A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate, having proceeded to reconsider the bill (H.R. 1058) ''An Act to reform Federal securities litigation, and for other purposes'', returned by the President of the United States with his objections, to the House of Representatives, in which it originated, and passed by the House of Representatives on reconsideration of the same, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4) ''An Act to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.''.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1655) ''An Act to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.''.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2029. An Act to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes.

CONFERENCE REPORT ON H.R. 2539, ICC TERMINATION ACT OF 1995

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to call up and adopt a conference report to accompany the bill (H.R. 2539), to abolish the Interstate Commerce Commission, to amend subtitle IV of title 49, United States Code, to reform economic regulation of transportation, and for other purposes, and that Senate concurrent resolution (S. Con. Res. 37) directing the Clerk of the House of Representatives to make technical changes in the enrollment of the bill (H.R. 2539) entitled ''An Act to abolish the Interstate Commerce Commission, to amend subtitle IV of title 49, United States Code, to reform economic regulation of transportation, and for other purposes'' shall be deemed to have been adopted upon adoption of such conference report.

The Clerk read the title of the bill.

The Clerk read the title of the Senate concurrent resolution.

(For conference report and statement see proceedings of the House of December 18 (legislative day of December 15), 1995, at page H14993.)

The text of Senate Concurrent Resolution 37 is as follows:

S. CON. RES. 37

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 2539) entitled ''An Act to abolish the Interstate Commerce Commission, to amend subtitle IV of title 49, United States Code, to reform economic regulation of transportation, and for other purposes'' shall make the following corrections:

(1) In section 11326(b) proposed to be inserted in title 49, United States Code, by section 102, strike ''unless the applicant elects to provide the alternative arrangement specified in this subsection. Such alternative'' and insert ''except that such''.

(2) In section 13902(b)(5) proposed to be inserted in title 49, United States Code, by section 103, strike ''Any'' and insert ''Subject to section 14501(a), any''.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. SHUSTER].

There was no objection.

Mr. SHUSTER. Mr. Speaker, I rise in strong support of the conference report on H.R. 2539, the ICC Termination Act of 1995.

This is a very important piece of legislation that will eliminate the oldest regulatory agency, the Interstate Commerce Commission.

This conference report represents a delicate balancing of the interests of shippers and carriers and a reasonable compromise between the House and Senate versions. The House bill passed with strong bipartisan support by a vote of 417 to 8 and the conference report retains all the key provisions of the House-passed bill.

The conference report represents the final chapter in the long history behind the termination of the ICC. The ICC has been downsizing for the past 15 years. In the 1970's the ICC had 11 commissioners and 2,000 employees and oversaw pervasive regulation of the transportation industry. The Staggers Act of 1980 and the Motor Carrier Act of 1980 began the substantial deregulation of the rail and motor carrier industries. The ICC now has 5 commissioners and fewer than 400 employees.

The conference report eliminates many of the remaining regulations and continues the downsizing of government. The bill preserves a core of functions that are retained only where necessary to preserve competition and ensure the smooth functioning of the $320 billion surface transportation industry. Any remaining functions are transferred to the Department of Transportation—avoiding overhead that having a separate agency requires.

The bill will produce personnel savings of over 200 employees at an annual budgetary savings of $21 million.

It is essential that this bill move quickly considering that the ICC will run out of appropriated funds at the end of this month.

The DOT appropriations bill funds the ICC only through December 31 of this year. The purpose of H.R. 2539 is to provide for the orderly shutdown of the ICC.

Without legislation to eliminate or transfer current ICC regulatory functions the transportation industry will be hurled into chaos.

For example, if the ICC is shut down without authorizing legislation to transfer remaining functions, it will be impossible for railroads to record liens on purchases of new rolling stock. This is like telling a car dealer that he can sell new cars, but there is nowhere to go to transfer the title to the car.

SUMMARY OF THE BILL

RAIL

The conference report repeals and reduces numerous regulatory requirements of law, including a variety of obsolete or unnecessary provisions. These include:

Replacement of tariff filing with a requirement that railroads notify shippers of changes of rates

Repeal of the separate rate regime for recyclable commodities.

These are in keeping with our goal to streamline Government and make any truly necessary regulation as efficient and cost-effective as possible.

The bill focuses remaining regulation of rail transportation on the minimum necessary backstop of agency remedies to address problems involving rates, access to facilities, and the restructuring of the industry.

