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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. WEBSTER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 7, 2012.

I hereby appoint the Honorable DANIEL WEBSTER to act as Speaker pro tempore on this day.

JOHN A. BOEHNER,
Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 17, 2012, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 1 hour and each Member other than the majority and minority leaders and the minority whip limited to 5 minutes each, but in no event shall debate continue beyond 11:50 a.m.

PAIN AT THE PUMP

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan (Mr. WALBERG) for 5 minutes.

Mr. WALBERG. Mr. Speaker, we've all had to dig a little deeper in our pocketbooks when visiting the gas station lately. Gas has now reached $4 a gallon in my district. Combined with the stubbornly high unemployment rate in Michigan, I know my constituents are hurting. However, the pain at the pump has sparked more conversations than ever about domestic energy development. Even the harshest of critics are starting to realize that American oil, American gas, and American coal are viable solutions to our energy crisis, with countless numbers of benefits.

The time is ripe for our country to embark on a new chapter in energy production, American energy, an overhaul of this, if you will. Right now we're faced with an abundance of expansion possibilities all there for the taking. New developments in science and technology make this possible. You've probably heard of at least a few terms like ''fracking,'' ''3D mapping,'' and ''horizontal drilling.'' These new practices allow producers to easily extract natural gas, coal, and oil from the ground, all while doing it cheaper, safer, and with less disruption to the landscape above. So why has this administration, contrary to their rhetoric, chosen to obstruct progress, energy independence, and security for our Nation?

House Republicans remain committed to addressing this abundance of energy production and development. That's why we're trying to open up new areas for exploration and development. American energy production is good for the economy because it creates American jobs; it's good for the deficit because of new American royalties; and it's good for our manufacturing because it brings American energy costs down.

If President Obama had chosen to acknowledge this reality 3 years ago, we'd already be seeing more American jobs and cheaper energy. Instead, he has chosen to do little, sometimes even standing in the way of potential growth by letting Big Government be the arbiter of job creation. For proof, just look at the Solyndra fiasco, the rejected Keystone pipeline project, or mounting job-killing EPA regulations.

The private sector, not government, is and will always remain the real job creator for our country. If producers are given more liberty to pursue these techniques, it could put America in a position to become one of the largest energy producers in the world. And why not? We're America. And that would mean more money, more jobs, greater security, and you can bet, lower energy prices.

NATIONAL SCHOOL LUNCH WEEK

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, everywhere you go in America, education is a hot-button issue. Everyone has opinions about what should be emphasized, changed, adjusted, where we should spend more, where we should spend it differently. This is a reflection that Americans know what goes on in our schools is very important. That's where we're building America's future for our communities, our economy, for our families.

This deep commitment to our children should extend to one area in schools where we should be building a future that is focusing on the health of these children: physical fitness, their health habits, and importantly, their diet.

When it comes to the health of our children, our legacy is unfortunate. Too many come from families that are food insecure. One-half of American children will, at some point in their life, be on food stamps. Sixty-three percent of American teachers report that each month they buy food for children in their classroom. Over 20 percent of American households are just plain hungry.

Sadly, in my State, those percentages are even worse. Many children who aren't hungry per se, are hungry for the right foods. They consume far too many empty calories. Pizza, soda, and baked goods are the top three sources of calories for our children.

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Since 1980, childhood obesity has doubled, so that today one in three children is overweight or obese.

One of the most direct ways to attack the problem is in our schools, where over 31 million children receive over five billion meals every year for free and reduced lunches. Actually, they are not just fed lunches anymore. They are increasingly getting school breakfasts and now school dinners. For far too many low-income children, this is frankly the only place that they're going to get the food they need.

We have to attack this problem because food in school is too often high in starch and does not feature fresh fruits and vegetables. Indeed, 40 percent of American children do not get fresh fruits and vegetables every day in school.

Congress held up funding for the new nutritional guidelines. It's time for us to get our act together here in Congress. I would suggest that we might honor this National School Lunch Week and build upon the Hunger-Free Kids Act that we had last Congress. Don't we think we can do more than adding 6 cents per meal to the reimbursement rate? Can't we allocate more than $40 million for mandatory farm-to-school funding to help promote the use of local fresh fruits and vegetables? Isn't it time to establish stronger national nutritional standards for all foods provided throughout the school day? Maybe even the House would reconsider and pass my amendment to declare that pizza is no longer a vegetable for school-lunch purposes.

We know what to do. I see it in my community in Abernathy School, as well as more than 40 other schools that are providing education and nutrition and gardening, as well as the math, reading, and science skills, that help kids grow, prepare, and learn to appreciate healthy food. This is healthy not just for the kids, but for the local economy; not only strengthening local farms and ranches, it creates more than 1½ other jobs off the farm. There are now over 9,000 school programs nationally that are dealing with providing this vital connection between food, nutrition, and how kids learn.

I think that it is time for us in Congress to stop being AWOL, to step forward, be more deeply involved, resist the special interests, and make kids' nutrition a priority.

I think our generation ought to be thinking about what we're feeding kids now, when you think about what kids might be feeding us later.

□ 1010

HONORING OUR TROOPS

The SPEAKER pro tempore. The Chair recognizes the gentleman from North Carolina (Mr. JONES) for 5 minutes.

Mr. JONES. Mr. Speaker, about 3 years ago I initiated a House resolution, and I was joined by many of my colleagues on the Democratic side as well as my friends on the Republican side. The resolution called on the Speaker of the House one time a month, at that time, Ms. PELOSI, that she would stand at the Speaker's stand and ask the Members of Congress to remember our troops in Afghanistan and Iraq. I want to give her credit and thanks that she did it for the whole time that she was Speaker of the House.

After my party, the Republican Party became the majority, I wrote Speaker BOEHNER and asked him if he would continue that moment of remembrance of all of our troops in Afghanistan and Iraq, their families, and those who gave their life and those who were wounded.

I regret that I must say the last time we did this was December 16 of 2011. I intend to prepare a letter to Mr. BOEHNER and ask him, himself, not one time do I remember, maybe one time that he was in the Speaker's chair and he said the words of I thank you, those who have served and those who have given so much.

I don't know if it is just because the war is not on the front page, but last week two Army captains from Fort Bragg, North Carolina, who were trying to train the Afghans, were shot point-blank in their forehead and killed. We have lost 40 Americans who have been in Afghanistan trying to train Afghans to be police and soldiers; 40 have been killed by the trainees. And when you factor in the coalition troops trying to train the Afghans, 70 have been killed, including the 40 Americans.

We need to continue this process of remembering those who have given so much to our country because too many times we get so wrapped up with major issues like the debt, the deficit and jobs, and so many important things, but there is nothing more important than those young men and women over there in Afghanistan who are giving their limbs and their life.

I went to Walter Reed about 3 weeks ago and saw three Marines from my district, Camp Lejeune Marine Base. All three have lost both legs.

So I hope when we get back from the next break next week, again I intend to hand deliver a letter to the Speaker of the House, as I did a year ago, and I want the Speaker, himself, to stand at the Speaker's stand and read the words thanking our men and women in uniform for their service to our Nation and remembering the families who have given a child dying for freedom. I intend to follow through on this, and I hope friends on both sides of the aisle will join me in asking the Speaker to continue this recognition of those who have given so much.

With that, I will ask God to please bless our men and women in uniform, to please bless the families of our men and women in uniform; God, in His loving arms, hold the families who have given a child dying for freedom in Afghanistan and Iraq. I ask God to bless the House and Senate that we will do what is right in the eyes of God for His people here in the United States of America. I will ask God to please bless the President of the United States that he will do what is right in the eyes of God for God's people here in the United States. And three times I will ask, God, please, God, please, God, please continue to bless America.

SUDAN PEACE, SECURITY AND ACCOUNTABILITY ACT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts (Mr. MCGOVERN) for 5 minutes.

Mr. MCGOVERN. Mr. Speaker, just yesterday the former top U.N. humanitarian official in Sudan, Mukesh Kapila, issued a warning to the world. He said that the Government of Sudan's military is carrying out crimes against humanity in the country's southern Nuba Mountains in the Sudanese state of South Kordofan. He said that these acts remind him of Darfur. Kapila said he saw military planes striking villagers, the destruction of food stocks, and literally a scorched-earth policy. He said the attacks reminded him of what he witnessed in Sudan's Darfur region in 2003 and 2004 when the predominantly Arab government in Khartoum targeted black tribes. Kapila served as the U.N.'s top humanitarian official in Sudan at the time. He said that the world must act now to prevent another Darfur-type situation in the Nuba Mountains.

The people of South Kordofan and Blue Nile, two states inside Sudan along its southern border, are facing a hunger crisis. They haven't been able to plant because the government of President Bashir is bombing them in their fields. Sudan has refused to let humanitarian aid into the region. The United States, the United Nations, and other governments have condemned these attacks against civilians.

My good friend and colleague, Congressman FRANK WOLF, traveled to this border region at the end of February. He interviewed refugees, recorded their stories of terror: bombing from the sky and soldiers burning villages and shooting defenseless civilians; mothers fleeing for their lives with their children, abandoning their homes. I urge my colleagues to go to the Web site of the Tom Lantos Human Rights Commission and watch the video he has posted there. That's at www.tlhrc.house.gov.

We need to speak out, Mr. Speaker. We need to let our government and the world know that people care and that we demand protection for these people from Khartoum's murderous policies.

This is why I and my colleagues, Congressmen FRANK WOLF and MIKE CAPUANO, are introducing today the Sudan Peace, Security and Accountability Act. This bill calls for a comprehensive approach towards Sudan to address and

end the massive human rights violations that are taking place across that country. No longer should we allow President Bashir to blackmail the international community by threatening humanitarian workers in Darfur if the world tries to reach the desperate people in the Nuba Mountains with food and relief supplies.

We need a comprehensive strategy and comprehensive sanctions against Khartoum if the violations continue. We need to let other countries know that if they welcome and provide comfort to President Bashir and members of his government who have been indicted for crimes against humanity, including genocide, that they, too, will face sanctions.

We need to provide the Obama administration with all the tools and all the authority it needs to seek a comprehensive peace in Sudan, end human rights violations, and bring those guilty of crimes against humanity to justice.

For decades the powers that be in Khartoum have toyed with the international community, while its own people paid the price over and over again. It has to stop, Mr. Speaker. It simply has to stop.

Let me end, Mr. Speaker, with a few other remarks.

No one can come to the House floor today and speak about Sudan and protecting the people of Sudan from their murderous government without paying tribute to our dear colleague, Donald Payne.

Congressman Payne passed away yesterday from cancer. He would have been an original cosponsor of the bill I'm introducing today. No one fought harder for human rights in Sudan. He was among the very first to call attention to the genocide taking place in Darfur. He traveled there, often alone, with just one or two aides, to talk to refugees inside Darfur and in camps along the border and to stand witness to their suffering. He was tireless in his commitment to the people of Africa and their well-being.

We all looked to him for leadership, for advice, and for help. He extended this same commitment to the people of African descent in our own hemisphere. I personally know how much he did to promote the rights of Afro-Colombians and to protect their leaders and communities. We will miss him and we will miss his leadership.

Mr. Speaker, he believed that human rights ought to matter. And he believed, as we all should believe, that if the United States of America stands for anything, it ought to stand out loud and foursquare for human rights.

PROTECT TRICARE

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from North Carolina (Ms. FOXX) for 5 minutes.

Ms. FOXX. Mr. Speaker, I'm extremely disappointed by the President's fiscal year 2013 budget proposal, which would dramatically increase health care costs for our Nation's veterans and military personnel. While I applaud the Pentagon's willingness to make tough choices, these changes are simply unacceptable.

The President's plan would hike annual TRICARE premiums by up to 78 percent in the first year alone. Every 5 years, beneficiaries would face premium hikes ranging from 94 percent to 345 percent—345 percent, Mr. Speaker. This means that a retired Army soldier with a family could see his annual premiums jump from $460 to $2,048. This is disgraceful.

