side. The gentlewoman from California (Ms. ESHOO) will control 1 minute, and the gentleman from California (Mr. COX) will control 1 minute.

PARLIAMENTARY INQUIRIES

Mr. DINGELL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DINGELL. Mr. Speaker, the gentleman from California (Mr. COX) is for the bill and the gentlewoman from California (Ms. ESHOO) is for the bill. They are going to share the time equally, half the time over there and half the time to the supporters on this side? I am curious, is that a fair ruling?

The SPEAKER pro tempore. The Chair heard no objection to the unanimous consent request.

Mr. STUPAK. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. STUPAK. Mr. Speaker, it is my understanding that the proponents of the bill would like to insert a statement to put in as an addition to the debate. Instead of taking up 2 minutes, can we just do it by unanimous consent? That way we do not have to worry about division of time.

The SPEAKER pro tempore. Colloquy must be spoken and not inserted in the record.

Mr. DINGELL. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER pro tempore. The gentlewoman from California (Ms. ESHOO) is recognized for 1 minute.

Ms. ESHOO. Mr. Speaker, I yield myself 1 minute, and would ask the gentleman from California (Mr. COX) to begin the colloquy.

Mr. COX of California. Mr. Speaker, will the gentlewoman yield?

Ms. ESHOO. I yield to the gentleman from California.

Mr. COX of California. Mr. Speaker, I thank my colleague from California, the coauthor of the bill, for yielding.

Mr. Speaker, earlier on the floor we had discussed our understanding, our clear understanding, that Congress did not, in adopting the Reform Act, intend to alter standards of liability under the Exchange Act. I would add, and I believe the gentlewoman is in agreement, that in Ernst and Ernst v. Hochfelder, the Supreme Court left open the question of whether conduct that was not intentional was sufficient for liability under the Federal securities laws. The Supreme Court has never answered that question. The court expressly reserved the question of whether reckless behavior is sufficient for civil liability under section 10(b) and Rule 10b-5 in a subsequent case, Herman & Maclean v. Huddleston, where it stated, ''We have explicitly left open the question of whether recklessness satisfies of the scienter requirement.''

The Reform Act did not alter the standard for liability under the Exchange Act. The question was expressly left open by the Reform Act for resolution by the Supreme Court on the basis of the statutory language of the Exchange Act.

The SPEAKER pro tempore. The time of the gentlewoman from California (Ms. Eshoo) has expired.

The gentleman from California (Mr. Cox) is recognized for 1 minute.

Mr. COX of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Mr. Speaker, I will just ask the gentlewoman from California (Ms. Eshoo), if that is her understanding as well?

Ms. ESHOO. Mr. Speaker, will the gentleman yield?

Mr. COX of California. I yield to the gentlewoman from California.

Ms. ESHOO. Mr. Speaker, that is my understanding. I thank everyone concerned for the additional time in the debate. This is important language supported by certainly the Chairman of the Securities and Exchange Commission, and I think it will serve the House well.

Mr. DAVIS of Florida. Mr. Speaker, as a cosponsor of this legislation, I rise in strong support of H.R. 1689, the Securities Litigation Uniform Standards Act. This bipartisan initiative is narrowly tailored to address a problem which has arisen since enactment of the 1995 Private Securities Litigation Reform Act. While the 1995 Act was designed to help end abuses in Federal securities class actions, these reforms have been subverted through the use of State courts, undermining the potential benefits to investors, consumers, workers, and the overall economy.

This bill prevents plaintiffs from circumventing the reforms enacted in 1995 by creating a uniform standard for class action lawsuits involving nationally traded securities. The principle behind this legislation is simple. Nationally traded securities, which are primarily regulated by the Federal Government, should be subject to Federal securities law. By establishing fair and consistent rules, Congress not only will protect companies from abuses in class action lawsuits but also will improve the climate for greater forward-looking disclosures for investors.

Mr. Speaker, I urge all of my colleagues to support this common-sense legislation and reinforce the reforms that Congress passed by an overwhelming majority in 1995.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 1689, as amended.

The question was taken.

Mr. STUPAK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

REPORT ON DEVELOPMENTS CONCERNING NATIONAL EMERGENCY WITH RESPECT TO TERRORISTS THREATENING TO DISRUPT MIDDLE EAST PEACE PROCESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments concerning the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c).

1. On January 23, 1995, I signed Executive Order 12947, ''Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process'' (the ''Order'') (60 Fed. Reg. 5079, January 25, 1995). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the Order. The Order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the Order (collectively ''Specially Designated Terrorists'' or ''SDTs'').

The Order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the Order are effective upon the date of determination by the Secretary of State or her delegate, or the

Director of the Office of Foreign Assets Control (OFAC) acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the Federal Register, or upon prior actual notice.