The bill also includes provisions to facilitate the transfer of lines that would otherwise be abandoned so that another carrier can keep them in service.

In order to ensure fairness, any proceeding that has begun before the bill is enacted would be continued under the law in effect before enactment.

The bill recognizes the unique nature of the railroad industry and draws a balance among the interested parties: carriers, shippers, and the public.

The bill continues the basic structure of the Staggers Act, under which the railroad industry has seen a remarkable recovery primarily due to the benefits of deregulation.

The most controversial issue in the conference report has been labor reforms on small railroad transactions. The Senate has passed a concurrent resolution that we will bring forward to restore all of the language from the Whitfield amendment that was in the House bill. This bill passed with 417 votes on the House floor.

I also want to note one item that is discussed in the conference report at page 180. The new procedures for line purchases by class II and class III railroads in section 10902 do not remove the existing option of carriers of any size to seek approval of non-merger transactions under section 11323, which carries with it the existing labor protection requirements. Such transactions include trackage rights agreements under section 11323(a)(6), as well as purchases, leases and operating contracts under section 11323(A)(2).

Finally, I want to clarify changes that are made in the conference report regarding access to terminal facilities and switch connections and tracks. Some people are claiming that the conference report vastly expands the capability of freight railroads to obtain access to other railroads' facilities. This is incorrect. The statement of managers is intended to provide clarification specifically for certain railroads owned or operated by public authorities. The report clarifies that such railroads, for example those in the New York Metropolitan Region, owned and operated for the public interest, may invoke the remedies under sections 11102 and 11103.

MOTOR CARRIER

The conference report eliminates or streamlines numerous unnecessary motor carrier functions currently performed by the ICC. These include eliminating nearly all remaining tariff filings, significantly broadening exemption authority to permit administrative deregulation, easing the burdensome financial reporting requirement, deregulation of Federal and State price regulation of office and exhibit moves, elimination of ICC resolution of routine commercial disputes, and streamlining of regulation of chemical pipelines, among many others.

A core of motor carrier functions will be transferred to the Department of Transportation and carried out with no increase in personnel slots and with no increase in funding. The primary Department responsibility will be the registration of motor carriers and the establishment and enforcement of minimum financial responsibility requirements. The other function transferred is maintenance of background industry commercial rules (such as cargo loss and damage rules, leasing rules) which should not require any significant personnel or resources.

A limited number of functions will be carried out by the Board, including the final resolution of undercharge claims, oversight of the remaining limited rate reasonableness requirements, and approval and oversight of agreements for antitrust immunity under reformed procedures and oversight over noncontiguous domestic trade.

The conference report contains a compromise provision to correct an inadvertent change in 1994 to common carriers' ability to establish released rates for shipments. This change would permit carriers to limit liability in a schedule of rates kept on file at the carriers' place of business, which is made available to shippers upon request. I want to be clear that this change represents a compromise from the house-passed provision, and in no way affects the underlying Carmack amendment.

CONCLUSION

I urge all my colleagues and particularly the 417 Members who supported this legislation on the House floor to vote for the conference report with the assurance that it contains all the major provisions of the House-passed bill.

I rise in strong support of the concurrent resolution. This resolution conforms the conference version of the I.C.C. Termination Act exactly to the House-passed bill on the subject of labor protection. That bill, which included the Whitfield amendment, was approved by the House on a rollcall vote of 417 to 8. It also makes one other technical change to correct the accidental omission of a phrase in one of the conference provisions.

The changes contained in this concurrent resolution remove the principal feature of the conference report which the administration found objectionable. It is our good fortune that the Senate has agreed to recede to the House on this point, in order to remove the administration's ground for objection, and has already approved the same resolution we are now considering. I therefore urge approval of this resolution on the same bipartisan basis that Members exhibited when they overwhelmingly approved the House-passed bill with the same labor protection provisions.

Mr. NADLER. Mr. Speaker, this conference report, as amended by Senate Concurrent Resolution 37, follows the House bill by including a very important labor protection provision, known as the Whitfield amendment, which was adopted by the Members of this House by a 241–184 vote. That amendment provides some measure of protection to railway workers. Without it, the impact on those working Americans would be simply unconscionable. I am pleased to note that it is part of the bill going to the President.

I am also gratified that two provisions I proposed, and got included in the House version of this bill, have been retained in this conference agreement. These two sections will help to protect the rights of small businesses, consumers, and working people following the elimination of the ICC. These two amendments were included in the chairman's en-bloc amendment in the House.