It's wrong to impose crippling rate increases on our Nation's heroes while leaving benefits for unionized civilian defense workers untouched. It is wrong to surreptitiously dismantle TRICARE in an effort to funnel beneficiaries into ObamaCare's subsidized health care exchanges. It is wrong, and it is shameful.

Mr. Speaker, I wear a pin every day that says I support veterans. Every American should be supporting veterans. It is the reason we are here and allowed to speak freely and the reason Americans are able to speak and go about their business every day doing what they do because of the sacrifices that have been made by those who have served.

In every generation, the men and women of America's Armed Forces have answered the call to service. They have sacrificed greatly, and they deserve better than this.

□ 1020

RUSH LIMBAUGH'S ''APOLOGY''

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. GUTIERREZ) for 5 minutes.

Mr. GUTIERREZ. Here's how sorry Rush Limbaugh is for his attacks on a law school student who dared to give her opinion about access to contraception coverage. He's so sorry that a full transcript of his tirade, including the words he ''apologized'' for, was available yesterday under the heading ''Most Popular'' on the home page of his Web site.

He's so sorry that the verbatim document of his March 1 rant, in which he repeated his name-calling of Sandra Fluke and mocked Democrats for criticizing him, is right on his Web site today under the title ''Left freaks out over Fluke remarks.'' Also on Limbaugh's ''Most Popular'' list today is ''Democrats Are Desperate: Obama Calls Sandra Fluke, the 30-Year-Old Victim.'' I don't mean was on his Web site, before he decided to apologize; I mean it's there today. Just click on the link.

And this Monday, Limbaugh talked at length about the discoveries his staff had made about Ms. Fluke. Apparently, in Rush Limbaugh's world, part of apologizing is researching and criticizing the person you're apologizing to. I want to give you a sample of Limbaugh and his crack research team's eye-opening discoveries:

Here's Limbaugh, verbatim, on March 5:

> This woman, well, we've looked her up. I mean she's a full-fledged activist for women's causes. And she has been to Berkeley, she's traveled all over the place. Cornell, she graduated from the women's studies courses there. She's a full-fledged feminist activist.

America, I join you in being shocked at the discovery of these facts. Sandra Fluke has traveled all over the place. She's even taken women's studies courses at Cornell. Women's studies? No wonder she gives her opinion in public and thinks that women should have some say over their health and reproductive choices. I mean, what would you expect from somebody who went to Cornell?

There's more. You see, I did my own research, Limbaugh. It shows that Toni Morrison, Ruth Bader Ginsburg and Mae Jemison all went to Cornell, too. And what do these three troublemakers have in common? It's obvious. They're women, women who somewhere in their lives, most likely at Cornell, the same place that brainwashed Sandra Fluke, got the idea that they could accomplish anything they wanted to and speak about it in public and have their opinions respected.

Morrison—Nobel Prize. Ginsburg—the Supreme Court of the United States of America. Mae Jemison even got that great crazy idea she could be the first black woman in space. Shocking.

Mr. Speaker, here are the facts. A glance at Rush Limbaugh's Web site makes it obvious that he continues to spew nonsense and that he's not the least bit sorry for what he said. It makes plain that he deeply resents women who speak their mind. Those who do are ''full-fledged feminist activists'' who deserve only his scorn.

There are, however, some things to visit Mr. Limbaugh's Web site for. If you want a bumper sticker calling Obama, the President of the United States, a socialist, or a T-shirt promoting Rush Limbaugh for the Nobel Peace Prize, then his Web site is the place for you. But if you want a sincere apology from a man who is sorry that he called a decent young woman a ''slut,'' you're looking in the wrong place.

Now, the truth is that what a radio talk show host thinks about Sandra Fluke really doesn't matter, except for one important point: the Republican Party respects and fears Rush Limbaugh. The three leading Republican contenders for President of the United States won't take him on. Three men who are so tough that they compete daily with each other to say the most disparaging things about President Barack Obama, three tough talkers who promise to keep us safe from terrorists, these tough guys are struck speechless and cowardly by a

man sitting behind a microphone in his mansion out in Palm Beach, Florida.

When a talk show host calls a decent American woman a slut and a prostitute, that's sad and wrong. But when Mitt Romney, the Republican Party's frontrunner for President, is asked about it and all he can say is ''it's not the language I would have used,'' then it's a leadership crisis. I guess Mitt Romney would have said she was a ''lady of the night.'' What he should have said was, ''Rush Limbaugh, you're dead wrong. Stop it.''

It's time for all Americans to say enough is enough. And it's time for anyone who wants to be a leader—even Republicans who are terrified of Rush Limbaugh—to stand up for treating every woman with decency and respect.

COMMEMORATING MR. LOUIS MICHOT, JR.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Louisiana (Mr. LANDRY) for 5 minutes.

Mr. LANDRY. Mr. Speaker, it is with great sadness that I rise today as Louisiana mourns the loss of another member of the Greatest Generation. Yesterday evening, Mr. Louis Michot, Jr., passed away, and he passed away at the ripe old age of 89. As I visited with his son this morning on the telephone, he had a nice remark of saying, you know, my dad would constantly say that if he knew he was going to live that long, he would have taken better care of himself. Imagine that.

Mr. Michot was born in 1922 in south central Louisiana. At the age of 24, he bravely served our country during World War II in the Marine Corps. After serving his country, he came back and began living the American Dream. He became an entrepreneur. He started his own businesses. In 1958, he bought a restaurant franchise which he expanded all across south Louisiana. He ventured into other businesses, from cattle ranching to real estate to oil and gas.

Later, in 1960, Mr. Michot sought to serve his community and his State. He was elected to the State House of Representatives, where he served for 4 years before making a run for Governor. He reentered the political arena in 1968, when he won a seat on the Louisiana State Board of Education, and went on to serve the State as the State superintendent from 1972 to 1976.

Outside the political sphere, Mr. Michot was an admirable community leader, a faithful husband, a loyal friend, and a proud father of 10 beautiful children. He passed on his belief of civic responsibility and serving his community to his children; three of them served in public office, one continuing to serve as a district judge, another as a State senator, and another on the parish council. He was a longtime member of the Lafayette Chamber of Commerce, and he received the esteemed Lafayette Civic Cup for his many community service efforts in 1994.

As Mr. Michot is laid to rest, it is my hope that we reflect upon his life and learn from the shining examples of selfless service and civic duty that he set forth. Though I'm sure he will be missed by many, I'm confident that his legacy of hard work and determination will live on for many generations through his children and their children.

RECOGNIZING THE COURAGE OF CONGRESSMAN JOHN LEWIS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia (Mr. BARROW) for 5 minutes.

Mr. BARROW. Mr. Speaker, I rise today on the 47th anniversary of Bloody Sunday to recognize the courage of our colleague, Congressman JOHN LEWIS, and the many forgotten heroes of the civil rights movement.

Nearly 50 years ago in Selma, Alabama, some 600 demonstrators marched for equal voting rights for African Americans. They got only as far as the Edmund Pettus Bridge, where State and local lawmen attacked them with clubs and tear gas and drove them back into Selma. Journalists captured the brutality of these attacks, sparking the public outrage that eventually led to the passage of the Voting Rights Act of 1965.

This Sunday, Congressman LEWIS returned to that very bridge that changed history. Again, he was met by a large group of police—but this time they served as his congressional escort.

Mr. Speaker, we've come a long way in the last 50 years, but we still have a long way to go in order to ensure equality and justice for all, and I ask that my colleagues join with me in that work.

□ 1030

JOBS ACT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. CANSECO) for 5 minutes.

Mr. CANSECO. Mr. Speaker, when it comes to our economy, one thing is abundantly clear: President Obama's policies have failed.

We are experiencing the worst stretch of unemployment since the Great Depression, despite a trillion-dollar stimulus plan that the Obama administration said would hold unemployment below 8 percent and despite record low interest rates.

The unemployment rate has remained above 8 percent for 36 straight months, and the Congressional Budget Office estimates that the jobless rate will remain above 8 percent through 2014. Almost 13 million Americans are out of work, and the share of unemployed people looking for work for more than 6 months, or the long-term unemployment, topped 40 percent in December 2009 for the first time since 1948 and has remained above that level ever since.

Because his policies have failed, President Obama has turned to the politics of envy and division. The only solutions he can come up with involve more spending, more taxes, and more government. These are the policies that failed in the first place.

House Republicans have a plan for America's job creators. It's time for the President and Democrats in the Senate to stop blocking our jobs bills.

This week, the House will consider the JOBS Act, a legislative package designed to jump-start our economy and restore opportunities for America's primary job creators. These are our small businesses, the start-ups, and the entrepreneurs.

In his State of the Union Address, President Obama asked Congress to send him a bill that helps small businesses and entrepreneurs succeed, and the JOBS Act does exactly that.

CUTS TO AIR NATIONAL GUARD

The SPEAKER pro tempore. The Chair recognizes the gentleman from Vermont (Mr. WELCH) for 5 minutes.

Mr. WELCH. Mr. Speaker, I rise today to discuss the proposed fiscal year 2013 cuts to the Air National Guard.

Let me preface my remarks by acknowledging that this country does have a serious debt problem that requires that everybody tighten their belt. It requires, in my view, that we have more revenues so that we can have a sustainable budget where everybody does their share, from taxpayers to every Department in the government. The Air Force has to be included.

But under the Budget Control Act, the proposal that the Air Force has made to address the cuts that would be required there is to single out and focus its knife on the Air National Guard. Now, that would affect 5,100 guardsmen who would lose their position. It would also demobilize scores of aircraft.

Now, as I mentioned, the Air Guard is not by any means entitled to be exempt from the challenge of coming in compliance with the Budget Control Act. Here's the issue: when any Agency—whether it's the Air Force, the Army, whether it is the Department of Education—makes its recommendations to comply with the Budget Control Act, it should be doing so on the basis of what makes most sense to strengthen that Agency, not to weaken it.

The studies that have been done with respect to the Air Force demonstrate that the Air Guard is extraordinarily cost effective. The Air Guard is getting the job done for less money than any other part of that Guard. Obviously, the full Air Force is extremely important. But why in the world would you focus on the Guard when the Guard is doing the job in a highly professional and successful way—widely acknowledged by all studies that have been done—and is doing it for less money?

So, number one, when studies have shown that guardsmen and reservists cost far less than Active Duty members and you're trying to meet budget constraints, don't demobilize the efficient and effective.

Number two, as our force shrinks as a whole, the Air Guard is key to the military term called ''reversibility,'' that is, they can serve as a critical operational and strategic reserve should a larger force be needed in the future to meet unforeseen circumstances. That is an essential requirement of military readiness.

Third, the Air Guard can deliver—the Air Guard has delivered. Their record in Afghanistan and Iraq has proven that the force can mobilize quickly and accomplish the mission with great professionalism.

Mr. Speaker, I don't doubt that these are very difficult and challenging choices for the Air Force command to make, and cutting the defense budget always involves very difficult choices. But these cuts that focus as significantly as they do on the Air Guard, which has proven to be efficient and effective, in my view are unwise.

I look forward to working with the House Armed Services Committee and the Defense Appropriations Subcommittee to address my concerns.

JOBS ACT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan (Mr. HUIZENGA) for 5 minutes.

Mr. HUIZENGA of Michigan. Mr. Speaker, I appreciate the opportunity to address the House and to address the Nation today.

As a small business owner, I know the importance of fostering and creating an environment that promotes job creation, economic security and opportunity, and allows especially small businesses to grow.

I also know that Americans and Michiganders and those in the Second District in my home State of Michigan and across the country are looking for real solutions that will grow jobs now. That's why I support the JOBS Act. It will jump-start our economy and restore opportunities for America's primary job creators: our small businesses, start-ups, and entrepreneurs.

