of the national economy each year. That is over $1 trillion a year. For every $1 billion spent on highways, 42,000 jobs are created. These quality jobs range from highway construction to construction service and supply to retail businesses. The condition of the transportation infrastructure in our communities has an enormous impact on whether businesses decide to locate in that area, what products are available and job creation.

Inadequate roads cost businesses and motorists thousands of dollars each year. In the Nation's 25 largest urban areas, traffic congestion costs motorists a staggering $43 billion annually. Moreover, driving on substandard roads costs Americans an additional $21.5 billion annually in extra vehicle costs, including wasted fuel, excess tire wear, and extra maintenance and repairs. In short, areas with strong transportation networks tend to be growing areas; places with neglected and decaying infrastructure tend to be places that businesses and people are leaving.

That is why it is so important to keep our national transportation network strong as we approach the 21st century. This is why the Federal Government must play a major role in transportation. Neither the States nor the private sector alone can produce the efficient system of infrastructure that assures the efficient movement of goods, services, and people.

Given the importance of transportation to our economy, Congress must challenge itself to find ways of increasing the amount of Federal resources available for transportation infrastructure improvements, even at a time when the need to balance our budget is so critical. As the only Republican from Texas who serves on the Committee on Transportation and Infrastructure, I am committed to making funding formula fair for all States.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1053

Mr. PALLONE. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill H.R. 1053.

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

There was no objection.

HEALTH INSURANCE FOR THE NATION'S CHILDREN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. OLVER].

AN ISSUE RELATIVE TO H.R. 1469

Mr. OLVER. Mr. Speaker, I am very grateful to the gentleman from New Jersey for allowing me to finish the statement that I was doing earlier under his time.

As I was saying, under the section 601 of the bill, H.R. 1469, the emergency appropriation bill which we will deal with tomorrow, there is a change in the law proposed and promoted by my predecessor Silvio O. Conte which would allow the American currency to be made by a joint partnership that had up to 50 percent foreign ownership, rather than the original law, as it was, that would allow only 10 percent ownership.

□ 1700

The reason for that is that it would allow joint ventures with foreign national currency paper suppliers. The provision in section 601 has been specifically designed to give the currency production for our American currency over to the most likely foreign player, Thomas De La Rue, the British currency maker. De La Rue is more than a billion dollar a year business that has a monopoly on the supply of currency paper to the British Government. By policy of the British Government, no American company nor even another British company is allowed to bid and compete on the British currency paper contracts.

A capitalization subsidy to such a new supplier is particularly unfair because it is a foreign manufacturer who has a monopoly in their own market. It is actually unfair for any new supplier where there is already a willing supplier, and it is certainly outside our present procurement law. It is especially unfair when it is being given to a very large company, a goliath of paper companies.

These are American taxpayer dollars we are talking about for these capitalization subsidy payments, and it is hardly the way to use our taxpayer dollars when we are trying to balance the budget.

In a final irony, we tomorrow will vote on a so-called Buy American amendment which is offered by the gentleman from Ohio [Mr. TRAFICANT]. All of us will vote for that amendment, and then in very short order we will be asked to use American taxpayer dollars to subsidize turning over the manufacture of the American currency to the monopoly in their own market British currency maker.

American taxpayers deserve better than to be asked to pay for massive capitalization subsidies for foreign companies to make our currency, and I hope that tomorrow we will not adopt section 601 of H.R. 1469 when the matter comes up before us.

Mr. PALLONE. Mr. Speaker, at this point what I would like to do is to move into the issue of kids' or children's health care. Before I do that, I just wanted to say that Democrats in general have been concerned for almost 2 years now, and have put forth as part of their families first agenda an effort and a program to try to cover the 10 million children in these United States that do not have health insurance coverage at this point.

We have been very upset, I would say, over the fact that the Republican leadership really has not made an effort to address the concern of children's health care. In fact, over the last 2 weeks what we have seen sort of on the opposite end is an effort to cut money for the Women, Infants and Children's Program, the WIC Program, which hopefully will be addressed tomorrow when the supplemental appropriation bill comes up but still has not been adequately addressed by the Republican leadership.

Just by way of background, last month the Republicans on the Committee on Appropriations, largely along party lines, voted to limit the funding for the WIC Program. For those who do not know, the program provides milk, formula, and other nutritional benefits for our Nation's children. It is short about $76 million for this fiscal year. Most of the request, actually, for this funding to make up for the cut, most of the request came from the Governors of our 50 States, many of whom, the majority of whom actually are Republican.