I am pleased that the existing section 10707, the Feeder Line Development Program, is included in this bill. Under this provision, any rail carrier which owns a rail line but does not serve that line can be compelled to sell that unserved line to a carrier willing to provide service. This is vitally important to ensure that businesses, communities, and consumers are not needlessly isolated from the Nation's commerce by the stranglehold of a particular carrier over a particular service area. This will ensure that commerce will continue to move over rail rights of way and it will continue a very important power currently held by the ICC.

Second, my language ensuring the continued existence of common carriage has been retained in the conference report. This language seeks to protect shippers and the general public from monopolies and to enable commerce to flow freely. This provision accomplishes that important goal by mandating that a carrier provide service to a shipper that makes a reasonable request for service on a nondiscriminatory basis.

Under an earlier draft of this legislation, carriers would have been permitted to utilize all of their available capacity to contract carriage, leaving no remaining capacity available for small shippers willing and able to ship goods via common carriage. This iron-clad preference for contract carriage, to the exclusion of common carriage, would have sounded a death knell for common carriage and the small businesses and shippers dependent on the openness and fairness of the common carrier requirements. My amendment essentially prevents this dangerous exclusive preference for contract carriage and protects the integrity of our rail transportation system.

Mr. Speaker, as I just said, I am pleased that some of my concerns with the future of rail service have been addressed. I thank Chairman SHUSTER and ranking member OBERSTAR of the Transportation Committee for their cooperation on these concerns.

Mr. UNDERWOOD. Mr. Speaker, I rise today in opposition to the conference report on House Report 2539, the Interstate Commerce Commission Termination Act of 1995.

This legislation is flawed because it contains provisions that are harmful to consumers in the offshore domestic areas such as Guam. Under this act, carriers that engage in the domestic offshore trade are authorized to raise rates up to 7.5 percent a year. These increases are deemed by the legislation as a zone of reasonableness. I do not know in what planet a 7.5 percent rate increase per year is reasonable, but on Guam, this qualifies as a zone of greed.

The intent of the ICC Termination Act is to deregulate the motor carrier and rail industries. Residual regulatory authority for the water carriers will be transferred to the Department of Transportation. Congress has chosen not to deregulate the shipping industry. Guam would welcome such deregulation, because Guam has found over the years that being a captive market for the water carriers would without any stringent regulatory oversight is an open invitation to gouge the consumers on Guam with shipping rates that are four times higher than rates to Japan.

Unlike the domestic trucking and rail industries, there is virtually no competition in the domestic offshore trade. Guam is served by two carriers, and Guam has no choice but to use these services because of a variety of shipping laws regulating the trade between Guam and other U.S. ports.

I welcome the bill language that calls for a study of the effects of this regulated industry, and I would request that the Secretary of Transportation take special note of the effects on consumers in captive markets such as Guam. This study specifically calls upon the Secretary of Transportation to analyze ''the problems of parallel pricing and its impact on competition in the domestic trades''; ''whether additional protections are needed to protect shippers from the abuse of market power''; and the extent of ''carrier competition''. I am confident that the results of this study will conclusively demonstrate what those of us from Guam have required one of two things: First, effective regulation; or second, greater competition. This bill provides neither.

In making the case against the zone of reasonableness, the Governor of Guam, the Hon. Carl Gutierrez, and I have attempted to explain how this provision will harm our residents. We received a copy of a letter from the Department of the Navy to the conference committee noting the Navy's objections to this blank check for rate increases that the American taxpayer will have to pay when military goods are shipped to Guam. The Navy also stated that the high shipping rates may force them to ship military goods to Japan instead of Guam, putting American workers on Guam out of work. Meantime, the shipping companies continue to roll in the profits.

I call attention to an important element of the legislative history of this provision that offers some hope to Guam. In the conference report on House Report 2539, the Senate receded to the House language of section 13701 of chapter 137. The House language was accepted by the conferees and the House legislative history is therefore controlling, although the conferees agreed to the rate of 7.5 percent instead of 10.0 percent. The legislative history of this provision in the House Report 104–311 of the Committee on Transportation and Infrastructure reflects the legislative intent of the House and includes report language that explains that ''this zone of reasonableness for rate increases does not mean that the base rate cannot be challenged as unreasonable.'' I expect the Department of Transportation to take note of this legislative intent should Guam decide to challenge the unreasonableness of base shipping rates.

