

Sanchez, Linda T.	Strickland Stupak	Udall (NM)
Schakowsky	Sweeney	Visclosky
Shadegg	Taylor (MS)	Waters
Slaughter	Thompson (CA)	Weller
Smith (MI)	Thompson (MS)	Wicker
Stark	Toomey	Wu
Stenholm	Towns	

NOT VOTING—9

Brown-Waite,	Gonzalez	Smith (WA)
Ginny	Jefferson	Wynn
Edwards	McInnis	
Gephardt	Petri	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining.

□ 1711

So the Journal was approved.

The result of the vote was announced as above recorded.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 312. An act to amend title XXI of the Social Security Act to extend the availability of allotments for fiscal years 1998 through 2001 under the State Children's Health Insurance Program.

MAKING IN ORDER ON TUESDAY, JULY 8, 2003, CONSIDERATION OF DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2004

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that it be in order on Tuesday, July 8, 2003, for the Speaker, as though pursuant to clause 2(b) of rule XVIII, to declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of a bill reported pursuant to section 6 of House Resolution 299 making appropriations for the Department of Defense for the fiscal year ending September 30, 2004, and for other purposes, which shall proceed according to the following order:

The first reading of the bill shall be dispensed with.

All points of order against consideration of the bill are waived.

General debate shall be confined to the bill and shall not exceed 1 hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

After general debate, the bill shall be considered for amendment under the 5-minute rule.

Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the CONGRESSIONAL RECORD designated for that purpose in

clause 8 of rule XVIII. Amendments so printed shall be considered as read.

At the conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

There was no objection.

HEALTH SAVINGS AND AFFORDABILITY ACT OF 2003

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 299, I call up the bill (H.R. 2596) to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health savings accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of H.R. 2596 is as follows:

H.R. 2596

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 "Health Savings and Affordability Act of 2003".

SEC. 2. HEALTH SAVINGS SECURITY ACCOUNTS AND HEALTH SAVINGS ACCOUNTS.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions for individuals) is amended by redesignating section 223 as section 225 and by inserting after section 222 the following new sections:

"SEC. 223. HEALTH SAVINGS SECURITY ACCOUNTS.

"(a) DEDUCTION ALLOWED.—In the case of an individual who is an eligible individual for any month during the taxable year, there shall be allowed as a deduction for the taxable year an amount equal to the aggregate amount paid in cash during such taxable year by such individual to a health savings security account of such individual.

"(b) LIMITATIONS.—

"(1) IN GENERAL.—The amount allowable as a deduction under subsection (a) to an individual for the taxable year shall not exceed the sum of the monthly limitations for months during such taxable year that the individual is an eligible individual.

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is 1/2 of—

"(A) \$2,000, in the case of an eligible individual who—

"(i) has self-only coverage under a minimum deductible plan as of the first day of such month, or

"(ii) is uninsured as of the first day of such month and is not described in subparagraph (B)(ii) with respect to the taxable year which includes such month,

"(B) \$4,000, in the case of an eligible individual who—

"(i) has family coverage under a minimum deductible plan as of the first day of such month, or

"(ii) is uninsured as of the first day of such month and, with respect to the taxable year which includes such month—

"(I) is entitled to a deduction for a dependent under section 151(c) (or would be so entitled but for paragraph (2) or (4) of section 152(e)), or

"(II) files a joint return, and

"(C) zero in any other case.

"(3) ADDITIONAL CONTRIBUTIONS FOR INDIVIDUALS 55 OR OLDER.—

"(A) IN GENERAL.—In the case of an individual who has attained the age of 55 before the close of the taxable year, paragraph (2) shall be applied by increasing the \$2,000 amount in paragraph (2)(A) and the \$4,000 amount in paragraph (2)(B) by the additional contribution amount.

"(B) ADDITIONAL CONTRIBUTION AMOUNT.—

For purposes of this section, the additional contribution amount is the amount determined in accordance with the following table:

"For taxable years beginning in:	The additional contribution amount is:
2004	\$500
2005	\$600
2006	\$700
2007	\$800
2008	\$900
2009 and thereafter	\$1,000.

"(4) LIMITATION BASED ON ADJUSTED GROSS INCOME.—

"(A) SELF-ONLY COVERAGE.—The dollar amount in paragraph (2)(A) (as increased under paragraph (3)) shall be reduced (but not below zero) by an amount which bears the same ratio to such dollar amount as—

"(i) the amount (if any) by which the taxpayer's adjusted gross income for such taxable year exceeds \$75,000 (\$150,000 in the case of a joint return), bears to

"(ii) \$10,000 (\$20,000 in the case of a joint return).

"(B) FAMILY COVERAGE.—The dollar amount in paragraph (2)(B) (as increased under paragraph (3)) shall be reduced (but not below zero) by an amount which bears the same ratio to such dollar amount as—

"(i) the amount (if any) by which the taxpayer's adjusted gross income for such taxable year exceeds \$150,000, bears to

"(ii) \$20,000.

"(C) NO REDUCTION BELOW \$200 UNTIL COMPLETE PHASE-OUT.—No dollar amount shall be reduced below \$200 under subparagraph (A) or (B) unless (without regard to this subparagraph) such limitation is reduced to zero.

"(D) ROUNDING.—Any amount determined under this paragraph which is not a multiple of \$10 shall be rounded to the next lowest \$10.

"(E) ADJUSTED GROSS INCOME.—For purposes of this paragraph, adjusted gross income shall be determined—

"(i) without regard to this section or section 911, and

"(ii) after application of sections 86, 135, 137, 219, 221, 222, and 469.

"(5) COORDINATION WITH OTHER CONTRIBUTIONS.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the sum of—

"(A) the aggregate amount paid during such taxable year to Archer MSAs of such individual,

"(B) the aggregate amount paid during such taxable year to health savings accounts of such individual, and

"(C) the aggregate amount paid during such taxable year to health savings security accounts of such individual by persons other than such individual.

"(6) SPECIAL RULES FOR MARRIED INDIVIDUALS, DEPENDENTS, AND MEDICARE ELIGIBLE INDIVIDUALS.—Rules similar to the rules of