Today when the supplemental appropriations bill came up on the floor to be debated for the first time and the rule was being considered, we saw the Republican leadership essentially playing a shell game with the fate of approximately 180,000 children who need the WIC Program and are not going to be funded if we do not get this additional money. What the Republican leadership did, basically, was to tie additional funding to WIC to this controversial rule and effectively gag all debate on any further amendments to meet these Governors' requests for additional WIC funding.

I cannot emphasize enough how important this WIC Program is. There are certain States like Nebraska and Arizona who have already begun to cut off nutritional assistance to many children because they are not getting this money that is needed. Believe me, more States are going to be following suit very soon if we do not have some action on the WIC Program.

I think it is important because, again, WIC is a priority. The Republican leadership has not made it a priority any more than they have made the issue of children's health care a priority. Many of us in our Democratic task force on children's health care have been complaining now for several months about the fact that the Republicans have not addressed this issue.

Last summer, Democrats began beating sort of a drum on the need to provide assistance to working families with uninsured children. This is primarily a concern of working families, because if they are of very low income, then they are eligible for Medicaid for their children. But if they are not, if they are above the Medicaid threshold, and in that case most of the people are

working, then they are not eligible for Medicaid and they are not able many times to cover health insurance for their children.

About a month ago, the Democrats finally called on the Republican leadership to move forward with a health care proposal by Mother's Day. Mr. Speaker, Mother's Day passed and the Republicans still have not produced anything. So our Democratic task force basically developed a plan of our own.

I would like to go into some of the details of this plan but I am just going to briefly, if I could, mention some of the important points. Then I would like to yield to the gentlewoman from Oregon [Ms. FURSE] because she has developed a very important part of this overall package.

Let me just say that the Democratic proposal consists of, first, an outreach program to cover the 3 million kids eligible for Medicaid who are not currently enrolled. Of the 10 million children that are not covered by health insurance right now in the Nation, approximately 3 million are actually eligible for Medicaid but for one reason or another are not enrolled, so we have an outreach program to cover them.

Second, we are expanding Medicaid to make sure kids are covered year round when they are enrolled. What happens now is oftentimes, every 3 months or so, there will be a review of the child to see whether or not they are eligible for Medicaid. That has created a lot of disruption and caused a lot of kids to not be covered by health insurance. What we are saying is that if they are eligible for Medicaid, that the child stays in the program for at least 1 year.

Then we have a Medikids grant to help cover more children in working families beyond the Medicaid Program. We are estimating that this could help working families up to $48,000 a year in income for a family of four.

Then we have the insurance reforms to provide access to children-only health insurance policies. The gentlewoman from Oregon will explain that in more detail. Basically what that involves is, for those who cannot afford private health insurance, to make sure that they have access to it for their children.

Lastly I wanted to mention that what the Democrats are putting forward as part of our health care proposal for kids guarantees that the funds in the balanced budget agreement go directly to covering as many kids as possible. I want to commend the President. The proposed budget agreement which we will probably consider next week on the House floor does provide for a certain amount of money, I think it is estimated to be about $17 billion over the next 5 years, to provide expanded coverage for children's health care. But we as Democrats want to make sure that this money goes directly to cover as many of these 10 million children as possible.

With that, I yield to the gentlewoman from Oregon.

Ms. FURSE. I thank the gentleman for yielding.

It is an enormous shock, is it not, to realize that 10 million American children have no health insurance? To me it just feels like that is a big national security issue. We are very, very keen to create weapons systems. But, my goodness, what about those children who if they do not get health insurance early will really suffer from a lot of diseases and conditions that could have been easily met? Where I want to congratulate the gentleman on having pulled together the task force and to work with the gentleman is terrific, because we are trying to reach those 10 million children.

What my bill does, and it comes, as always, out of constituents who have called and told me what is going on in their lives. What my bill does is it makes sure, it requires insurance companies who handle medical insurance to offer a package that is affordable and is a kids-only policy. What is affordable? We could all talk about what is affordable, but what is not affordable is a family plan that is $400, $500 a month for a family who maybe have lost a job, who cannot use their COBRA benefits because they cannot afford it. But what is affordable is a policy that we have in Oregon which is $34 a month. That will cover a child from birth to 18 years in Oregon. That is the way it goes. It is $34 a month. That allows for the family like the family who called me and said,

> Congresswoman, we cannot allow our children to have a normal childhood. We don't let them climb trees because we're afraid if they fell out of a tree and got hurt, we wouldn't be able to afford to take them to a doctor. I raise my kids out in the country.

I cannot imagine what it must be like to be a parent and say to your kid that they cannot do normal kid things because we do not have health insurance for them.