Mr. Speaker, I hope that the President vetoes this bill for the reasons I have stated to protect the consumers in the offshore domestic areas.

Mr. RAHALL. Mr. Speaker, I rise in support of this conference report, as amended by the concurrent resolution.

This legislation provides for the orderly transfer of those essential authorities currently vested with the Interstate Commerce Commission to the Department of Transportation, and a new Surface Transportation Board.

The bottom line is that if this legislation is not adopted, come January 1, there will be chaos in the railroad and motor carrier industries.

There would be in place a body of law governing their daily operations, with nobody in place to administer or enforce that law since funding for the ICC expires on December 31.

I would submit that situation would harm not only the railroads and the trucking companies, but every American consumer and transportation labor as well.

In my capacity as the ranking Democratic member on the Subcommittee on Surface Transportation, there were several issues I championed during deliberations on this legislation.

Among them are maintaining antitrust immunity for classifications, mileage guides, the establishment of through routes and joint rates.

Under this legislation, antitrust immunity for these activities would continue subject to agreements approved by the new Surface Transportation Board.

In my view, the grant of antitrust immunity for these motor carrier activities has well served both the industry and the general public and this legislation's treatment of this matter is prudent and wise.

This legislation also makes a number of other appropriate changes to that body of federal law governing motor carriers, building upon the amendments made last Congress in the Trucking Industry Regulatory Reform Act of 1994.

Reflecting the new world order in motor carrier regulation, this bill would streamline registration requirements and eliminate duplication.

Ultimately, all of the various registration systems will be consolidated into one, unified system, administered by the Secretary of Transportation.

I am also pleased to note that a compromise was reached on the issue of financial reporting which, while preserving this most important function for gauging safety fitness, will protect confidential business information, trade secrets, and other privileged information.

From the perspective of the consumer, the motor carrier and railroad industries, and those who they employ, this legislation establishes a prudent and wise regulatory framework for the post-ICC era. I commend it to the House.

With respect to other matters in this bill, I would be remiss if I did not make note of the tow truck provision contained in this conference agreement.

As I have noted in the past, last year Congress inadvertently preempted the ability of local governments to regulate the tow truck industry as part of section 601 of the Federal Aviation Administration Authorization Act of 1994.

The Congress did not intend to do this, and in fact, has no business intruding in this intrastate and local matter. In fact, during the waning hours of the last Congress I managed to gain House passage of remedial legislation. However, it has taken us until this point to finally resolve this issue.

The pending legislation would restore the local authority to engage in regulating the prices charged by tow trucks in nonconsensual towing situations. Regulation of routes and services, as well as regulation of consensual towing, would still be preempted.

Nonconsensual towing situations are those where the owner of the vehicle is unable to consent to it being towed, such as in cases of a severe accident, where the vehicle is towed from a commercial establishment for being illegally parked, or towed from city streets as a result of police order.

I would note that with the restoration of the authority of local units of government to regulate prices charged for nonconsensual towing, the Congress fully expects that any rates so established be compensatory and reasonable.

Another matter in this conference agreement of great interest to this gentleman from West Virginia relates to the issue of fiber drums. While not directly related to the termination of the Interstate Commerce Commission, this issue was raised by the Senate version of the bill and ultimately addressed by the conference committee.

Section 105(d)(2) of the Hazardous Materials Transportation Act gives the Secretary of Transportation discretionary authority to issue standards applicable to the domestic transportation of hazardous materials consistent with standards adopted by an international body. I would stress that this authority was discretionary, with the adoption of any international-based standards for the purposes of domestic commerce not required by law.

Subsequently, the Secretary promulgated regulations applicable to the domestic transportation of hazardous materials in a proceeding known as HM–181 based on the recommendations of a committee of the United Nations formed to develop requirements applicable to international commerce. These regulations have an effective date of October 1, 1996.

The problem is that pursuant to the HM–181 regulations, certain types of packaging, including open-headed fiber drum packaging used for liquid hazardous materials, will no longer be acceptable for domestic commerce in the United States. Incredible as it may seem, this is the result of the rulemaking despite the demonstrated almost 100 percent safety record of fiber drum packaging technology.