Now, I've been around long enough in my first year here, Mr. Speaker, to unfortunately see that sometimes you have to repackage ideas and put a different colored bow on it for people to accept it because what we're going to be passing has been passed. I sit on the Financial Services Committee. We've passed a number of these bills—and all of these bills, I believe. That's part of the America's Job Creators Plan that the House Republicans have put forward. But what we're doing today is we are going to be putting this JOBS Act; it's compromised of six bills that have been approved by the committee. Very quickly, those six bills are:

One, Reopening the American Capital Markets to Emerging Growth Companies Act. What that's going to do is it's going to allow temporary relief from some of the onerous SEC, or Securities and Exchange Commission, regulations that are on those small businesses.

Number two, the Access to Capital for Job Creators Act is going to allow small companies to raise capital by, again, removing some of those regulatory bans that are in there and that say that a small business can't use advertisements to go try to get and attract investors. Well, in an age of Internet and those kinds of things, that has a huge impact. It also brings along a concept that's been out there called crowdfunding.

That's the third bill, Entrepreneur Access to Credit Act. It is also going to ease the requirements that allow things like crowdfunding, people being able to go and spread this out on Facebook and Twitter and Internet and to their friends, to pull in those small-dollar investors that are going to be able to give them the capital that they need to launch that innovative idea.

Well, the fourth is the Small Company Capital Formation Act. It allows small businesses to go public by elevating the threshold that companies are exempt from $5 million to $50 million. That is going to be able to really, truly impact those small entrepreneurs and small business owners who are looking to take their business to the next step.

The fifth one is the Private Company Flexibility and Growth Act. That's expected to give small companies more room to grow before having to go public. Currently, there's a regulation that says you can have no more than 500 investors in your small company. This doubles that. This says you can have up to 1,000. We believe that that is also going to be able to allow those small businesses who are in transition, who are in that acquisition mode, who are in that growth mode, to be able to go up there and be successful.

Finally, number six, the Capital Expansion Act would increase the number of shareholders allowed to invest in a community bank from 500 to 2,000. Why would we include this part? Well, community banks really are the backbone of many of those small investors. They're the ones that they go to church with and shop at the grocery store with. They know their businesses. They may know that it's been a long-term relationship with that local community bank. By being able to expand the footprint of those community banks, we're going to be able to expand their lending power as well to those small businesses.

Well, it's interesting that here we actually have a bipartisan package of bills. This isn't just something that's the Republicans' ideas. In fact, in the Financial Services Committee, we had this as bipartisan votes. And really, it truly is going to help create a healthier environment for small businesses to hire and expand.

□ 1040

In fact, President Obama's administration released what's called a Statement of Administration Policy yesterday supporting this very act. We welcome his support and recognition of this bill's innovative solutions to ensure that small businesses can access capital needed to expand, hire, and invest. And again, that's because you, the American people, we here in the House of Representatives are looking for those real honest solutions.

Well, it's far time that we get government out of the way of small businesses as well, the engine of our economy. We need to focus on the real economy, and our priority has to be that focus.

According to the Kauffman Foundation, start-up companies created nearly 40 million jobs, 40 million jobs since 1980, and the Small Business Administration shows small businesses generate over 60 percent of all the new jobs created here in the U.S. Sixty percent of all those jobs that we are hoping to have in this country are created by these small businesses.

In fact, even the World Bank has a report. It's called ''Doing Business,'' and it showed that the United States has fallen to 13th for the ''ease of starting a business.''

So with that, Mr. Speaker, I appreciate this as a key to lasting, honest economic recovery. And we need—America needs—these real jobs, real solutions, and real results right now.

STOP MILITARY RAPE

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from California (Ms. SPEIER) for 5 minutes.

Ms. SPEIER. Mr. Speaker, I rise again this morning to highlight the epidemic of rape and sexual assault in the military. I'm here to decry a code of dishonor that protects rapists and punishes victims. I'm here to call out an entrenched chain of command that squashes reports of sexual assault because they bring unwanted attention to the unit.

I stand here today, as I have 15 previous times, to tell the story of a U.S. servicemember who was raped by a fellow servicemember and then robbed of justice by an unfair system that puts too much power in the hands of a single commander.

The current system of injustice is shamefully unfair. The story I'm about to tell is of Airman First Class Jessica Nicole Hinves of the United States Air Force, whose attempt for justice was snatched away by a single commander who was only on the job for 4 days and reversed a decision to move forward with a court-martial.

The Department of Defense estimates that more than 19,000 servicemembers were raped or sexually assaulted in 2010, yet only 13 percent of them actually reported the rape; and of those 13 percent, only 8 percent of the perpetrators were prosecuted and an even smaller number were convicted.

Airman First Class Jessica Nicole Hinves, a former member of the Air Force, was raped in 2009 by a coworker who broke into her room through the bathroom at approximately 3:00 a.m. She sought medical care and bravely reported the rape. Friends of the rapist began harassing her, but Airman Hinves was not intimidated. She rightly pursued the matter through the military's justice system, and the rapist was scheduled to stand trial in his court-martial.

But the airman who raped Airman Hinves was never prosecuted. His new commander intervened and halted the court-martial. The new commander had only been on the job for 4 days and had no legal training, but still he dismissed the prosecution and the man who raped Airman Hinves never was brought to justice. Only 4 days on the job, and the new commander intervened in the judicial proceedings.

So what happened next? Well, the rapist was given the award for Airman of the Quarter, and Airman Hinves, who was then transferred to another base, now suffers from severe panic attacks and anxiety.

Who can blame a victim for not wanting to report a rape or other humiliating assault? The current process for adjudicating sexual assault and rape in the military is shockingly unjust and is more likely to punish a victim than a perpetrator.

Airman Hinves was the victim of a violent crime. In response, she did everything right. But one commander's decision stood in the way of a fair proceeding against the perpetrator.

In the current military chain of command, commanders can issue virtually any punishment or, in this case, the rapist was not punished at all because the command has complete authority and discretion over how a degrading and violent assault under their command is handled.

Command discretion empowers the commander to decide if a case goes forward to court-martial. The same commander is empowered to determine which JAG officer will serve as prosecutor, which will serve as defense counsel, who oversees the investigation, and even serve as convening authority and, in nonjudicial cases, determine disciplinary action. All these functions are given to the discretion of one person. Simply put, command discretion sets up a dynamic fraught with conflict of interest and potential abuse of power.

This chain of command must be disrupted. We can no longer accept that victims of rape and abuse are beholden to the judgment of a single superior. Instead, victims should have the benefit of impartiality by objective experts, which is what my bill, H.R. 3435, the STOP Act does.

The STOP Act would take the prosecution, reporting, oversight, investigation, and victim care of sexual assaults out of the hands of the normal chain of command and place the jurisdiction in the hands of an impartial office staffed by experts, both military and civilian, but retain it in the military.

Now you've heard the story of Airman Hinves. I will continue to tell stories like hers until this broken system is fixed. I promise to continue to speak out for those who have been victims of sexual assault or rape in the military.

I urge you to write me at stopmilitaryrape@mail.house.gov.

NOMINATIONS FOR THE UNITED STATES SERVICE ACADEMIES FROM PENNSYLVANIA'S SEVENTH DISTRICT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania (Mr. MEEHAN) for 5 minutes.

Mr. MEEHAN. Mr. Speaker, let me take a moment to associate myself with the remarks of the gentlelady from California and commend her for her efforts in this point to identify the steps that can be taken to alleviate the issue of unaddressed rapes in the military. As a former prosecutor, I commend that effort and urge my colleagues, in a bipartisan fashion, to pay attention to this issue and hope that we might be able to find common ground to alleviate this injustice.

Mr. Speaker, I rise today to honor 36 remarkable young people in my own district. The following students from Pennsylvania's Seventh Congressional District will receive my nomination for the United States Service Academies.

Nominated to the United States Military are: Domenic Luciani from Monsignor Bonner High School, Nicholas Gustaitis from B. Reed Henderson High School, Andrew Helbling from La Salle College High School, Evan Harkins from West Chester Bayard Rustin High School, Kunal Jha from Delaware County Christian High School, Daniel McCormick from The Episcopal Academy, Ryan Fulmer from Devon Preparatory School, Dean Feinman from Haverford High School, and Isacc Wagner graduating from the Pennsylvania Homeschoolers Accreditation Agency.

Nominated to the United States Naval Academy are: Maxwell Wiechec from West Chester East High School, Sean Ridinger from Marple Newtown High School, Timothy Bell from Archbishop John Carroll High School, Micheal Cerrato from Methacton Senior High School, Fletcher Criswell from Spring-Ford Senior High School, Micheal Dartnell from Monsignor Bonner High School, Thomas Dolan from Ridley High School, Andrew Driban from Garnet Valley High School, Peter Guo from Conestoga High School, Joseph Horn from Roman Catholic High School, William Kacergis from The Episcopal Academy, Alexander La Bruno from St. Joseph's Preparatory School, Brian Landi from Marple Newtown High School, Luke Lawrence from West Chester East High School, Michael McKernan from Penncrest High School, Eric Milkowski from Monsignor Bonner High School, Jackson Pierucci from Malvern Preparatory School, Thomas Shiiba from Strath Haven High School, Joseph Sincavage from St. Joseph's Prepatory School, and Eric Csop from Strath Haven High School has been nominated to both the Naval Academy and the Air Force Academy.

Nominated to the United States Air Force Academy are: Caitlin Sullivan from Radnor Senior High School, Rebecca Bates from Villa Maria Academy, Kevin Brewer from Monsignor Bonner High School, Meghan Callahan from Cardinal O'Hara High School, and Kyle Schwirian from Spring-Ford High School.

And lastly, to the United States Merchant Marine Academy are: Kelly Choi from Garnet Valley High School and Peter Heinbockel from Strath Haven High School.

Mr. Speaker, it's my privilege to nominate these fine young men and women to our United States Service Academies, some of the finest institutions in the world. These exceptional students have demonstrated themselves to be the best of the best. I invite the people of southeastern Pennsylvania to join me in honoring them for their willingness to serve our country, and I wish each and every one of them all of the best in their bright futures ahead.

□ 1050

WE NEED A GREATER COMMITMENT TO PEACE AND SECURITY

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from California (Ms. WOOLSEY) for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, today marks exactly 125 months to the day that we've been at war with Afghanistan. That's 125 months that we have been sending brave young men and women to be maimed and killed in a conflict that is not advancing our values but actually degrading them.

I've never believed more fervently that this war is a national security disaster, as well as a national tragedy and a moral catastrophe.

What we need, Mr. Speaker, is a greater commitment to peace and security. What we need is a more generous humanitarian spirit. What we need is diplomacy and international dialogue, cooperation, and conflict resolution. What we need is to cherish human life and human dignity here in the United States and on every corner of the globe.

Yesterday, we lost one of this body's fierce champions for these values, our colleague, Donald Payne. He was a peacemaker, a man of conscience, an ambassador of decency and compassion. He would not tolerate genocide and despair. He didn't turn a blind eye to human suffering, and he didn't care if it was happening in Newark or Nigeria. He went to some of the most dangerous places on Earth to make lives

and conditions better. He was a voice for the otherwise voiceless. He used his power to advocate for people who were otherwise powerless.

In the mid-nineties, I observed Representative Payne at a hearing with the Bush State Department. He was arguing, he was pleading with the State Department to designate the Darfur genocide. He actually had tears in his eyes and tears in his voice, and this is a man known for being very mild mannered.

His compelling arguments and his compassion and passion actually made it possible to convince the world to condemn the Sudan/Darfur government's role in planning and executing the militia's campaign to kill. His leadership had an indelible impact on African nations.

Congressman Payne shared my belief that the wars we've been fighting for the last decade are dreadful mistakes. He was one of those who stood with us in 2005, when the war in Iraq was still popular, to say no, this is wrong, we have to bring our troops home. But he also understood that it wasn't just about ending war, Mr. Speaker. It was about also leaving something else behind: hope, opportunity, democracy, and human rights.

He knew that the key to ending violence, terrorism, and instability was to build up human capital, to fight hunger and disease, to defend and advance women's rights, to build strong schools, and provide decent health care worldwide.