Part of our Democratic package, and I think the gentleman is absolutely right, the Democrats decided this was a crisis, this was an issue that we had to deal with and that was, take care of those 10 million children. Part of those 10 million could be covered under this health insurance policy that we would require insurance companies to create. It would mean that those children whose parents, and 62 percent of the children without health insurance are children whose parents are working people. They go to work every day. They are not sitting on their couches watching television. They are going to work, but their employer does not provide them with health insurance or they just cannot afford it but they are not eligible for Medicaid. They would be able to buy this $34 or $35, whatever we could make available.

My bill, the part we have included in the Democratic package, will also provide that you cannot say, Well, this child has a preexisting condition, we're not going to cover them. We are building on the Kennedy-Kassebaum bill which we passed, bipartisan bill, last year, saying it is not fair to say to people, Because you have a preexisting condition, you can't get insurance. Those are the people who need insurance. Think of the children with diabetes who need to have good medical attention, and they would be covered, because these families could afford that affordable care but they are not eligible for Medicaid.

I am pleased that we are going to be able to offer something from the Democratic Caucus that will provide for those 10 million children. Again I think what we are dealing with is a national security issue. If we do not have healthy children, we do not have healthy adults, we do not have people who can be the best and the brightest that they could be. That is a real loss to this country, it seems to me, and that is why we must step forward, we must say this is a priority, we are going to fund these things. Of course my bill does not require any government funding. It just makes available to those families who really want to look after their kids, they want to do the best for their kids. I am very pleased it is in the package and I am very pleased that we have stepped forward and said we as Democrats are going to take care of kids.

Mr. PALLONE. I wanted to say that what the gentlewoman is saying about this being perceived as a national security issue I think is very legitimate because the bottom line is that the number of uninsured children is growing. I keep pointing out to my colleagues, my constituents as well that a few years ago when the President took up the issue of health care and was trying to put together a universal health care plan at the Federal level, he was doing it because he realized that the number of uninsured in general in the country was growing. We had figures then by the year 2000 there were going to be, I do not know how many, I think then it was 30, now it is 40 million uninsured and it would be even higher by 2000. That problem has not gone away. The number of children that are uninsured continues to grow. We had information from the Children's Defense Fund which has been one of the organizations that has been taking a lead on this issue, and they said that back in June 1996, which is when the Democrats first started to put together this families first agenda that they just gave an exponential chart about how the number just continued to grow. Since 1989, the number of children without private health insurance has grown by an average of 1.2 million every year, or 3,300 a day. If this trend continues, there will be 12.6 million children without private coverage by 2000.

What the gentlewoman is saying about this being a national security problem I think is totally legitimate. Of course it is true for a lot of adults as

well, but particularly for children it makes no sense not to cover them because it is their future, it is the future of the country, plus it is very cheap. As the gentlewoman pointed out when she was giving some figures about Oregon and what it takes if you have a children-only policy, it is unbelievable how inexpensive it can be, particularly if you are just covering kids.

Ms. FURSE. As a parent, and I know the gentleman is a parent of small children, I am a grandmother, what we know is that we do not sleep well at night if we know that our children do not have that security. It is security, it is the knowledge that if they should become ill or if we just want to keep them healthy, we have that opportunity to go to.

□ 1715

Mr. Speaker, we have the very best medical system in the world, but if our children cannot access that medical system, it does not matter how good it is. We have got to make sure that it is available to everyone, not just the rich, not just the very poor, but those working families who care so much about their kids and want to do the right thing for them, and they cannot pay the rent and the food and this very, very expensive insurance.

So, if we can provide them something that will take some part of those 10 million, then with our Medigap, Medikids Program that we are going to put forward, and with this outreach that you described so that everybody who is eligible will be able to access Medicaid, I think we could do the responsible thing.

Mr. PALLONE. I agree, and I want to thank you for pointing out in particular how right now the private insurance field does not necessarily allow the people or does not make it affordable enough for people to buy insurance policies just for their children.

Basically, if you look at what our task force has proposed, we are sort of looking at this 10 million children and we are trying to sort of attack it from different points of view because we realize it is a complex problem. It is not something that you can address in just one stroke, so to speak. And as I mentioned before, you do have about 3 million who actually are eligible for Medicaid, and I know that when we tried to get a little information about why those 3 million are not on Medicaid, we got different reactions. We found out, first of all, that the people, many cases the parents of those 3 million, are both working because of the bureaucracy, perhaps of not knowing how to, either not having the information or not having the time or not thinking it is worthwhile, they are just not knowledgeable enough or do not have enough time to enroll their kids. Plus, people are very proud.