In light of the fact that fiber drum packaging for liquid hazardous materials is an exclusive American technology, and due to the lack of experience with it among the international community, it may not have been duly considered in the formulation of the HM–181 standards. Further, several nations other than the United States continue to provide for the regulation of hazardous materials transportation within their borders utilizing standards not based on the recommendations of the U.N. committee.

Yet, as it stands, if Congress does not seek to remedy this situation, as of October 1, 1996, fiber drum packaging, the economies and employment it offers, will be no longer.

I am further troubled by the manner by which this issue has been handled by the Department of Transportation's Research and Special Programs Administration. An appeal to HM–181 by the fiber drum industry was referred to the Federal employee who was the principal author of the regulation. The appeal was not considered by some type of impartial body, or by an adjudicatory panel. Rather, again, it was referred to a single Federal employee who, surprise, surprise, sustained his original position. In recognition that the fiber drum industry was being treated unfairly, last year the Congress by statute ordered the Transportation Department to revisit the issue and undertake a new rulemaking. Guess who was put in charge of this new rulemaking? The very same Federal employee who was the principal author of HM–181 and who ruled against the appeal. Once again, the treatment by HM–181 of fiber drum, packaging was sustained.

As part of its version of this legislation, the Senate included a provision that would have simply authorized the continued use of fiber drum packaging so long as that packaging is in compliance with pre-HM–181 regulations. The House had no similar provision. In conference, in an effort to reconcile the concerns advanced by the steel and plastic drum manufacturers, a compromise was devised that basically provides for a 1-year extension of the HM–181 deadline as it applies to fiber drum packaging while the National Academy of Sciences conducts a study on the issue. Since the Research and Special Programs Administration has been unable to consider this matter in an objective manner, the conferees unanimously agreed that the National Academy of Sciences was the most appropriate entity to conduct the study.

For its part, the Academy is to complete the study by March 1, 1997, with the Secretary directed to conduct yet another rulemaking giving full and substantial consideration to the results of the study. I would stress the use of the words 'full and substantial consideration.' This term does not mean that the Research and Special Programs Administration is to give lip service to the results of the Academy study. They do not mean that the Research and Special Programs Administration simply consider the results of the Academy study. This is not to be business as usual at the agency as it relates to fiber drum packaging. Rather, the phrase 'full and substantial consideration' was carefully selected by the conferees to reflect our concern that the results of a study on fiber drum packaging conducted by an impartial entity be the guiding force in the new rulemaking.

In the event the Research and Special Programs Administration does not comply with the letter and intent of this provision of the conference agreement, I pretty much can guarantee it that the Congress will revisit this issue once again.

Mr. BILIRAKIS. Mr. Speaker, I rise in support of the conference agreement to accompany H.R. 2539.

I note that the conference agreement contains an amendment to the Noise Control Act of 1972. This amendment was not contained in either of the bills sent to conference. It is my understanding that this amendment is a technical and conforming amendment that updates a definitional reference to title 49 of the United States Code in the Noise Control Act for the term ''motor carrier.'' As I understand it, this change has no substantive effect on the operation of the Noise Control Act.

I bring this to the attention of my colleagues because the Commerce Committee has had a longstanding interest in the Noise Control Act.

The committee reported the original version of the act in 1972 and has been responsible for overseeing the implementation and effectiveness of the act.

Mr. VENTO. Mr. Speaker, I rise in reluctant support of the conference agreement to H.R. 2539.

I am pleased that the conferees had the good judgment not to exclude the Whitfield amendment from this conference agreement, in which the majority of the Members of this body strongly supported. I support the Whitfield amendment, without which any transaction involving class II and class III railroads, including all railroads with up to $250 million of annual revenue, could disregard important employee rights. Without Whitfield, the successor to the ICC would be allowed to abrogate, through merger, longstanding employee protections which were collectively bargained.

Mergers and acquisitions should not use the workers as the grease for the gears of such combinations. Such business transactions should preserve the sanctity of labor contracts and stand on their business merit, not destroy railroad labor employee protections. I applaud the Whitfield language in this agreement.

However, I've serious concerns with this legislation arising from the publicity of the Republican majority in this Congress. For the past 12 months my colleagues on the other side of the aisle have purported to be State's rights advocates. Yet here we are with a bill before us that preempts States' authority to regulate routes, rates, services in the transportation of household goods within their own borders. It appears that the Republican authors of this bill have disregarded the rights of States in regard to the impact on their ability to regulate household goods. Whatever happened to returning power and policy discretion to States? Apparently, it was not convenient in this case and the effect is to further undermine the franchise, the expertise, and the safety that has been implemented by the States.