We've lost Donald Payne. But in his honor, let's not lose sight of the ideals he made his life's work. Let's not lose sight of the goals he fought for so tenaciously.

Because of Donald Payne's example, I will fight forever for peace and for stability worldwide, and believe me, the beginning of this effort will be to bring our troops home from Afghanistan.

VOICE OF TEXAS—BILL BAGI: CROSBY, TEXAS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. POE) for 5 minutes.

Mr. POE of Texas. Mr. Speaker, like many Members of Congress, I receive thousands of emails from my neighbors each month about the issues that are important to them. Since I work for them and I'm their advocate, it is important that I bring their words directly to the House floor and let other Members hear what I call the pulse of Texans.

Bill Bagi, from Crosby, Texas, recently wrote me about the deteriorating condition of our southern border with Mexico. Here's what he has to say:

> I own and operate a heavy, specialized trucking company and transport specialized freight around the USA and Canada. One-fourth of my freight ends up in the south Texas towns of McAllen, Pharr, and Brownsville, and other towns.
>
> Over the last 10 years, I have watched the border in south Texas deteriorate with not only undocumented crossing, but much worse—the cartels. I know from many of my business customers along the U.S. border that this cartel issue is becoming a very serious issue. Many speak of a blood bath to come on the Rio Grande River.
>
> I urge you to ask the Congress and our President to not stop the deployment of people on the southern border, but to increase them tenfold to protect our U.S. citizens living in America.
>
> This is much more serious than the media and the government want to admit.
>
> Does the U.S. government want a blood bath to take place before they protect our U.S. southern home front? We must stop the infusion of these cartels at the Rio Grande, or they will infest the whole United States, as the Chicago cartel did back in the mob days.
>
> Families are not arming themselves for fun in south Texas. They are preparing for the worst to come. Many believe the U.S. government will not be there when the time comes and we need them. If we don't stop them in south Texas, than Houston and Dallas will be infested with cartel influence.
>
> I have great concerns that they are already operating in the Highlands/Baytown area of southeast Texas.
>
> Thanks for your past support and future drive to protect U.S. citizens.

Mr. Speaker, Mr. Bagi tells us that he's scared to even go to the south Texas border region. He is a businessman, and he sees firsthand, as the citizens who live on the border do, the problem with the drug cartels.

He is not alone. Mexico is quickly becoming, in my opinion, a failed state. Texas towns are in danger because the Federal Government just does not adequately defend the homeland. Bureaucrats in Washington should listen to the people who actually live and work on the southern border.

Unlike what our government wants us to believe, the drug cartels do not stop at the Mexican-Texas border. Even just last week, our border patrol came under gunfire on the border in Texas from the Mexican side of the border. Mr. Speaker, we send troops to foreign nations to protect their borders. Why don't we protect our own?

Local sheriffs and the border patrol do the best they can with what they have, but it's just not enough. It's really past time for the Federal Government to step up and make Mr. Bagi and all Americans feel safe again. After all, the Constitution actually requires the Federal Government to protect the homeland.

And that's just the way it is.

WHERE ARE THE JOBS?

The SPEAKER pro tempore. The Chair recognizes the gentleman from Washington (Mr. MCDERMOTT) for 5 minutes.

Mr. MCDERMOTT. Mr. Speaker, this week is yet another week in which the House of Representatives has done virtually nothing. We heard my colleagues say they're repackaging some bills, putting a new bow around it, and they're going to pass it out of here. It's a press release for the week that they go home.

After 14 months of running the House, Republicans haven't passed a real jobs bill. I'll give a great example.

Economists and business people know that the biggest growth markets for American companies are exports. When we support U.S. exports, we are supporting American economics. But to support, we need the Export-Import Bank.

The Ex-Im Bank is a wonder. It provides extremely low-risk loans for businesses for exports, small business, medium-size, and big. The U.S. Export-Import Bank does not cost the American taxpayers one penny. It actually makes money, and it helps American businesses and workers sell hundreds of billions of dollars of American goods.

In short, the Ex-Im Bank does just what we need to be doing: compete in the world economy with every tool we have.

Study after study, year after year says that American export efforts need a huge overhaul.

The President is doing all he can. He stood in this well and talked about it and has put forward proposals. But with simple legislation like the extension of the Export-Import Bank, we could do very much more. The Export-Import Bank is the center of our export strategy.

□ 1100

Now, how does it work?

General Electric was recently bidding on a $500 million rail project to supply 150 diesel-electric locomotives to Pakistan. Pakistani officials told GE they preferred the GE locomotives and were willing to pay a premium for their high quality and dependability.

There was a complication in that the bid from the Chinese locomotive manufacturer included a financing package with longer terms and drastically reduced fees that GE could not match on its own with private sector financing. The Export-Import Bank stepped in with a financing package that matched the Chinese financing package and enabled Pakistan to make its decision on a true apples-to-apples comparison of American and Chinese goods.

We can win that one. We can win it always when we have a level playing field. That's what the Export-Import Bank does. It helps us compete.

It's not just big businesses—GE, Boeing. It is also that every office in the Congress receives a letter once a month from the Export-Import Bank, telling us of the companies that got that service in our districts. Nucor Steel, Brooks Rand Labs, NOVA Fisheries, American Wine Trade, Coastal Environmental Systems, International Lubricants, which are all in my district, receive the support of the Export-Import Bank. Without it, they could not have done business on their own.

Now, in the past year, not only have we supported $34 billion worth of exports and 227,000 jobs in 3,300 companies in this country, but the U.S. Treasury

has gotten back $3.4 billion in fees from the loans they make.

So where are we?

Fifty countries in the world do this. China is using every tool available to it, including this one; but the House Republicans sit over there with their heads stuck in the sand, and we're about a month away from it expiring. We should increase the amount of money we allow the Export-Import Bank to use. Remember, the Export-Import Bank makes money on extremely low-risk loans to support tens of thousands of jobs in the United States. Why aren't we working on this kind of jobs legislation? Well, it's because the President asked for it. They are so determined, Mr. Speaker, to prevent the President from being reelected that they won't do what's good for American business and what's good for American workers.

This is not partisan. These small companies are all over our districts. They want to make loans. They want to make sales overseas. They need the help of this bank, and the Republican leadership sits—I don't know where they are. They're somewhere in a dark room. Somebody should turn on the light and tell them there is some stuff to be done and to get out here and pass a real bill, not this jobs cockamamie thing we're going to do in a few days about repackaging stuff we've already passed.

WOMEN'S ACCESS TO HEALTH CARE

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Texas (Ms. JACKSON LEE) for 5 minutes.

Ms. JACKSON LEE of Texas. This is a month that we note as celebrating women and women's history as a major component of the wonderful history of the greatest Nation in the world. How proud we are of a Nation that supports people's rights no matter your walk of life or religious background or ethnic background; and how proud we are now in 2012 to note that there are men and women on the front lines, on the battlefields defending America's freedom.

So I rise today to continue my advocacy for women's rights. I note that I have been a proponent of women's rights from the earliest part of my career as a lawyer, as a civic participant, as a civilian in my hometown of Houston, as a mother, certainly as a wife, and as a public servant now as a Member of the United States Congress.

I am delighted to acknowledge the Congressional Women's Caucus and to note that the mission of the Women's Caucus is to improve the lives of women and their families. Since 1977, the caucus has focused on issues that are pertinent to women—from fair credit to child support, equitable pay, retirement income, preventing domestic violence at home and internationally, and of course preventing sexual assault.

So I rise today with a degree of consternation and a resounding stand against the siege and onslaught of women's access to health care. Let me be very clear: women's access to health care is not a battle about a woman's choice or the utilization of contraceptives or family planning. It is, simply, women's access to health care. The issue of birth control is an issue of women's health care. Let me give you a recent study's commentary by the National Women's Law Center:

It found that 25-year-old women have been charged up to 84 percent more than their male contemporaries for individual health plans that specifically exclude maternity coverage. Let me be very clear: 84 percent higher than a male's plan to allow a woman to have access to health care. Therein lies the purpose of the Affordable Care Act—not individual mandates but to be able to even the playing field for women's health care. Therefore, let me indicate that using or not using birth control or family planning is an individual matter, but you cannot obtain those without a prescription. It should be a decision between a woman, her conscience, her doctor, and certainly her faith. So I wish to address the recent tenor of the debate on birth control.

A young law student, Sandra Fluke, came before this body, before the Members of Congress, and testified regarding coverage for family planning and contraceptives. She was then publicly derailed as being a slut and a prostitute. I would hope the days of derogatory terms to silence women's opinions are over forever, particularly when they speak about truth. She recounted the story of a young friend who lost an ovary.

Let me repeat: she, Ms. Fluke, recounted a story of a young friend who lost an ovary due to polycystic ovarian fibroids, which can be managed by contraceptives through prescription. Unfortunately, that young woman could not afford contraceptives and had to endure terrible pain. As a result of asking for help to address female law students' health concerns, Ms. Fluke, in coming to this body as an American citizen, as is her right to petition and speak to the Members of Congress, was called a slut and a prostitute by an entertainment talk-show host.

Calling women these sorts of names is no more than vile, underhanded and a way of defeating one's right to speak. I don't deny the right of entertainers and talk-show entertainers and flamboyant conversationalists to speak all day, but there has to be a defining moment of dignity and respect to anyone's disagreement. So I hope more and more advertisers will recognize that a woman's power is greater than the individual entertainer's power. Drop off of that show. Drop off one by one, day by day. Leave them to the old-fashioned medicine of the 1800s—the pills that will cure all. Let the old doc medicine be their advertisers. That's about the level that they should be at.

Women's health is so very important; and at some point, reproductive health is very much a part of it. Polycystic ovarian syndrome is helped by contraceptives. Mr. Speaker, all of these—endometriosis, the lack of menstrual periods, menstrual cramps, premenstrual syndrome—are helped by treatment and access to women's health.

Let me finally say in conclusion that when you cut Medicaid, you cut poor women's access to health care. I will stand and fight for women's access to health care and their own decisions because it is part of the American way. So let us stand together, united as a Nation, being fair and open to all opinions, but never denying a woman, along with every other American, access to health care.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until noon today.

Accordingly (at 11 o'clock and 9 minutes a.m.), the House stood in recess.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at noon.

PRAYER

The Chaplain, the Reverend Patrick J. Conroy, offered the following prayer:

God of the universe, we give You thanks for giving us another day.

Lord, You have promised to be with all people wherever they are, whatever their need. We reach out in prayer for the homeless, the poor, those anxious about the future, those who are ill, or those to whom freedom has been denied.

Bless the Members of this people's House. Inspire them as representatives of the American people to labor for justice and righteousness in our Nation and our world, mindful of Your concern for those most in need.

For all the riches of our human experience, O Lord, we give You thanks. Make us aware of our responsibilities as stewards of Your divine gifts and empower us with Your grace to faithfully and earnestly use our talents in ways that bring understanding to our communities and our Nation and peace to every soul.

May all we do be done for Your greater honor and glory.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Pennsylvania (Mr. THOMPSON) come forward and lead the House in the Pledge of Allegiance.

Mr. THOMPSON of Pennsylvania led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

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

S. 1886. An act to prevent trafficking in counterfeit drugs.

The message also announced, that pursuant to the provisions of S. Con. Res. 35 (One Hundred Twelfth Congress), the Chair, on behalf of the Vice President, appoints the following Senators to the Joint Congressional Committee on Inaugural Ceremonies:

The Senator from Nevada (Mr. REID);

The Senator from New York (Mr. SCHUMER); and

The Senator from Tennessee (Mr. ALEXANDER).

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain up to 15 requests for 1-minute speeches on each side of the aisle.

PORTS CAUCUS

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

Mr. POE of Texas. Mr. Speaker, last week, Congresswoman JANICE HAHN (CA) and I hosted the inaugural event for the bipartisan congressional PORTS Caucus.

The PORTS Caucus currently includes a bipartisan group of 42 Members of Congress, representing 19 States and two territories.