Mr. Speaker, Medicaid, unfortunately I think, is viewed by many people as sort of a welfare program handout, and so in many ways it has a negative connotation that people think that they should not apply for it if they are working, that somehow it is a handout. And I think that is wrong, but you know it takes a certain amount of education to make people understand that it should not be viewed that way. So then you have that component.

Then you have the expansion of Medicaid; in other words, right now there are many States that take Medicaid up to a certain percentage of poverty but do not take it beyond that in order to attract Federal funds. So what we like to do is expand the Medicaid Program to higher levels to take in more people at higher levels of poverty or percentage of poverty.

And then with the Medikids Program, we are giving the States the matching grants to capture people up to 48,000 in income. Now some people would say to themselves, well, gee that is high, 48,000, but surprisingly I think the estimate was that there are something like 1½ million children out of that 10 million that are not covered that are with parents who make above that 48,000, above the 300 percent of poverty. So the only way that we are going to attract those people is essentially what you have put forward, which is to make some changes in the private insurance program so that we can attract some people who just have not been able to afford it for whatever reason.

And I know that in New Jersey, 48,000 may sound like a lot of money, but it is not if you have two children or more and, you know, if maybe only one parent is working and the other one is staying home with the kids. It is not unusual for people to find out that they cannot afford health insurance.

Ms. FURSE. Or if you have two people working at minimum wage. You know, my goodness. We struggled so hard last year to get a minimum wage increase, you know, against so much opposition to that; but just think if you are working on minimum wage, yes, you might feel like, or well, I should not ask for something from the Government because I am working. But you know it is the best investment we make in this country is any time we invest in our kids. What a return we get on it.

And I know that there are single moms and single dads out there who are trying to keep rent and food and day care and all those things and just do not feel and do not know that they could turn to Medicaid. So we need to bring them in, and then those others who are making just a little bit more, but it would not be a lot more, to still want to have their own insurance policy, a kids only insurance policy.

Mr. PALLONE. I just, if I could, I just wanted to talk a little bit about the matching grant program because I know that that is one that has received a lot of press attention both in the Senate as well as in the House in terms of what we are doing. As I said, we are trying with our proposal to expand Medicaid and bring it to higher levels of poverty or percentages of poverty, but the matching grant program is a little different, and we call it Medikids because what it does is it targets those families basically who make between approximately 16,000 and 48,000. Those are the ones who make too much to be eligible for Medicaid right now but still we feel need some help from the Federal Government with matching money from the States.

But there is a lot of flexibility in this program, just to mention that how this additional money can be used. States can form public or private partnerships, they can use the money to build upon existing State programs. You mentioned Oregon. I know New Jersey has an existing State Program. New York; there are a number of States. Or they can just create a new initiative, if they want to, and it is totally voluntary to the States. If they do not want to do it, they do not have to, but hopefully they will.

Now in order for States to qualify for this Medikids matching grant, they have to provide Medicaid coverage for pregnant women up to 185 percent of the poverty level and children through age 18 and families up to 100 percent of the poverty level, or 16,000 a family of four. Gets a little bureaucratic here, but basically there are about 30 States right now that meet this first requirement.

But just for my own State of New Jersey, for example, we only cover kids up to 13 now; OK? So we would have an incentive, if you will, to take advantage of this matching grant program, but we would have to raise the threshold up to 18 at 100 percent of poverty.

So it is basically creating an incentive, if you will, for the States to expand the Medicaid Program, and then they get this additional money beyond that to take to include people that would not be eligible for Medicaid under any circumstances.

I think that that is sort of a good way to go about it, because again what we are trying to do is to capture some Federal moneys, get some State moneys, and then at the same time implement the changes in the private insurance market, or COBRA, that you have suggested, and if you think about it, between the outreach, between expanding Medicaid, between the matching grant program and the private insurance changes, I think we can go pretty far. I mean certainly all of the 10 million children who are not now covered by insurance could be covered under one of those various factors that we are putting forward, and at the same time it can be fit into the budget proposal, which is coming up next week and presumably over the next month or so. So our goal is to have this included as part of that process.

Mr. Speaker, I just want to thank the gentlewoman from Oregon again for all her help in this.

Ms. FURSE. Mr. Speaker, I thank the gentleman for caring about the kids of

America. We really must keep them front and foremost in our minds.

Mr. PALLONE. Thank you.

Mr. Speaker, I just wanted to take a little more time, if I could, to talk about some of the reasons why we need a plan like the Democratic proposal with regard to children's health insurance.