Mr. WISE. Mr. Speaker, I rise in support of the conference agreement on H.R. 2539, ICC Termination Act of 1995. It has been a long journey but finally all of the important issues involving the economic regulation of the railroad industry have been resolved on a bipartisan basis to everyone's satisfaction.

I commend Chairman SHUSTER, Chairwoman MOLINARI, and ranking Democratic member JIM OBERSTAR, and thank them and our former ranking Democratic member on the Subcommittee on Railroads, BILL LIPINSKI, for their leadership on this important issue.

Mr. Speaker, the conference agreement on H.R. 2539 provides for the elimination of the Interstate Commerce Commission. It also eliminates obsolete and unnecessary regulations and transfers the remaining functions to an independent board at the Department of Transportation. Additionally, as has been stated, it provides railroad workers with the fair labor protection voted for in the House-passed bill by a large margin.

Mr. Speaker, it would have been unfair to workers to continue the ICC's authority to set aside collective-bargaining agreements, particularly in the area of mergers between class II and class III rail carriers. The Government does not have this power in any other industry. Collective-bargaining agreements are freely negotiated between management and labor and should be respected.

The conference agreement eliminates or reduces employee rights to severance pay. But it did it in a balanced manner, as the House bill did, by giving labor a guarantee of collective bargaining rights, as an offset for the elimination or reduction of severance pay.

In crafting the conference agreement, we also continue the deregulation of the Nation's transportation industry that started with the successful Staggers Rail Act of 1980. However, it is also evident in the conference agreement that the public interest is best served when the needs of the shippers and communities for reasonably priced railroad services are balanced against the needs of railroads for adequate revenue.

Although this approach has been a success, we still continue some regulation, because the railroad industry continues to consolidate, and the needs of employees and shippers must continue to be taken into consideration.

This piece of legislation is a step toward continuing the streamlining of regulation while balancing the needs of shippers, the public's interest in safe, efficient, low-cost transportation, and the industry's need for adequate predictable revenue and low regulatory compliance cost.

Additionally, I am pleased to see that some of the issues of great importance to me have been addressed in the bill and in the managers amendment. As in current law, the ICC successor may continue to deny or approve abandonments and discontinuances of railroad services, and labor protection requirements now applicable to abandonments are retained also. In my home State of West Virginia and in many other rural areas, abandonments can drastically affect the financial development of a community.

Moreover, we have made progress in the area of continuing to protect captive shippers from possible market abuse and in restoring the Long-Cannon criteria which the ICC uses to determine the current coal rate guidelines—the basis for determining maximum coal rates.

Therefore, Mr. Speaker, as I mentioned previously, I support the conference agreement on H.R. 2539 as it provides a fair and balanced approach to reforming the ICC.

Ms. MOLINARI. Mr. Speaker, I rise in support of the conference report on this important legislation. The ICC Termination Act eliminates many unnecessary and obsolete forms of regulation, as well as the oldest Federal regulatory agency itself. This legislation is a broad-based, bipartisan effort to modernize and streamline transportation regulation.

With respect to railroads, the bill retains all the key features of the House-passed legislation. And that legislation was passed by the House with overwhelming bipartisan support—417 to 8. The conference version of this bill keeps all of the key features of the successful deregulation begun with the Staggers Rail Act of 1980. Rate standards, the broad power to reduce regulation by administrative action, and the safety net of remedies for shippers are kept.

I especially want to commend our chairman, Mr. SHUSTER, our Surface Subcommittee chairman, Mr. PETRI, and our Surface Subcommittee ranking member, Mr. RAHALL, for their bipartisan efforts on this highly complex legislation. Let me also quickly express my thanks to the committee staff, particularly Jack Schenendorf, Bob Bergaman, Glenn Scammel, Alice Davis, and Jennifer Southwick for their long hours of hard work on this bill.

Under this legislation, we eliminate many cumbersome and unnecessary requirements that only resulted in extra regulatory burdens and paper-pushing.

At the same time, this legislation gives the retained responsibilities to a greatly reduced administrative board within the Department of Transportation. All of the bureaucratic overhead of the old independent ICC is eliminated by making the new board administratively part of DOT. This means that the almost 400-person ICC will be replaced by a Board served by only 120 people. It also means lowering the annual price tag from nearly $30 million to under $12 million.