I represent several ports in southeast Texas, and I am pleased that our Nation's ports now have a voice in Congress. Ms. HAHN represents ports on the west coast.

Ports are critical to our national security and our economic security. They are America's link to the rest of the world, whether it's the food we eat, the car we drive, the light bulb we use in our homes, or the clothes we wear. Every American household is impacted by some activity at our ports.

The PORTS Caucus will raise awareness and educate others about the major issues important to American ports.

I look forward to working with Congresswoman HAHN, and I want to thank her for thinking of this idea; I look forward to working with other Members of Congress to ensure economic growth in America.

And that's just the way it is.

GIRL SCOUTS OF RHODE ISLAND

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

Mr. CICILLINE. Mr. Speaker, I rise today to honor Girl Scouts of Rhode Island, a program that strives to help young girls become model citizens.

In honor of the 100th anniversary of the Girl Scouts of America, as well as National Women's History Month, I'm pleased to recognize the contributions that the Girl Scouts have made in Rhode Island where it has reached 9,400 girls through its 770 troops in the past year.

More than just going door to door selling Thin Mints and Tagalongs to their friends and neighbors, the Girl Scouts of Rhode Island provide young women and girls across our State with the opportunity to take part in a group that builds girls of honor, confidence, courage, and character who make the world a better place and giving them a foundation for success later in life.

The Girl Scouts of Rhode Island should take great pride in the work they do every day.

I congratulate the Girl Scouts of Rhode Island on their incredible work.

CBO PROJECTS HIGH UNEMPLOYMENT UNTIL 2014

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, last month the Congressional Budget Office released a report which stated that our Nation's unemployment rate is not expected to dip below 8 percent until 2014, which reveals the President's policies have failed and destroyed jobs. America is experiencing the longest stretch of high unemployment since the Great Depression. The study also concluded that if every American searching for employment were counted, sadly our unemployment rate would be around 15 percent.

When the President lobbied for his economic plan, he promised that our unemployment rate would not exceed 8 percent. Instead, February marks the 36th month where the unemployment rate has been above 8 percent. This is a tragedy for American families.

House Republicans are focused on putting American families back to work. I urge the President and the liberal-controlled Senate to take immediate action of the dozens of job-creation bills that have passed the House with bipartisan support.

In conclusion, God bless our troops and we will never forget September the 11th in the global war on terrorism.

TEXAS INDEPENDENCE DAY

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, last Friday, March 2, 2012, marked Texas Independence Day.

It was 176 years ago that the Texas Declaration of Independence was ratified by the convention of 1836 at Washington-on-the-Brazos, Texas.

A military dictatorship took over Mexico, abolishing the Mexican Constitution. The dictatorship refused to provide trial by jury, freedom of religion, public education for its citizens, and allowed the confiscation of firearms. The last one being the most intolerable, particularly among Texans.

Failure to provide these basic rights violated the sacred contract between a government and its people. Texas did what we still do today, stood up for our rights. In response, the Mexican Army marched to Texas, waging a war on the land and the people, enforcing the decrees of the military dictatorship through brute force and without any democratic legitimacy.

As future Texas President and Governor Sam Houston, along with other delegates, signed the Texas Declaration of Independence, General Santa Anna's army besieged the independence forces at the Alamo in San Antonio.

Yesterday, March 6, 176 years ago, 4 days after the signing, the Alamo fell with Lieutenant Colonel William Barrett Travis, former Tennessee Congressman David Crockett, and approximately 200 other Texas defenders.

In a dramatic turnaround, Texans achieved their independence several weeks later on April 21, 1836. Roughly 900 members of the Texas Army overpowered a larger Mexican force. I'm proud to represent the San Jacinto Battlefield and State Park.

God bless Texas and God bless America.

THE JOBS ACT

(Mrs. CAPITO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPITO. Mr. Speaker, today we're considering a bipartisan legislative package called the JOBS Act, Jumpstart Our Business Startups. This is what our constituents want us to do, and they want to see us get it done.

The JOBS Act is a legislative package designed to move our economy and restore opportunities for America's primary job creators, our small businesses, start-ups, and entrepreneurs. These measures create capital formation, will spur the growth of start-ups and small businesses, and pave the way for more small-scale businesses to go public and create more jobs.

As I said, this has broad bipartisan support. Of the six bills, only 32 Members voted ''no'' on all six of these bills as they moved through the House and the committee.

In his State of the Union, the President asked us to send him a bill that

helps small businesses and entrepreneurs, and that's exactly what the JOBS Act does. We're presented with an opportunity to act in a truly bipartisan fashion that will promote job growth across our Nation. So we should join together, I believe, as Republicans and Democrats, House and Senate, to give the President the piece of legislation so he can sign it into law.

CASSIUS S. WILLIAMS

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

Mr. BUTTERFIELD. Today, I rise to congratulate Cassius S. Williams, a dear friend, who is the recipient of North Carolina State University's Watauga Medal Award.

Each year, NC State honors alumni for outstanding contributions to the university by bestowing on them the Watauga Medal Award.

Recipients of this historic award understand the enormous value of education, and their commitment to that idea has generated immeasurable prosperity for communities across America.

Watauga Medal Award recipients are candles in the dark, men and women of great purpose who have injected their talents into the lifeblood of North Carolina State University.

Mr. Speaker, this week Cassius S. Williams of Greenville, North Carolina, joined the ranks of great servants as its newest honoree. Without a doubt, his work will continue to foster a better education for our children that will create a brighter future for North Carolina.

The House of Representatives appreciates Cassius Williams.

□ 1210

MORE IMPORTANT THAN EVER TO STAND BY ISRAEL

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

Mr. HULTGREN. Mr. Speaker, yesterday I had the opportunity to meet with many of my constituents who were here to advocate for continued support for Israel. I had the opportunity to listen to Prime Minister Netanyahu's remarks on the importance of the American-Israeli alliance and friendship. I'm here to tell them today that I could not agree more, and that at no time has the bond between our countries been more important.

In an increasingly uncertain and unstable region in the world, Israel has proven time and again to be a steadfast friend. In a region governed at best by fledgling democracies with uncertain futures and at worst by brutal authoritarian dictatorships, Israel is a champion of democracy and freedom.

But today Israel is surrounded by increasingly unstable neighbors. Just over the horizon, they're faced with an Iranian regime that threatens them with annihilation.

In these circumstances, we must do what is right and stand with our friends and allies, the Israeli people. I've been proud to do so in this Chamber, and I will continue to do so in the weeks and months ahead.

CREATE JOBS

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

Mr. BACA. Mr. Speaker, 56 percent of Americans think that creating new jobs should be Congress' number 1 priority, but since taking control of the House, the Republicans have yet to pass one single jobs bill.

Republicans have been more interested in obstructing than finding solutions. They said ''no'' to the American Jobs Act. Then they introduced a transportation bill that would cut 550,000 jobs. Now with gas prices on the rise, they refuse to roll up their sleeves and get to work.

We should be voting today on legislation to cut billions in tax breaks for big oil companies, crack down on speculators who are inflating prices at the pump, and invest in new sources such as solar energy and new energy. But instead, we have more of the same partisan gridlock from the Party of No.

Our constituents deserve more. America deserves more. Let's get to work now. Lower the gas prices and create jobs.

HIGH ENERGY PRICES

(Mr. YODER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YODER. Mr. Speaker, today I rise to call attention to the millions of families and small business owners across America who are feeling the impact of high energy prices.

According to AAA, the national average of a gallon of gasoline currently stands at $3.77, with no sign of relief in the near future. Couple this with higher utility rates, and Americans are struggling under the weight of ever-increasing energy costs. Yet Washington continues to attempt to pile more regulations and higher taxes on energy producers in this country.

Let's be clear: higher energy taxes, more utility mandates, and bigger regulatory burdens drive up the cost of energy production. Washington will not lower energy costs for Americans by placing further roadblocks in the way of energy production in this country.

As workers sit idly waiting to construct the Keystone pipeline and utility and energy producers work to remove government burdens and barriers, the American people are losing. It's time we get the Federal Government out of the way and work together towards bipartisan solutions that get America producing domestic sources of energy in all forms.

Let's lower energy costs for all Americans, and let's get our economy growing again.

GAS PRICES

(Ms. CHU asked and was given permission to address the House for 1 minute.)

Ms. CHU. Mr. Speaker, have you been to the gas station recently and been shocked? Gas is above $4 a gallon, in many parts of the country, and climbing. That's 29 cents more than only a month ago. Families everywhere are feeling the pinch.

But why?

It doesn't make sense. Supply is up. We've quadrupled U.S. drilling rigs over the past 3 years. Oil production is at its highest in a decade. Last year, the import of oil fell to its lowest level in 16 years.

The answer is Wall Street speculators who buy oil and hoard it. They take it off the market and lower supply until the price goes way up. Then they sell it and make a killing off the American people. That's not fair.

We can't drill our way out of this problem. We must end Wall Street speculation, end subsidies for the oil companies, and end the political rhetoric. Let's have real solutions to the problems.

AFTER-BIRTH ABORTION

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, on February 23, the Journal of Medical Ethics published an article, entitled, ''After-birth abortion: why should the baby live?''

The authors argue that an infant child can be killed since they do not have the same moral status as a ''person.'' They go even further to say that adoption is not always in the best interest of an unwanted child.

The furor over this article has been immense. Unfortunately, the editors defend publishing this article on the basis that there should be reasoned engagement on the subject.

This article may have the form of scholarly argument, but its substance is madness. The authors maintain that a baby can only be granted personhood through the recognition of other human beings. They fundamentally reject something that we all hold dear: that all men are endowed by their Creator with the right to life.

A healthy amount of anger over this article is not only natural but also right. It is shocking and sad to see such destructive arguments given credence in a premier medical journal.

WHERE ARE THE JOBS?

(Mr. JOHNSON of Georgia asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of Georgia. Mr. Speaker, this is supposed to be the people's House, but for 428 days of Republican leadership, the American people have been stuck on the outside looking in. House Tea Party Republicans have locked millions of Americans out of this economy and thrown away the key.

Republicans have gambled on tax cuts for millionaires, oil companies, and special interests and fought to lay off droves of teachers, cops, and firefighters, all in an effort to see President Obama and our recovery fail.

Now, after 2 years of private sector job growth under President Obama, Republicans claim that they now have a jobs plan. Well, I'm going to tell you, rooting against the President, hoping that he will fail, is not a jobs plan. That's called sabotage.

Republicans have defaulted on their promises to the American people that they would work to create jobs. Instead, they have started a war against women's health.

How much longer will Americans with no jobs, no hope, and no money have to wait before the Republicans pass a jobs bill?

THE BENEFITS OF CONTRACEPTION

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute.)

Ms. SCHAKOWSKY. Mr. Speaker, at a speak-out on women's right to birth control, I solicited comments from the huge audience that attended, and here are a few.

Reverend Luke Pepper writes:

> As a Christian and as a minister, I believe that it is important and necessary that we promote the quality of health care and livelihood of the families in this country. Providing access and availability of quality contraception to women is the right and moral thing to do.

A young anonymous woman wrote:

> I'm a virgin. I take birth control because I have polycystic ovary syndrome, and it will reduce my risk of uterine cancer.

Diane writes:

> My oldest son is on the autism spectrum. Nearly 6 years after he was born, my husband and I judged our family ready to support and nurture a second child. If, through the lack of access to birth control, we had been forced to risk an unplanned pregnancy before we were ready, we would not have had the resources—financial or emotional—to give our older son the care and support he needed that enabled him to become the fine young man he is. Nor would we have been able to devote full care and attention to his beloved young brother.

TRIBUTE TO JAN DOMENE

(Ms. LORETTA SANCHEZ of California asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to pay tribute to a true champion for education, Jan Harp Domene, who passed away this past Monday.

Jan was a fervent advocate for children. She was serving our community for more than 35 years with the Parent Teacher Association, and she eventually became the head of the PTA in 2007, the National PTA.