As I mentioned before, Democrats have been talking about this as part of our family first agenda at least since June 1996, and the reason again is because the number of kids or children who do not have health insurance continues to grow. But I wanted to stress, if I could for a few minutes, how this is essentially a problem for working parents and that our task force and our Democratic proposal was essentially trying to craft a program that would primarily address the concerns of working parents.

Right now, 9 out of 10 children without health insurance have parents who work, and nearly two and three have parents who work full time during the entire year, and these parents either do not get health insurance benefits through their employer, they get the benefits for themselves but not for their kids, or they get such a small contribution towards their kids' insurance that they cannot afford to make up the difference.

As I said before, Medicaid helps the poorest children, and families who are well off can afford private coverage, but there are millions of working parents who are trapped in the middle, unable to afford health insurance for their kids. A family health insurance policy can cost $6,000 or more, which frankly is out of reach for many working families. We talked about possibly families up to $48,000 a year for a family of four. Six thousand dollars is a lot of money for a family that is making up to $48,000 a year.

Now even for families who do get health insurance for their kids through their employer, insurance has gotten very expensive. In 1980, 54 percent of employees at medium and large companies had employers who paid the full cost of family coverage. By 1993 more than 79 percent of these employees were required to pay for their insurance. And the average employee now pays over $1,600 a year for family coverage, and employees of small businesses are paying an average $1,900 a year.

Mr. Speaker, some people say well, you know, so what? You know this is a capitalist society; the Federal Government cannot do everything for everyone. But there are severe consequences of children not having health insurance. This is highlighted by cities that show that uninsured children tend to receive significantly fewer health care services than insured children.

If I could just provide some facts regarding the consequences of children not having health insurance:

First of all, reduced care when sick. Uninsured children are less likely to have their health problems treated and less likely to receive medical care from a physician when necessary. For example, uninsured children obtain care half as often for acute earache, recurring ear infections and asthma as do children with public or private coverage.

Reduced care for injuries. Children with no insurance are less likely than those with insurance to receive care for injuries.

Reduced medical visits. Uninsured children are 2.3 times less likely to have obtained a medical care visit in the past 12 months than are insured children.

Reduced well child visits. During the course of a year, fewer than half, or 44.8 percent, of uninsured preschool children have any well child visits, and fewer than one-third receive their age-appropriate recommended scheduled visits.

And finally, no regular source of care. Uninsured children are seven times as likely as insured children to be without a source of routine health care, and when they obtain health services, they are far more likely than insured children to utilize high-cost hospital emergency rooms as their usual source of care.

So what are we talking about here? We are essentially saying that these children do not get preventive care, and when they do not get preventive care, they get sicker, and in the long run the costs of providing for their medical care goes up, and much of that cost ends up coming back to the Government or ends up being passed on to people who are paying for their health insurance through uncompensated care costs.

The main thing we are trying to emphasize here is that it makes no sense whether it is as Ms. FURSE said from her national security point of view or from a cost point of view or from a preventive point of view nothing—it does not make sense to not try to insure these 10 million children, and we believe that with our health care task force and our Democratic proposal we have a plan that can provide for insurance for most, if not all, these 10 million children within the confines of the balanced budget proposal that the House will be considering over the next few weeks or over the next month.

And at this time I yield to the gentlewoman from Texas [Ms. JACKSON-LEE] who again has been on the forefront of this issue and has come to the floor many times to argue for the need to cover the 10 million uninsured children.

Ms. JACKSON-LEE of Texas. I thank the gentleman from New Jersey [Mr. PALLONE], and certainly I want to thank him for his leadership. I would like to thank him for his victory because that is what he is working toward, and that is why I am joining you, because I would really much prefer us being able to say in the next couple of weeks, before the summer session or recess, district recess break, that what we have done is that collectively and in a bipartisan manner we have stood up for 10 million uninsured children.

I think that is why we are all here. I think that is why your committee and the committee that I have joined you on, the task force, has intently worked on creating something that makes sense. It is important to come to the floor of the House and do the people's business and make sense, and I do not think that we can stand much longer for 10 million uninsured children.

I went home this past weekend and interacted with several of my constituents and physicians, and they brought it to my attention again. Texas has 1 million uninsured children, and if I might just share with you another crisis with respect to this matter, and that is that in my community today we have just heard that Medicaid dollars that come from the Federal Government and then to the State government have been denied my Harris County hospital district.

What does that mean? There are applications under the block grant process for HMO's. The Harris County hospital district applied for such, and they were denied it. There is another instance where children in our community may go underserved, if you will.