Regarding the labor issue, some Members may have heard of the controversy surrounding this issue. On Wednesday, we received notification from the administration that the President would veto the conference report based primarily on the labor protection provisions. Last night, the Senate passed a concurrent resolution that restores all the language from the Whitfield amendment that was in the House bill, which passed with 417 votes.

As I said before, restoration of this language sets a dangerous precedent, which I have fought vigorously to avoid. A policy which enables organized labor to have the ability to stand in the way of a Government-approved merger is ludicrous. I might add that rail labor's position on this issue is somewhat ironic, since the effect of the concurrent resolution is to remove the option of 6 years of labor protection and to ensure that affected employees will receive only 1 year instead.

Nevertheless, I ask my colleagues to support the conference report only because it is imperative that authorizing legislation is passed before the ICC runs out of funding on December 31. Consider the consequences if a bill is not passed before the end of the month. Businesses in your districts who ship by motor or rail will have nowhere to go to seek relief under Interstate Commerce Act remedies. For companies who build rail cars, locomotives, and components—and their workers—sales to the railroad industry will be halted because the only means by which liens and other commercial transactions can be legally recorded will have been defunded.

In others words, a ''no'' vote on the conference report has significant real world implications and I urge my colleagues to support this legislation.

Mr. PETRI. Mr. Speaker, I want to express my support for this conference report to accompany H.R. 2539, the ICC Termination Act of 1995. Approval of the conference report will allow the Interstate Commerce Commission to close its doors within the next several days in an orderly fashion.

The conference report provides for the transfer of certain ICC functions to the Department of Transportation and to a new Surface Transportation Board to be established within DOT. All other remaining ICC functions will be eliminated.

I want to express my appreciation for the efforts of all the conferees, led on the House side by Chairman SHUSTER and on the Senate side by Chairman PRESSLER.

The conferees have worked diligently over the past several weeks to ensure that the Congress considers this important matter in a timely fashion.

Since the ICC is funded only through the end of this year, it is essential that we approve this legislation now and that it is signed into law by the President,

In order to avoid the chaos and uncertainty that would envelop the transportation industry if the ICC were to close on January first without having in place a process for the transfer of functions.

The motor carrier provisions in the ICC Termination Act of 1995 continue the economic deregulation of this industry which began in 1980, and was followed by various other deregulation initiatives, including three major bills just last Congress. H.R. 2539 will abolish the ICC and eliminate many of the Commission's remaining motor carrier functions that are no longer appropriate in today's current competitive motor carrier industry.

Functions and responsibilities which do remain are transferred to either the Department of Transportation—which primarily will oversee registration and licensing—or to the Surface Transportation Board—which will be responsible primarily for the limited remaining rate regulation and tariff filings, final resolution of undercharge claims, and approval and oversight of agreements for antitrust immunity. Much of the regulation that remains has been streamlined and reformed.

While we have provided for continued deregulation in this bill, many of us had hoped to have gone further. However, this legislation does contain many compromises, as is usually necessary to move forward such a complicated measure. Continued oversight of remaining motor carrier regulation is still required, and the Surface Transportation Subcommittee will closely monitor the industry and the need to retain these remaining regulatory requirements in the future.

Mr. Speaker, I urge my House colleagues to provide for an orderly shut-down of the Interstate Commerce Commission by approving this conference report today.

The SPEAKER pro tempore. The conference report on H.R. 2539 and Senate Concurrent Resolution 37 are adopted.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report and Senate concurrent resolution just agreed to.

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

There was no objection.

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE WORKS IN BIPARTISAN MANNER

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

Mr. OBERSTAR. Mr. Speaker, I take this moment to compliment our chairman, the gentleman from Pennsylvania [Mr. SHUSTER], of the Committee on Transportation and Infrastructure on the legislation just passed which is now on its way to the White House and to a certain signature into law.

Mr. Speaker, this completes a very long and very labored process of completing the economic deregulation of rail and of trucking transportation and of sunsetting the Nation's oldest regulatory body, the Interstate Commerce Commission.

We were able to come to this resolution today because the Committee on Transportation and Infrastructure is a committee that works because its members work together. When we work together, we accomplish good things for this country and for its economy.