Because terrorist activities continue to threaten the Middle East peace process and vital interests of the United States in the Middle East, on January 21, 1998, I continued for another year the national emergency declared on January 23, 1995, and the measures that took effect on January 24, 1995, to deal with that emergency. This action was taken in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

2. On January 25, 1995, the Department of the Treasury issued a notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 Fed. Reg. 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947, as well as 18 individuals who are leaders or representatives of these groups. In addition, the notice provided 9 name variations or pseudonyms used by the 18 individuals identified. The list identifies blocked persons who have been found to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process or to have assisted in, sponsored, or provided financial, material or technological support for, or services in support of, such acts of violence, or are owned or controlled by, or act for or on behalf of other blocked persons. The Department of the Treasury issued three additional notices adding the names of three individuals, as well as their pseudonyms, to the list of SDTs (60 Fed. Reg. 41152, August 11, 1995; 60 Fed. Reg. 44932, August 29, 1995; and 60 Fed. Reg. 58435, November 27, 1995).

3. On February 2, 1996, OFAC issued the Terrorism Sanctions Regulations (the ''TSRs'' or the ''Regulations'') (61 Fed. Reg. 3805, February 2, 1996). The TSRs implement the President's declaration of a national emergency and imposition of sanctions against certain persons whose acts of violence have the purpose or effect of disrupting the Middle East peace process. There have been no amendments to the TSRs, 31 C.F.R. Part 595, administered by the Office of Foreign Assets Control of the Department of the Treasury, since my report of January 28, 1998.

4. Since January 25, 1995, OFAC has issued six licenses pursuant to the Regulations. These licenses authorize payment of legal expenses and the disbursement of funds for normal expenditures for the maintenance of family members, the employment and payment of salary and educational expenses, payment for secure storage of tangible assets, and payment of certain administrative transactions, to or for individuals designated pursuant to Executive Order 12947.

5. The expenses incurred by the Federal Government in the 6-month period from January 23 through July 22, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to organizations that disrupt the Middle East Peace process, are estimated at approximately $165,000. These data do not reflect certain costs of operations by the intelligence and law enforcement communities.

6. Executive Order 12947 provides this Administration with a tool for combating fundraising in this country on behalf of organizations that use terror to undermine the Middle East peace process. The Order makes it harder for such groups to finance these criminal activities by cutting off their access to sources of support in the United States and to U.S. financial facilities. It is also intended to reach charitable contributions to designated organizations and individuals to preclude diversion of such donations to terrorist activities.

Executive Order 12947 demonstrates the determination of the United States to confront and combat those who would seek to destroy the Middle East peace process, and our commitment to the global fight against terrorism. I shall continue to exercise the powers at my disposal to apply economic sanctions against extremists seeking to destroy the hopes of peaceful coexistence between Arabs and Israelis as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 21, 1998.*

□ 2115

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. DICKEY). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. RAMSTAD) is recognized for 5 minutes.

(Mr. RAMSTAD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. SOUDER) is recognized for 5 minutes.

(Mr. SOUDER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

STARR'S CANDOR IN PLEDGING NOT TO LEAD INVESTIGATIVE INFORMATION IS CALLED INTO QUESTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, according to media reports, a hearing was held this morning on the issue of leaks by the Office of Independent Counsel Kenneth Starr.

The issue of leaks by the Independent Counsel and his staff is not new. Last month, Mr. Starr acknowledged in an interview that he has talked to reporters on an ''off the record basis,'' and that his chief deputy, Mr. Jackie Bennet, Jr., spends much of this time talking to the media.

The Independent Counsel argues that there is nothing improper about his contacts with the media because he did not disclose any information coming directly from the grand jury. According to him, there is nothing wrong with talking to the press about his investigation so long as the information he reveals has not yet come before the grand jury. I find that overly technical distinction to be unpersuasive.

In the past, Mr. Starr has flatly denied leaking to the press. In fact, his earlier public statements took a hard line on the issue. He has said the following about the release of confidential information by his office:

''The release of any investigative information by a member of this office or any other law enforcement agency would constitute a serious breach of confidentiality.'' Ken Starr, Washington Times, April 30, 1996.

''Consistent with its historical practice, the Department of Justice does not ordinarily disclose the evidence gathered during an investigation except through the mechanism of indictment and trial. *See* 28 CFR §50.2.'' Annual Status Report to Congress By The Office of Independent Counsel Kenneth W. Starr, p. 13 (Aug. 9, 1997).

''[A]n independent counsel 'shall, except to the extent that to do so would be inconsistent with the purposes of the statute, comply with the written or other established policies of the Department of Justice respecting enforcement of the criminal laws.' 28 U.S.C. §594(f)(1).'' Annual Status Report to Congress By The Office of Independent Counsel Kenneth W. Starr, p. 13 (Aug. 9, 1997).

''As much as I understand the questions that you have, I am operating under constraints of confidentiality. It is simply inappropriate, it's simply improper for me to be addressing questions in the course of an investigation.'' Ken Starr Press Conference, Jan. 22, 1998.

''I'm not going to comment on the status of our negotiations [with Ms. Lewinsky's lawyers]. That again, if you ask specific facts, Linda, which you're entitled to do, I just hope you understand, especially when you ask a kind of question about the status of someone who might be a witness, that goes to the heart of the grand jury process.'' Ken Starr Press Conference, Feb. 5, 1998.

The obligation of laws, I cannot answer some of the questions that you understandably have. I'm sympathetic with that. But I am under a legal obligation not to talk about facts going before the grand jury. Ken Starr Press Conference, Feb. 5, 1998.