And so I think it is very important that the legislation dealing with uninsured children also impacts on raising the level of those who can be served, and when I say that it means that this impacts poor working parents. We have already got a crisis in many of our communities about how Medicaid is utilized, and your proposal and the proposal we have joined in on says that we want to increase or find all the Medicaid-eligible children so that they can be on Medicaid.

I have a crisis where my Harris County district, hospital district, may suffer and not get the Medicaid dollars that they need because someone selected another group to run that system other than the very entity that serves poor children.

□ 1730

But if I might say that we need to focus on uninsured children of working parents, along with the crisis of those who are the poorest of the poor, and I think it is important to make these notations.

Most children without health care coverage are in that position because their parents work for companies who have cut health coverage for children or who offer no health coverage at all. We need to be aware of that so people will not say, why do they not get a job. Each year since 1989, 900,000 fewer children have received private health insurance. In other words, every 35 seconds one less child is privately insured. In America as a world power, I do not think that that is something that we want to be known for.

Without private insurance, millions of working parents who have labored on behalf of this country and their

families cannot afford health insurance for their children. So while Medicaid, and as I said, we have a crisis there, covers the poorest of children, and we are working to make sure that eligible children get covered as well, millions of children of working parents do not have any coverage at all.

Insurance coverage is critical to the health of our children, because children without health insurance, as the gentleman said, often do not receive the necessary treatment services or even the most basic service. A charitable group went into one of my schools in my district and found out that 60 children had not ever been tested or had their eyes tested and any number of them needed glasses. The reason? These are poor working families who have no choice. Medical expenses are sufficiently high and those financially burdened parents will simply opt to not take their children to the doctor, forgo needed pediatric preventive care because of the vastness of their burdens.

For example, studies have shown that the majority of uninsured children with asthma, and we talked about this in committee, never see a doctor. Many of these asthmatic children are later hospitalized with problems that could have been averted with earlier intervention.

Those of us in communities that see and share pollution know those stories full well. We know when at the Texas Children's Hospital there is a drive-by. Is it a drive-by shooting? No, it is a drive-by of the emergency room because they cannot take any more children in the emergency room because the parents who come there are poor, without any coverage whatsoever, and they are working parents and they use the emergency room as their doctor. Now is the time when our Texas Children's Hospital, one which prides itself in caring for children, says, ''No more.''

One-third of uninsured children with recurrent ear infections do not see the doctor and some later develop permanent hearing loss. Many children with undiagnosed vision problems cannot even read a blackboard, and they sit in school and become diagnosed as slow learners when actually they have a physical problem.

Finally, studies show that children without insurance do not receive adequate immunization, have higher rates of visits for illness care, and have more frequent emergency room visits.

I would like to engage the gentleman in a little dialog, because I know we often talk about how young we are, and I will continue to emphasize our youth. I do think, however, that the gentleman may have, like me, come through a period when all we could hear was ''Get your polio vaccination, get your polio vaccination.'' Every parent was making sure they ran somewhere, and of course when medical costs were reasonable, to make sure their child, that was the one thing that was instilled in them that they would do for their child, was to make sure they had their polio vaccination. What a difference it made in our lives.

Now today there are children entering school who do not have a proper immunization record because they have not been able to access medical care and preventive medical care. I just want to engage the gentleman in a colloquy as to whether or not he has seen circumstances where hard-working parents cannot get the basic minimum, which is certainly the immunization record and package that we most think our children should have, those early immunization shots that prevent terrible diseases such as polio, such as the time when the Nation was instructing all parents, ''Get your polio vaccine.'' Do does the gentleman know today that there are some parents that have not been able to get their polio vaccine for their children?

I yield to the gentleman.

Mr. PALLONE. Mr. Speaker, I know the gentlewoman from Texas [Ms. JACKSON-LEE] is right, and I know for a fact that there are people in that category. I think it is a twofold problem, and I think it relates to the issue of health insurance for kids in general.

On the one hand there is the fact that there are a lot of people increasingly who do not even realize that they need to do this, and then of course, once they do, not having the access, because as we know, vaccination is not as widespread as it once was, particularly in urban areas or certain rural areas where people just either are not aware or they do not have access any more.

I wanted to just mention, if I could, the gentlewoman talked about enrolling, and we mentioned before there are 3 million children of the 10 million who are eligible for Medicaid and who are not enrolled. We spent some time with the task force, as the gentlewoman knows, trying to figure out how to deal with this, because outreach is not really something that oftentimes is effectively done on the Federal level.