Mr. Speaker, that is kind of a good note on almost which to conclude this part of the session. There was a time in the past when Bob Michel and Tip O'Neill would join in singing songs as we approach the Christmas season. This body is not in a mood to do that. But at least we can say that on the Committee on transportation and Infrastructure, we are singing from the same page today, and for that I compliment our chairman, the gentleman from Pennsylvania [Mr. SHUSTER], the gentlewoman from New York [Ms. MOLINARI], who is chair of the Subcommittee on Railroads, the gentleman from Wisconsin [Mr. PETRI], chairman of the Subcommittee on Surface Transportation, and the members on my side, the gentleman from Illinois [Mr. LIPINSKI] and the gentleman from West Virginia [Mr. WISE], on the splendid job of working together.

Mr. Speaker, I would like at this time to discuss in greater detail the legislation we have just passed by unanimous consent. To get to this point we have undertaken long and difficult negotiations, which finally resulted in a successful resolution of many complex and controversial issues. The process worked. We labored, discussed, negotiated, compromised, and in the end came together on a product that we all can support. For the Committee on Transportation and Infrastructure, this conference agreement is another testament to the fact we can do the best job for the Nation by working together on a bipartisan basis.

I am particularly appreciative of the efforts of Chairman SHUSTER. He spent many hours dealing with the complex and technical issues involved in this legislation. He listened with an open mind to all parties, and showed his dedication to the overall public interest by developing a creative compromise which protected the basic interests of all parties, but did not give any party all that it wanted.

Special recognition also goes to our Rail and Surface Subcommittees, including Rail Subcommittee Chairwoman MOLINARI and ranking Democratic member, BOB WISE; former ranking Democratic member, BILL LIPINSKI; Surface Subcommittee Chairman TOM PETRI; and ranking Democratic member, NICK RAHALL.

Mr. Speaker, as a result of the compromise we have reached, rail labor, rail management, shippers, motor and water carriers, and ICC reformers all support the conference report. In addition, with the compromise on rail labor protection, I expect that the President will sign the bill.

This conference agreement includes many important provisions ensuring continuation of critical safety and economic regulation of motor carriers and railroads, and, as a result of the concurrent resolution we just passed, the conference report will treat railroad employees fairly. As amended by the resolution, the conference agreement will reflect the House provisions which were a fair compromise between the competing needs of management and labor.

However, I wish to make it clear that I could not have supported the conference report without the amendment made by the concurrent resolution. The original conference agreement was highly unfair to rail employees.

The original conference agreement represented a picking and choosing of provisions from the House-passed bill. There was a serious imbalance between the provisions selected and those that were dropped. The original conference agreement kept all the concessions labor made in the bill, but dropped the one benefit labor received in return; protection of collective bargaining agreements.

Specifically in the House-passed bill, labor gave up a wide range of labor protection involving severance pay for employees who lose their jobs in mergers. The House bill reduced or eliminated severance pay in transactions involving line sales to noncarriers, line sales to class III carriers, line sales to class II carriers, mergers between class III carriers, and mergers between class II and class III mergers. The original conference agreement accepted these reductions in employee protection.

Let me provide a few examples:

Under current law if the Maryland Midland Railway Co.—a class III carrier, merges with Shenandoah Valley Railroad which is also a class III carrier, the railroad employees would receive 6 years of labor protection. Under the original conference agreement the employees would get no labor protection at all. That's a big concession on the part of labor, and one they agreed to only in return for protection of collective bargaining agreements.

Another example, under current law if the Wisconsin Central Railroad—a class II carrier, acquired a line from the Dakota, Minnesota, & Eastern Railroad, with 50 employees working on that line, those 50 displaced employees would receive 6 years of labor protection. Under the original conference agreement they would receive only 1 year of labor protection. Again, a significant concession on the part of labor.

A final example, under current law if RailTex, a holding company of class III railroads, sets up a new noncarrier subsidiary and acquires a branch line from Conrail, it could be required to pay up to 6 years of labor protection to any displaced employees. Under the original conference agreement, those same employees would get no labor protection. I reiterate—no labor protection at all. Labor agreed to this and much more.

In return, for these concessions what did railroad employees ask for and receive in the House bill? They received a right that every other American worker has—to bargain collectively with their employers and have those collective bargaining contracts upheld in court.

But the original conference agreement didn't give them these rights. Instead, it gave the carrier applying for the merger the choice of whether to accept rights of employees under collective bargaining agreements or ask ICC to throw the agreements out. That was unacceptable.

I simply could not support a bill which in essence took away the basic rights of employees to bargain collectively simply in an effort