

PROVIDING FOR CONSIDERATION OF H.R. 2646, THE “EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS”

OCTOBER 22, 1997.—Referred to the House Calendar and ordered to be printed

Mrs. MYRICK, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 274]

The Committee on Rules, having had under consideration House Resolution 274, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

BRIEF SUMMARY OF PROVISIONS OF RESOLUTION

The resolution provides for consideration of H.R. 2646, the “Education Savings Act for Public and Private Schools” under a modified closed rule. The rule considers the bill as read for amendment. The rule further considers the amendment in the nature of a substitute recommended by the Committee on Ways and Means, as modified by the amendment printed in part 1 of this report, as adopted.

The rule provides one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule further provides for consideration of the further amendment printed in part 2 of this report, if offered by Representative Rangel or his designee against which all points of order are waived, which shall be considered as read for amendment and shall be debatable for 60 minutes equally divided and controlled by the proponent and an opponent. Finally, the rule provides one motion to recommit with or without instructions.

PART I

AMENDMENT CONSIDERED AS ADOPTED UPON ADOPTION OF THE
RULE FOR H.R. 2646, "THE EDUCATIONAL SAVINGS ACCOUNTS FOR
PUBLIC AND PRIVATE SCHOOLS ACT OF 1997"

In clause (ii) of section 530(b)(2)(A) of the Internal Revenue Code of 1986, as proposed to be added by section 2(a) of the bill, insert before the period "but only with respect to amounts in the account which are attributable to contributions for any taxable year ending before January 1, 2003, and earnings on such contributions".

Strike subsection (b) of section 2 of the bill and insert the following:

(b) TEMPORARY INCREASE IN MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) of the Internal Revenue Code of 1986 is amended by striking "\$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) of such Code is amended by adding at the end the following new paragraph:

"(4) CONTRIBUTION LIMIT.—The term 'contribution limit' means \$2,500 (\$500 in the case of any taxable year ending after December 31, 2002)."

(3) CONFORMING AMENDMENTS.—

(A) Section 530(d)(4)(C) of such CODE is amended by striking "\$500" and inserting "the contribution limit for such taxable year".

(B) Section 4973(e)(1)(A) of such CODE is amended by striking "\$500" and inserting "the contribution limit (as defined in section 530(b)(4)) for such taxable year".

In section 3(a) of the bill, strike "(other than with respect to severance pay)".

PART II

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE RANGEL OF
NEW YORK, OR A DESIGNEE, DEBATABLE FOR 60 MINUTES

Strike sections 1 and 2 of the bill and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public School Improvement Act".

SEC. 2. MODIFICATIONS TO EDUCATION ZONE PROVISIONS.

(a) INCREASE IN VOLUME CAP ON BONDS.—Paragraph (1) of section 1397E(c) of the Internal Revenue Code of 1986 (relating to credit to holders of qualified zone academy bonds) is amended by striking "\$400,000,000" and inserting "\$4,000,000,000".

(b) PERMITTED USES OF BOND PROCEEDS TO INCLUDE SCHOOL CONSTRUCTION.—Subparagraph (A) of section 1397E(d)(5) of such Code is amended to read as follows:

“(A) constructing, rehabilitating, or repairing the public school facility in which the academy is established.”

Amend the title to read as follows: “To amend the Internal Revenue Code of 1986 to promote the construction and rehabilitation of public schools by increasing the amount of qualified zone academy bonds which may be issued.”