What we have in our bill is grants to States to help local communities to develop outreach programs with maximum flexibility to employ community resources. There again, I know it is a little different from what the gentlewoman was saying, but I think it is the same thing, that we need to motivate these community groups, regardless of the nature of the group, that will do the kind of outreach and get them the grant so that they can go out and find kids that are eligible for Medicaid or, as the gentlewoman says, kids that have not been vaccinated, kids that have not been able to either access preventive health care or whose parents are not knowledgeable of it. That is a big problem today. A lot of people are not aware of it, and obviously the gentlewoman is aware of it. I yield back.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman.

I think the package that we have worked on is truly a bipartisan package. When I say that I mean I cannot imagine why this legislation would not be attractive to our colleagues on both sides of the aisle. The reason is because we have an aspect that gives to the States incentives for outreach to help get the word out and to help bring down the lack of information for those who are not getting their children immunized.

In addition, it enhances outreach to eligible children not yet enrolled in Medicaid. So what it says is, there are eligible children, the funds are there, let us not waste the dollars by creating more dollars, let us make sure we get all the eligible children enrolled. That is a positive stopgap measure.

Then we have that it provides the grants, as the gentleman said, to States and territories to assist families with children with incomes up to 30 percent of poverty to purchase health insurance. That is a creative idea.

This, I think, brings people from both sides of the aisle around to this issue. It requires insurers to offer group-rated policies for children only. I think we remember in the last Congress where we debated and said, if we want to do business with the U.S. Government, we should put an incentive on those insurers who insure the U.S. Government to create child-related policies, and that is the direction in which we are going, and give families who qualify to continue health insurance coverage under COBRA, but cannot afford the premium for the entire family, the option to purchase the child-only policy.

I do not see where we can leave this session and not give an answer to those 10 million uninsured children. Particularly, I do not see how we cannot create child-directed health insurance policies so that we do not have to hear the stories about parents telling their children, ''Do not climb that tree, do not ride that bicycle. No, you cannot go swimming with your Boy Scout troop. Why? Because I am fearful of what may happen to you, and I have no health insurance to protect you.''

So I would just encourage our colleagues, really, let me get a little bit more stronger on this. We need this on the floor of the House now. We need this legislation passed now. There are too many children who are being harmed, who are not being protected. In a country as wealthy and as prosperous and as successful as this country, there are too many of our children who do not have adequate health insurance.

I yield to the gentleman.

Mr. Speaker, I rise today to voice my concern for the 10 million children in our Nation who are without health care insurance. I believe that strengthening and expanding health care coverage for all of America's children must be our first priority. We have heard many of the statistics surrounding this health insurance crisis before. Some of these figures are so striking, however, that I would like to bring them to your attention.

Nine out of ten children who are without health coverage have parents who work.

Nearly two in three of these children have parents who are employed full time during the entire year. Two-thirds of these children live in families with income above the poverty line and more than three in five live in two-parent families.

Most children without health care coverage are in that position because their parents work for companies who have cut health coverage for children or who offer no health coverage at all. Each year since 1989, 900,000 fewer children have received private health insurance coverage. In other words, every 35 seconds one less child is privately insured.

Without private insurance, millions of working parents who labor to support their families cannot afford to provide health coverage for their children. The cost of health insurance when not purchased through an employer is often prohibitive. So while Medicaid helps our poorest children, and more-affluent families can afford private coverage, millions of working parents in the middle cannot provide coverage for their children.

Insurance coverage is critical to the health of our children. Children without health insurance coverage often do not receive necessary treatment services or even the most basic care. Medical expenses are sufficiently high that financially burdened parents will often delay or forgo needed pediatric preventative or medical care.

Some examples—studies have shown that the majority of uninsured children with asthma never see a doctor. Many of these asthmatic children are later hospitalized with problems that could have been averted with earlier intervention. One-third of uninsured children with recurrent ear infections do not see the doctor and some later develop permanent hearing loss. Many children with undiagnosed vision problems cannot even read a blackboard. Finally, studies show that children without insurance do not receive adequate immunization, have higher rates of visits for illness care, and have more frequent emergency room visits.

It is obvious that to deny children health care coverage, denies them the opportunity to lead healthy lives and to reach their fullest potential. We, in the Democratic Party, have worked hard to draft legislation that will address the plight of many of these uninsured children. This legislation will: first, enhance outreach to eligible children not yet enrolled in Medicaid; second, encourage and provide additional funds to States and territories to expand the Medicaid floor for health insurance for low-income children; third, provide for grants to States and territories to assist families with children with incomes up to 300 percent of poverty to purchase health insurance; fourth, require insurers to offer group-rated policies for children only; and fifth, give families who qualify to continue health insurance coverage under COBRA but cannot afford the premium for the entire family, the option to purchase a child only policy.