During her time with the PTA, Jan facilitated collaborative partnerships with many education, health, safety, and child advocacy groups to benefit children and provide valuable resources to PTA members. As President, she raised the level of parent involvement nationwide by increasing PTA membership and also by accessing very diverse communities.

Jan Harp Domene was the product of public schools in Orange County, and she knew firsthand the intricate needs of our community and children. After serving as the national president of the PTA, she returned to Anaheim and became a trustee on our Anaheim Union High School board.

She was a role model. She actually was a family friend. I remember, as a young child, my mother would get calls from Jan if I was out of line.

Both locally and nationally, we are better off because of Jan, and I am honored, and I hope that my colleagues will honor her, also.

□ 1220

THE ROAD TO ECONOMIC PROSPERITY AND ENERGY INDEPENDENCE

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, we need a multiyear, adequately funded transportation authorization before it expires at the end of this month.

There is no question but gas prices are too high, but when the speculation subsides and when the world's oil price starts to decline, the price at the pump won't go down proportionately because it will be seized by the big oil companies as an opportunity to further pad their profits. That's when we need to implement a substantially but gradually funded Federal gas tax. That's what we need to fund our Nation's infrastructure that has deteriorated for the last 20 years while the gas tax has not been increased.

That's what we need to do, Mr. Speaker, because the fact is that the big oil companies have been taking us for a ride on a pothole-filled highway. It's time to get into an energy-efficient vehicle and on the road to economic prosperity and energy independence.

SUPPORT THE DISCLOSE ACT

(Ms. HAHN asked and was given permission to address the House for 1 minute.)

Ms. HAHN. I would like to thank my colleague, Congressman TED POE, for giving a shout-out to the PORTS Caucus, showing this country that we can work together on issues that matter to the people of America.

Mr. Speaker, yesterday was Super Tuesday, but this year's campaign has been anything but super. Thanks to the Supreme Court's misguided decision in the Citizens United case, a handful of Super PACs, funded by billionaires and special interest groups, have dominated this year's elections. But it doesn't have to be this way. Four years ago, the Republican nominee for President, JOHN MCCAIN, was a leading voice in reforming how we pay for campaigns. In this body, Republican Chris Shays fought to clean up elections.

That's why I've come to the floor today, to ask my Republican friends to join with me and with people like JOHN MCCAIN and Chris Shays in supporting the DISCLOSE Act, a law that would shine a very bright light on these Super PACs. This law would let us know who is paying for these ads, and it would require these invisible power brokers to appear in their ads just like the candidates do. If we came together to change this, it really would be super.

NATIONAL TEACH AG DAY

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

Mr. CHANDLER. I rise today to honor the third annual celebration of National Teach Ag Day, on March 15, which is a day designed to raise awareness of the need for more agriculture teachers. It encourages people to consider a career as an agriculture teacher, and it celebrates the positive contributions these teachers make in their schools and communities.

Every day, agriculture teachers help students develop the skills necessary to become leaders and contributing members of society. These educators teach by doing, not just by telling. And by sharing their passion with young people, they prepare students for successful careers, whether they choose to go into the field of agriculture or not. There are currently over 10,000 agriculture teachers serving almost 1 million students in all 50 States and in Puerto Rico, but it is estimated that there will be hundreds of unfilled positions across the United States this year.

National Teach Ag Day is a nationwide effort to bring attention to the need for more agriculture educators in the U.S. and to raise awareness of the valuable role these teachers fill in our schools and communities.

GAS PRICES

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

Mr. ROGERS of Alabama. I want to talk today about gas prices.

I represent a poor, rural congressional district where, unlike in the big

cities, you have to have an automobile to get around. In the 10 years I've been in Congress, I have not had any issue that has upset my constituents more, including the wars, than the gas prices we had 3 years ago. Yet here we are back in the same situation, with the prices of $105 for a barrel and $3.75 for a gallon of gas, and nothing has been done over the last 3 years by this administration to deal with this issue. More recently, the Keystone pipeline, which would have helped bring a lot more oil into the marketplace by bringing it down from Canada to our refineries on the coast, has been denied by the President.

He needs to be doing some things to help us. He says that people say, Drill, drill, drill, and that that won't solve our problem. Well, the fact is it might have if we'd started 3 years ago when we had the last burst of high gas prices. He's right, it won't help deal with the current problem, but this is going to continue to be a perpetual problem if he doesn't make some changes. He needs to authorize the drilling in the Outer Continental Shelf and in ANWR, and he needs to pass the Keystone pipeline.

GAS PRICES ARE RISING

(Ms. HANABUSA asked and was given permission to address the House for 1 minute.)

Ms. HANABUSA. Gas prices are rising. We'll see an average, some predict, of $5 per gallon by this summer. Some places are already there.

Voices are rising, asking us, What are we doing to bring gas prices down?

Mr. Speaker, we can agree that we must go beyond short-term fixes and that we must cure ourselves of this Nation's petroleum addiction. Yes, it is an addiction.

Our constituents are asking, What's causing it? What's causing these gas prices?

We know, when Iran threatens to close the Strait of Hormuz, prices soar. This is because one-fifth of the world's oil supply goes through those straits.

Mr. Speaker, America's vision of our energy future must go beyond the next gas pump. We must look at the fundamentals of a new policy. Yes, diplomacy is part of that, but more importantly, it's us. We must join hands to self-sufficiency and truly be committed to renewable resources. The President proudly pointed out to the marines and Navy in the State of the Union: 50 percent sustainability. Let's adopt that policy.

WE MUST PUT FREEDOM AND HUMAN RIGHTS FIRST

(Mrs. DAVIS of California asked and was given permission to address the House for 1 minute.)

Mrs. DAVIS of California. Mr. Speaker, I rise today to speak on an international issue that merits our attention here in Congress. This month, hundreds of thousands of concerned citizens, 140,000 and counting, have signed a petition to the White House. The petition calls on the administration to stop expanding trade with Vietnam at the expense of human rights.

I know it's hard for all of us here in this Chamber to imagine, but in Vietnam, the mere act of composing songs can be sufficient grounds for the Communist government to put someone in jail. In fact, that's exactly what happened to Viet Khang, a Vietnamese citizen who was arrested and who is currently being detained for merely composing and singing two protest songs about his own country. This arrest and many others in recent years are issues that have to be at the forefront of our trade negotiations with the Vietnamese Government.

I urge my colleagues to join me in urging the President to put freedom and human rights first.

COMMENDING PRESIDENT BARACK OBAMA'S COMMITMENT TO AMERICAN ENERGY

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, President Obama recently announced $30 million in new funding as part of his energy research strategy to reduce our reliance on foreign oil and to provide Americans with new choices for vehicles that do not rely on gasoline. This crucial investment in advanced energy research will promote American innovation to diversify our Nation's energy resources and create new jobs.

Under President Obama's leadership, America is now producing more oil than at any time in the last 8 years, and our dependence on foreign oil is at a 16-year low. Over the last 3 years, the Obama administration has approved dozens of new pipelines and has opened millions of acres for oil and gas exploration. The Obama administration has also implemented the toughest fuel economy standards in history, which will cut oil consumption by 12 billion barrels and save American families $1.7 trillion over the next 10 years.

Mr. Speaker, I commend President Obama for taking these important steps to promote and to enhance our Nation's energy needs.

□ 1230

PROVIDING FOR CONSIDERATION OF H.R. 3606, JUMPSTART OUR BUSINESS STARTUPS ACT

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 572 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 572

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill, an amendment in the nature of a substitute consisting of the text of the Rules Committee Print 112–17 shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived. No further amendment to the bill, as amended, shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such further amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such further amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill, as amended, and any further amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. THOMPSON of Pennsylvania). The gentleman from Texas is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my friend, the gentleman from Colorado (Mr. POLIS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks.

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

There was no objection.

Mr. SESSIONS. Mr. Speaker, today I rise in support of this rule and obviously the underlying bill. House Resolution 572 provides a structured rule for H.R. 3606, that Jumpstart Our Business Startups, or what we also call the JOBS Act. The bill was introduced on December 8, 2011, by my friend, a bright young man who is one of the

brand-new leaders of our conference, a freshman, the gentleman from Tennessee, STEPHEN FINCHER, and was ordered reported by Chairman BACHUS and the Committee on Financial Services on February 16, 2012, by a near-unanimous vote of 54–1.

Members on both sides of the aisle have had an opportunity and will have opportunities to submit perfecting ideas. Thank goodness the Rules Committee allows this sort of thing to happen now that Republicans are in charge. The structured rule before us allows for 17 amendments, Mr. Speaker: 13 from Democrats, 3 from Republicans, and one which is a bipartisan amendment, meaning that Republican and Democrat Members of this House have a chance to work together on legislation for jobs for our country.

The chairman of the Rules Committee, DAVID DREIER, has once again allowed the House to work its will through this important legislation by allowing us to have a rule not only where Members of Congress can come and share their ideas with the Rules Committee but, once again, have them made in order so they can come down on the floor, express their ideas, work with colleagues to perfect the legislation and then to vote for the bill, because they were a part of it. Those are ideas that I think are good for this body. DAVID DREIER, as chairman of the committee, deeply believes this is the way the floor should operate.

Today, we're going to consider a package of commonsense job-creating bills that stand out for a unique reason, and that unique reason is the President of the United States now supports what we're doing, also. Unfortunately, Senate Democrats have yet to give their blessing on this bill and the package that's included. So we're just going to have to do the best we can and then hope for the best. Maybe the Senate will decide they want to take action on bills that will not only better enable our country to have jobs and job creation, but also a chance to work for the best interests of the American people.

House Republicans are on the floor again today, as we have been doing now for a year and a few months, to persistently make the case about job creation, why jobs are important to our country, why the Congress should be all about trying to work with the free enterprise system, work with Members of Congress who see the big need for jobs, not only at home, but all across this country in every single State so that we can have job creation as a major goal of what this Congress and hopefully the President would be for. Over 30 bills that we've already passed through this body over the last year and a couple months await consideration by Senate Democrats. That means that this body, just like the bills we are going to handle today, we have been on the floor for a year talking about jobs, job creation, the way we can aid and abet the free enterprise system, investors, and opportunities back home. Those bills are waiting over in the Senate, and today we're simply going to add to that.

The big difference is the President has now said, You guys have got a good idea. The day the President agrees with House Republicans and House Democrats is a great day for our country. So, the good news out of Washington today is STEPHEN FINCHER had a good idea the President agrees with, and we're going to do something about that.

Our economy has a credit problem, too, Mr. Speaker, not just a jobs problem. Companies are unable to receive the credit they need to grow their businesses, and as banks and other traditional credit providers face stricter Federal restrictions by the Obama administration, it decreases the ability for lending to take place, and companies that need lending and cash and capital available to them are looking for innovative funding mechanisms that will provide the liquidity necessary so they can keep their businesses current, so they can expand their business, so they can meet the needs of the marketplace. This administration continues to promote policies that slow economic growth and make it more difficult for businesses and, in particular, small business, to obtain capital and have a source of funding. Republicans believe that we must create an environment that changes that, that encourages investment in small business. Small business, as we know, is really the engine of our economy and really the national job creator. The underlying bill does just that.

The JOBS Act consists of numerous pro-growth provisions, and I would like to talk about those because it's important for us to remind our colleagues that a pro-growth bill or a pro-growth environment that our free enterprise system would be involved in encourages not just the creation of capital, but also the ability of that formation of capital to make jobs in America to come about as a result of that.

□ 1240

This bill from Congressman FINCHER creates a new category of what's called emerging growth companies that will reduce costs for small companies to go public. Great idea.

There is legislation from our majority whip, KEVIN MCCARTHY from California, that will allow small businesses to advertise for the purpose of soliciting capital from potential investors. In other words, this was not allowed by law. Small companies that have great ideas need the opportunity to advertise in the marketplace and have people see that there are good ideas. KEVIN MCCARTHY is right.

