilitate the negotiating position of health plans when they purchase health and health insurance services to benefit their members.

Importantly, this legislation promotes clarity. Those who would offer services to church plans, those who administer church plans, and those who benefit from church plans will now have the benefit of a clear statement of the intent of this Congress with respect to legal arrangements underlying their health plans.

This is a technical bill with a very common sense purpose. Its technicalities are a bit difficult to follow, but its purposes are very clear. We want the men and women who work for church and religious organizations around the country to have the very best protection and the very best choice of benefits that can be reasonably made available by their employer, and we want those benefits to be offered free of any entanglement by policymakers in the legitimate religious preferences of the employing organization.

Because I believe that this legislation accomplishes both of those objectives, I support it.

Mr. Speaker, we have no further speakers on our side, and I yield back the balance of my time.

Mr. RAMSTAD. Mr. Speaker, I rise in strong support of S. 1309, a bill to clarify the status of church-sponsored employee benefit plans under state law.

Currently, church-sponsored employee benefit plans are exempt from ERISA and therefore are not exempt from state insurance laws like other employer-sponsored plans. Even so, these plans have generally operated as if they were exempt from state law. It is unfair for church plans to be potentially subject to greater regulations than other employer-sponsored plans, and it does not make sense to subject church employee benefit plans to state insurance laws that are not designed or equipped to deal with these unique plans.

My home state of Minnesota is one of four states that already provides an exemption for church plans. However, church plans have no legal certainty when they provide benefits in the remaining 46 states. This has caused many insurers to refuse to do business with church plans because these plans could be considered unlicensed entities.

Last year, I heard from the Board of Pensions of the Evangelical Lutheran Church in America, headquartered in Minneapolis, about the need to clarify the status of church benefit plans. I especially appreciated the advice and counsel of Bob Rydland and John Kapanke about this urgent problem affecting more than one million clergy and lay workers across the United States.

Because the rules affecting church plans are found in the tax code, I asked Chairman ARCHER of the Ways and Means Committee, with the support of 13 bipartisan colleagues, to support a legislative correction to this problem. I am pleased this legislation before us today accomplishes our objective.

S. 1309 will clarify that church employee benefit plans are not insurance companies under state insurance laws. This bill was crafted with the help of state insurance commissioners, and it does not prevent states from enacting legislation targeted at these plans.

I am also grateful to Chairman BOEHNER and Ranking Member ANDREWS of the Education and Workforce Subcommittee on Employer-Employee Relations for their work on this important issue.

Mr. Speaker, I urge my colleagues to support this important legislation to protect the employee benefits of America's church workers.

Mr. BOEHNER. Mr. Speaker, I thank my colleague from New Jersey (Mr. ANDREWS) for his comments.

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 Ohio (Mr. BOEHNER) that the House suspend the rules and pass the Senate bill, S. 1309.

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.

□

EXTENDING PERIOD FOR WHICH CHAPTER 12 OF TITLE 11 OF UNITED STATES CODE IS REENACTED

Mr. COBLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4718) to extend for 3 additional months the period for which chapter 12 of title 11 of the United States Code is reenacted.

The Clerk read as follows:

H.R. 4718

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

SECTION 1. AMENDMENTS.

Section 149 of title I of division C of Public Law 105–277, as amended by Public Law 106–5 and Public Law 106–70, is amended—

(1) by striking ''July 1, 2000'' each place it appears and inserting ''October 1, 2000''; and

(2) in subsection (a)—

(A) by striking ''September 30, 1999'' and inserting ''June 30, 2000''; and

(B) by striking ''October 1, 1999'' and inserting ''July 1, 2000''.

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall take effect on July 1, 2000.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. COBLE) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. COBLE).

□ 1445

GENERAL LEAVE

Mr. COBLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4718, the bill under consideration.

The SPEAKER pro tempore (Mr. PETRI). Is there objection to the request of the gentleman from North Carolina?