I encourage my colleagues to support this legislation. We, in this Congress, should commit ourselves to providing every child the chance to reach his or her fullest potential. We should provide health insurance coverage for every American child and promise to leave no child behind.

Mr. PALLONE. Mr. Speaker, I want to thank the gentlewoman for pointing these things out, because if we think about it, there is really no reason why this should be a partisan issue at all. I think that hopefully we are moving in the direction of trying to get our Republican colleagues and leadership on the Republican side to join with us.

I think that the fact that they agreed with the President to at least include a pot of money for children's health care in the proposed balanced budget agreement which will come to the floor in some fashion over the next few weeks, shows that we have been making some progress, and I guess, if I could just emphasize that again, that this Democratic proposal can all be achieved within the context of the balanced budget agreement.

I believe, and I think it is only fair to say, that it was because of the consistent and strong pressure from the Clinton administration and congressional Democrats that funding for the Children's Health Care Initiative was included in the bipartisan budget agreement that was announced on Friday, May 2. Including funding for this initiative was a victory for the congressional Democrats who have been saying for the last year that this program needs to be included as one of our priorities, one of our budget priorities.

I should say that the budget agreement leaves the details of the children's health insurance initiative undefined. The agreement simply states that it assumes $16 billion in funding over the next 5 years to extend health insurance to up to 5 million uninsured children. Under the agreement, the expanded coverage may be achieved by extending Medicaid and providing cap grants to the States.

So basically the agreement lends itself to the Democratic proposal that our task force has put together, in that the pot of money is there and it has the Medicaid expansion as well as the matching grant program to the States. But we believe very strongly, the way we put this package together, that we can capture a lot more than 5 million uninsured children; that we can, through a combination of going after those who are not currently enrolled but eligible for Medicaid, as well as the expansion of Medicaid, as well as the matching grants, as well as changes to the private insurance, in the private insurance area, that we can capture almost all, if not all, of the 10 million children that are not insured.

Let me just say, Mr. Speaker, in closing, that I believe very strongly the Democrats will continue to move forward on this issue because we understand the nature of the problem. We understand that 9 out of 10 children without health insurance are in working families. We understand that children without health insurance are less likely to receive the care that they need when they are injured or they are sick, and I have to say that as a parent myself, I would hate to have to worry about my child getting hurt at the playground because I do not have the health insurance coverage for him or for her. Families should not have to worry about whether or not they can afford to take their child to the doctor if their child becomes sick.

Mr. Speaker, I do not think that the Republican leadership sees this issue in these terms. If they did, I believe that they would be more aggressive in trying to develop a solution for America's uninsured children. Democrats want to help the average American family, and we believe that our plan will do just that. We are going to continue to speak out on the House floor and by whatever means we have, in our districts, until such time as a plan is put forward, is marked up in committee and comes to the floor of the House that will address the problem of these 10 million uninsured children.

IMPORTANT COMPONENTS OF THE BALANCED BUDGET AGREEMENT

The SPEAKER pro tempore (Mr. JENKINS). Under the Speaker's announced policy of January 7, 1997, the gentleman from Ohio [Mr. BOEHNER] is recognized for 60 minutes as the designee of the majority leader.

Mr. BOEHNER. Mr. Speaker, tonight over the next hour, I and my colleagues in the Republican leadership here in the U.S. House will be discussing our agreement with the White House to balance the Federal budget over the next 5 years, the permanent tax cuts that will be part of this plan, our efforts to protect and preserve Medicare, and other important parts of this agreement.

We expect that the Speaker will be here to talk about what is in the agreement and what is not. The gentleman from Texas [Mr. ARMEY] we expect will come and discuss why tax cuts in this agreement are so important. How this agreement saves Medicare I will deal with in a few minutes myself, and why the critics are wrong will be covered by the majority whip, the gentleman from Texas [Mr. DELAY]. How this agreement maintains a strong defense will be covered by the gentleman from California [Mr. COX], the chairman of our policy committee; and how this agreement reflects Republican principles will be handled by the gentlewoman from Washington [Ms. DUNN], who is the Secretary to the Republican Conference. Why balancing the budget is important for our future and our children's future will be discussed by the gentlewoman from New York, the vice chair of the Republican Conference [Ms. MOLINARI]; and how this agreement makes Government smaller and smarter will be covered by the chairman of our leadership, the gentleman from New York [Mr. PAXON].

When it comes to the issue of Medicare, more than 2 years ago we sent out our warning to the American people that Medicare is going broke. It was not our warning, it was the warning from the bipartisan Medicare board of trustees. We took action 2 years ago to preserve, protect, and strengthen Medicare.