A bill from Congressman MCHENRY from North Carolina would allow what is called crowdfunding for initial public offerings under $1 million. In other words, it opens up the ability to gather more capital to come in. And Congressman MCHENRY is right, we need to utilize market-based solutions, and we need to make it legal.

There are two bills from Congressman SCHWEIKERT from Arizona: one that would allow more businesses to go public, gathering investment and growth, and a second bill which raises the threshold number of shareholders required from mandatory Securities and Exchange Commission registration for all companies.

And finally, there is a bill by Congressman QUAYLE from Arizona which increases the threshold number of shareholders permitted to invest in community banks; in other words, bringing more investors to an important part of our economy, and that is called community banks, banks that exist for the purpose of trying to make our communities, local communities, stronger and better.

The banks and small businesses of the district which I represent, the 32nd Congressional District of Texas, which is primarily Dallas, Richardson, Addison, and Irving, Texas, consistently describe to me about how they have an inability to raise capital investment, not due to a lack of willing investors, but as a result of burdensome regulations that are placed on them by the Federal Government. Oftentimes we discuss the need for the SEC limit on individual investors, and we know that it restricts their ability to raise funds through community participation in local business creation. I am proud to tell them now that, as a result of this bill today and the legislation included, help is on the way.

These important changes not only provide businesses with the necessary ability to expand, but also they provide individuals with new mechanisms to invest and grow with their own personal assets in companies that they know best.

The rules adjusted in the underlying bill have proven restrictive to economic growth, so we've got to adjust these problems in the marketplace and come up with new and creative ideas. We must push these constructive proposals without political delay. This is why Members of this body, including, I believe, the gentleman from Colorado (Mr. POLIS), support this bill. The reason why we can work together is to make sure we push constructive ideas that are good for people back home.

Mr. Speaker, our Nation is still in crisis. We do not have enough jobs. We are in a dwindling marketplace because of the excessive number of rules and regulations that have been passed by prior Congresses. With unemployment persistently over 8 percent, we cannot continue the failed policies of government spending, rules, and regulations, and the inability to pass laws that help job creation to overcome these problems. The underlying bill will do exactly that. It will help foster not only an environment, but provide the underpinning through law that will allow the private sector to more fully participate.

The future success of our economy rests in the hands of small, private business, not the Federal Government. What we are doing today is unleashing their potential so that they can focus on the things that they do best. This is part of having a Republican majority: pro business, pro economic development for jobs, the formation of capital, and the ability for American entrepreneurship to flourish. The result is going to be an economic environment that promotes growth and generates more revenue for the Federal Government.

I am delighted not only to be on the floor once again talking about economic growth, but once again trying to act as a soundpiece for the American people who are asking the United States Congress to please understand the plight that we are in, to please help work on what will help the free enterprise system job creation.

So today as we are on the floor, we offer a hearty reminder to the American people that there are people who get what this is about. That's partially why this Republican majority has been and will continue to be successful. We will push for reform, a pro-growth environment, and the opportunity to help people back home, instead of with a handout, to give them the ability to do things on their own.

I urge my colleagues to vote for this fair rule, and I reserve the balance of my time.

Mr. POLIS. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of this bill, Mr. Speaker. I would like to thank my colleagues on both sides of the aisle who have worked long and hard on a number of these bills.

In my remarks today, Mr. Speaker, I want to talk about the good, the bad, and the ugly: the good that these bills can do to free up our capital markets, but the bad and the ugly of issues that are more substantial to job creation and the fiscal integrity of our country, which this Congress continues to ignore.

First, to respond to my colleague from Texas who several times blamed one particular party in the Senate for advancing these bills, I would just like to remind my colleague that many of these bills are sponsored by Democrats in the Senate. It's not Democrats or Republicans in the Senate; it is the Senate that needs to pass this. And as we know, the Senate requires 60 votes. So I would hope that the gentleman from Texas would amend his future remarks and call upon the Senate to pass the JOBS Act rather than just the Democrats in the Senate, of course recognizing that Republican votes are needed to reach the necessary 60 votes to advance any legislation.

Mr. SESSIONS. Will the gentleman yield?

Mr. POLIS. I am happy to yield.

Will the gentleman amend his remarks?

Mr. SESSIONS. I remind the gentleman that the Republican minority leader, Mr. MCCONNELL, has been asking for some 30 jobs bills to at least go through committee or to be on the floor, and I do not think that a jobs bill would be a problem for a Republican to object to.

So I would once again advise the gentleman that I think my statement was correct. The Senate minority leader has asked for every single one of these 30 bills that have been passed by the House to be debated and voted on, and Republicans have pledged their support of all 30.

Mr. POLIS. Reclaiming my time, again, just as many of them are sponsored by Democrats as by Republicans. It will take votes from both sides to get to 60 votes. I think they can do that. And many of these bills before the House have had 400 votes, 90 percent of this body. Hopefully, they will command similarly large supermajorities in the Senate, comprised of both Democrats, many of whom sponsored these bills, and Republicans, who may be opposed to certain elements but hopefully, in the name of moving the country forward, will pass this JOBS Act.

Here's what this bill will do.

First of all, it's not a JOBS Act, per se. The JOBS name is an acronym. It actually is called Jumpstart Our Business Startups Act, or JOBSA, but I guess JOBS sounds better. But what it really affects is capital markets. It is really a capital market bill. It is a good bill. It has several components that have already passed the House. My colleague from Texas outlined several of them. I want to explain why they are so important.

First and foremost, it makes it easier for many small companies to go public. It rolls back some of the Sarbanes-Oxley regulations that were put in place in 2002 for small and medium-cap companies. Again, when you're looking at the compliance cost of Sarbanes-Oxley, they don't scale with the business. So it's de minimis for a $10 billion business, but it's substantial and, in fact, a deterrent to accessing the capital markets for a $100 million or a $300 million business. So this, in fact, rolls them back in a very thoughtful way.

And I would further call for reexamination, of course, of the requirements for businesses of all sizes, but this will allow many small and mid-cap businesses to access the public capital markets.

□ 1250

In addition, it allows people to invest in start-ups, a concept that's called crowdfunding, which is very exciting. Of course, heretofore, essentially, investing in start-ups has been restricted to what are called accredited investors. Now, an accredited investor is not just some investor that goes through some process of getting accredited; it's basically somebody who's wealthy. They have to be worth several million dollars; and then, all of a sudden, they're accredited.

Now, we all know that some wealthy people are poor investors and some are good investors. One's wealth has nothing to do with how accredited or how good an investor one is. And families who are worth $100,000 or families that are worth $300,000 are perfectly within their rights under current law to go to Las Vegas or Atlantic City and bet their entire lifesavings on one roll of the dice; and yet they're not allowed, under current law, to invest in start-ups.

So, we, with this bill, would allow families of all means to invest in start-up companies, some of which will work out and some of which will not. American families will enter this being aware of the risks. But, again, it is their money, they earned it, they've paid taxes on it, and they should be able to invest it and/or gamble it as they see fit.

Another thing we do under this bill is increase the number of shareholders that is required for mandatory registration with the FCC from 500 to 1,000. This is very important because many companies use stock options, which is a good practice. It gets the employees to own part of the company, to own part of the fruits of their labor, and to have some of the upside on the equity. But companies have effectively been limited on this because once they have 500 shareholders, they're forced to file as public. So we're allowing them to stay private longer, as the need fits them, and not have to scale back on their option policy with their employees. Inevitably, some of those options get exercised, and employees become outright owners over time. This would prevent them from being forced into a backdoor IPO.

In addition, we, again, allow community banks to raise additional capital. We remove some of the requirements around that. Community banks are important lenders in our community; and that's an important step, as well, towards allowing capital to flow more freely.

So, in sum, the several bills, most of which have already passed this House, that we are packaging in the JOBS Act, this act that we're doing here today, are good bills that will free up the capital markets. And, yes, in the medium and long term, there will likely be some jobs created, because where will that capital go? It will flow to businesses that will encourage job growth. This is not something that happens overnight, but this is something that happens as a fruit of the investment. Some of these start-ups that are funded through crowdfunding might, in fact, be employers of 1,000 people in 5 years or 10 years. And that's what's so exciting about the potential of these mechanisms to create value in the economy.

But what are we not doing? And what would be a real jobs bill? In my opinion, there's really several things that are holding back our private sector recovery. First and foremost is our budget deficit and the questions about the

fiscal integrity of this country. This Congress continues to avoid taking action on a default scenario under which debt as a percentage of GDP would rise from about 70 percent where it is now to about 200 percent of our GDP by 2040, a far worse situation than many of the fiscally beleaguered nations in Europe that are currently undertaking bailouts.

This is widely known on both sides of the aisle, and, in fact, the solution is widely known, as well. There are several that have been presented. There's a bipartisan group that emerged from the Senate, including Democrats and Republicans, that proposed a plan to reduce the deficit as a percentage of GDP down to 1.9 percent by 2021. There's been a similar effort on behalf of the Bowles-Simpson Commission, again, to rein in fiscal spending so that debt as a percentage of GDP would be 35 percent instead of 200 percent by 2040.

This Congress has not advanced either and, in fact, quite to the contrary, has passed an operational budget that only serves to continue these deficits through the next 10 years. Again, giving fiscal certainty around the integrity of our Nation would do a lot more to free up capital and improve the flow of capital and credit markets and create jobs than these relatively minor, but still important, bills that we're considering here today.

The other reform that would create a lot more jobs in this bill, and I think would better be called a Jobs Act, if they could come up with a fancy acronym for it, is business tax reform.

I'd like to submit to the RECORD a recent report from the White House and the Department of the Treasury on a framework for business tax reform.

INTRODUCTION

America's system of business taxation is in need of reform. The United States has a relatively narrow corporate tax base compared to other countries—a tax base reduced by loopholes, tax expenditures, and tax planning. This is combined with a statutory corporate tax rate that will soon be the highest among advanced countries. As a result of this combination of a relatively narrow tax base and a high statutory tax rate, the U.S. tax system is uncompetitive and inefficient. The system distorts choices such as where to produce, what to invest in, how to finance a business, and what business form to use. And it does too little to encourage job creation and investment in the United States while allowing firms to benefit from incentives to locate production and shift profits overseas. The system is also too complicated—especially for America's small businesses.

For these reasons, the President is committed to reform that will support the competitiveness of American businesses—large and small—and increase incentives to invest and hire in the United States by lowering rates, cutting tax expenditures, and reducing complexity; while being fiscally responsible.

This report presents the President's Framework for business tax reform. In laying out this Framework, the President recognizes that tax reform will take time, require work on a bipartisan basis, and benefit from additional feedback from stakeholders and experts. To start that process, this report outlines what the President believes should be five key elements of business tax reform.

PRESIDENT OBAMA'S FIVE ELEMENTS OF BUSINESS TAX REFORM

I. Eliminate dozens of tax loopholes and subsidies, broaden the base and cut the corporate tax rate to spur growth in America: The Framework would eliminate dozens of different tax expenditures and fundamentally reform the business tax base to reduce distortions that hurt productivity and growth. It would reinvest these savings to lower the corporate tax rate to 28 percent, putting the United States in line with major competitor countries and encouraging greater investment in America.

II. Strengthen American manufacturing and innovation: The Framework would refocus the manufacturing deduction and use the savings to reduce the effective rate on manufacturing to no more than 25 percent, while encouraging greater research and development and the production of clean energy.

III. Strengthen the international tax system, including establishing a new minimum tax on foreign earnings, to encourage domestic investment: Our tax system should not give companies an incentive to locate production overseas or engage in accounting games to shift profits abroad, eroding the U.S. tax base. Introducing a minimum tax on foreign earnings would help address these problems and discourage a global race to the bottom in tax rates.

IV. Simplify and cut taxes for America's small businesses: Tax reform should make tax filing simpler for small businesses and entrepreneurs so that they can focus on growing their businesses rather than filling out tax returns.

V. Restore fiscal responsibility and not add a dime to the deficit: Business tax reform should be fully paid for and lead to greater fiscal responsibility than our current business tax system by either eliminating or making permanent and fully paying for temporary tax provisions now in the tax code.

The President has proposed eliminating loopholes and special interest tax deductions in our corporate Tax Code to lower the rate to 25 to 28 percent from 35 percent. American corporations are currently among the highest taxed in the world. Most of our peer countries tax their corporations in the 20 to 25 percent range, and capital can flow across borders, operations of companies in a global economy can flow across borders. Why would a for-profit company with a fiduciary responsibility to its shareholders choose to domicile in an area where they have to pay a 35-percent tax rate when they can pay a 20- or 25-percent tax rate and also exist in an environment that ensures the surety of law?

What the President's tax reform proposal will do—and many of us on both sides of the aisle have been calling for similar reforms over the last several years—is, again, on a revenue-neutral basis remove many of the special interest tax considerations that were put there by lobbyists in our Tax Code and bring down the overall rate to 25 to 28 percent so that companies can reinvest in their growth. It tends to be the more profitable companies, the companies that are therefore paying corporate tax, that are the highest growth companies.

So it directly affects job creation to say that profitable American companies should be paying 25 to 28 percent instead of 35 percent, discouraging them from outsourcing jobs, discouraging them from domiciling overseas, and also discouraging the improper allocation of capital through special interest tax breaks in our Tax Code that give money arbitrarily to everybody from wooden arrow manufacturers to the oil and gas industry simply because some central planner in Washington determined that that's where capital should go.

So, again, if we really want a jobs act, let's solve the deficit, let's reform our uncompetitive business Tax Code, as the President has indicated; but, yes, let's also move forward with these bills to free up capital flow for start-ups that will hopefully lead to the next great American companies.

But by no means should somehow this Congress think that just because there's some letters that stand for the word ''jobs'' that somehow the jobs issue is solved or addressed by allowing companies to stay private with 1,000 instead of 500 shareholders, allowing a few small and mid-cap companies in the margins to go public because of relaxed Sarbanes-Oxley requirements. These are great things.

Let's pass this bill. I'm confident it will pass overwhelmingly. Let's call upon the Senate to pass it. But let's not pretend that this is some kind of jobs bill for our country or that this, in any way, shape, or form restores the fiscal integrity of our Nation.

Mr. Speaker, I rise in support of the rule and the underlying bill, the Jumpstart Our Business Startups Act, which consists of six separate pieces of legislation: the Access to Capital for Job Creators Act, the Entrepreneur Access to Capital Act, the Small Company Capital Formation Act, the Private Company Flexibility and Growth Act, the Capital Expansion Act and the Reopening American Capital Markets to Emerging Growth Companies Act.

This package will further American job creation and economic growth by improving small businesses and startups' access to capital. At the same time that this bill eases restrictions on capital formation to help our struggling economy and enhance our nation's global competitiveness, this bill also maintains necessary protections for investors. This is exactly the approach long advocated for by President Obama in his American Jobs Act and in the Startup America Legislative Agenda. And just yesterday, the President announced his support for the underlying package. I am pleased that the House leadership has brought this bill to the floor and urge my colleagues to vote in favor of this bipartisan package.

While I strongly support the passage of the underlying legislation, make no mistake that the package of bills before us today cannot be called a comprehensive ''jobs'' bill no matter how you dress it up. Of the six bills we are considering today, four of these bills have already been overwhelmingly approved by this body only months ago. And one of these bills looks remarkably similar to a bill sponsored by my good friend and Democrat from Connecticut, Mr. HIMES, which passed the House

420–2 last November. The meat of both the bill before us and Mr. HIMES' bill are identical. The only difference between the two pieces of legislation is that the bill before us does not require an SEC study of certain public reporting requirements.

Indeed even the legislation's name is a misnomer. The acronym for the Jumpstart Our Business Startups Act is not J-O-Bs. A more appropriate name for this jobs package would be a suspension sandwich.

While this bill lacks the spark to turn around our troubled economy, it will help raise needed capital to small businesses and startups. According to the Kauffman Foundation, since 1980, startup firms less than five years old have created almost 40 million new jobs—the majority of the new jobs created in this country. Research shows that 90 percent of this job growth occurs after companies go public. Unfortunately, over the last decade, startups companies are taking more time than ever before to go public because of certain administrative and compliance regulations currently in place. The bills included in the underlying package would put in place reforms that would address some of the challenges startups face today.

Part of this legislative package includes the Entrepreneur Access to Capital Act introduced by Representative MCHENRY. This bill permits ''crowdfunding'' which enables individuals investing up to $10,000 in small businesses over the internet to pool their funding without requiring the business to register first with the SEC. By loosening the current SEC restrictions on crowd funding, this legislation would help empower entrepreneurs and start ups to pursue their innovative ideas.

The Small Company Capital Formation Act of 2011 would make it easier for small and medium-sized companies to raise more funds through SEC's streamlined security offering process, instead of the more complicated and costly full registration requirements that larger issuances have to use. This bill, sponsored by Rep. SCHWEIKERT, strikes the right balance between allowing these companies to access capital and maintaining sufficient investor protections.

The underlying bill also includes the Access to Capital for Job Creators Act sponsored by Representative MCCARTHY. This bill would remove the SEC ban that prevents small privately held companies from using advertisements to solicit investments for private offerings as long as the securities are ultimately sold only to ''accredited investors,'' or sophisticated investors who don't require the SEC's protection.

In addition, the package before us contains the Private Company Flexibility and Growth Act. This bill, introduced by Rep. SCHWEIKERT, would raise the requirement for mandatory registration with the SEC for privately held companies from 500 shareholders to 1,000, expanding companies' ability to access capital and provide companies with flexibility in attracting and maintaining employees.

The measure also consists of the Capital Expansion Act, a bill introduced less than two weeks ago by Rep. QUAYLE, whose language is nearly-identical to a bill sponsored by Rep. HIMES and passed by this House under suspension last November. Rep. QUAYLE's bill—which was never marked up—would increase the number of shareholders that a community bank can have before it must register with the SEC.

The only truly new bill before us is the Reopening American Capital Markets to Emerging Growth Companies Act introduced by Reps. FINCHER and CARNEY, which I am proud to cosponsor. This bill will help lower the costs for certain small and medium-sized companies, called ''emerging growth companies,'' to access the public markets. The cost of ''emerging growth companies'' to go public would be reduced by phasing in some regulatory procedures including prohibitions on initial public offering (IPO) communications and independent audits of internal controls over financial reporting. Importantly, these provisions would incentivize IPOs while ensuring that as they expand they come into compliance with these regulations.

Collectively this package is a good first start towards rebuilding our economy in the medium and long term—but not right now. Even after these bills are enacted, the SEC must issue new regulations, accredited investors must start buying these private securities and then startups and small businesses must do something constructive with that capital before any jobs are ever created. Realistically, this bill could take years to produce meaningful results.

CLOSE

Mr. Speaker the underlying package will undoubtedly have a positive impact on our economy and create a more accessible capital market for the benefit of small businesses and investors. The legislation we are considering today will encourage more entrepreneurs to grow businesses and allow more start-ups to go public and hire more American workers.

But simply labeling it a comprehensive jobs bill does not make it so.

Let's not pull the wool over the American peoples' eyes and make-believe that we are passing real jobs-stimulating legislation today. Our number one priority should remain sincere job growth—not just reconsidering bills previously debated and adopted by this House.

To get serious about growing our economy we should be working together to pass the President's American Jobs Act which consists of common sense proposals that have been supported by both parties, such as modernizing our public schools and investing in our nation's infrastructure.

Instead of spending time on stale bills, we should be debating real tax reform legislation. President Obama has put forth a solid business tax reform plan that would stimulate job creation and investment in the United States. The Administration's tax plan would reduce the corporate rate to ensure American companies remain competitive, eliminate overseas deductions and other tax expenditures and simplify the tax code. Obama's plan would also strengthen American manufacturing and innovation, double the deduction entrepreneuers can deduct for start-up costs and cut certain taxes for small businesses to help them expand and hire. President Obama's proposal would generate American jobs without adding to our deficit and demands serious consideration by this body.

We can also boost our economy by addressing our debt challenges. We should be considering and enacting a bold and balanced deficit reduction plan that puts all options on the table. An outline to achieve comprehensive deficit reduction already exists in the Bowles-Simpson plan. I urge the Republican Majority to work with Democrats in the House to find a deficit reduction agreement that can be brought to this floor for a vote.

For more immediate job creation we need look no further than the federal highway authorization which is fast approaching down the track at the end of this month. We desperately need a new federal transportation bill to put Americans back to work, repair our crumbling roads and bridges and improve our mass transit systems. Yet Republicans have struggled for weeks to bring a transportation bill before this House.

I urge my colleagues on the other side of the aisle to work quickly to bring a bipartisan transportation bill to the floor to assist with our economic recovery in the very near future.

Passing the underlying bill will put us on the path towards a fruitful economy. I encourage Republicans to continue further down this path and bring to the floor the job-creating legislation that the American people want and deserve.

I strongly support the underlying bill and encourage its passage.

I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would ask Members not to traffic the well while another Member is under recognition.

Mr. SESSIONS. Mr. Speaker, I applaud the gentleman, my friend, Mr. POLIS, for not only coming to our defense and aid in this but also aiming for things that people all across this country need, and it's called action by Congress for jobs.

Mr. Speaker, at this time, I'd like to yield 4 minutes to the young gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. Mr. Speaker, I thank my colleague from Texas for yielding and keeping the main theme the main theme—jobs and the economy. As an original cosponsor to H.R. 3606, the Jumpstart Our Business Startups Act, I rise in support of this rule.

Since last year, the gentleman from Delaware and I, along with many members of the Financial Services Committee, have worked in a bipartisan manner to develop legislation that would enhance job creation and expand access to capital for America's job creators.

Title I of this bill's legislation I introduced with Congressman CARNEY, the Reopening American Capital Markets to Emerging Growth Companies Act, which will help more small and mid-size companies go public.

During the last 15 years, fewer and fewer start-up companies have pursued initial public offerings because of burdensome costs created by a series of one-size-fits-all laws and regulations. According to testimony from IPO Task Force Chair Kate Mitchell, from 1990 to 1996, there were 1,272 U.S. venture-backed companies that went public on U.S. exchanges during that 6-year time frame.

□ 1300

However, in 6 years, from 2004 to 2010, there were just 324 offerings.

Even the President's Jobs Council, in its 2011 end-of-year report, cited that

the United States ranks 12th now in ease of access to venture capital behind Israel, Hong Kong, Norway, and Singapore, among others. The bottom line is that fewer and fewer companies are choosing to go public, and those that do are not necessarily going public on exchanges in the United States.

H.R. 3606 would reduce the costs of going public for small and medium-sized companies by phasing in certain regulatory requirements. Reducing these burdensome regulations will help small companies raise capital, grow their business, and create private jobs for Americans.

I have reviewed the amendments made in order by the Rules Committee to H.R. 3606, and I will be supporting some and opposing others. Also, the gentleman from Delaware and I will be offering a manager's amendment which will make some technical improvements to the bill.

I look forward to a lively debate here in this Chamber, and I support the rule to consider this bill.

Mr. POLIS. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. FRANK), the ranking member of the Financial Services Committee.

Mr. FRANK of Massachusetts. Mr. Speaker, this is a perfectly nice bill, but things are sometimes judged in comparison. It is being hailed as a bigger bill than it is, but that's what happens when you grade on a curve as we grade on a curve.

One of the great philosophers of the 20th century was a man named Henny Youngman. One of his philosophical bits of wisdom was expressed in the question and answer:

How's your wife?
Compared to what?

Well, compared to the output of this House so far, this is a very, very, very major bill. Compared to our economy in general, it's a good bill, but of no immediate significance in terms of jobs, and useful for the future. But as I said, I think it's important just getting pumped up a little bit so we can avoid here, as a collective body, the charge that we haven't done anything.

I do have one criticism of the rule, and I had expressed this hope yesterday and I was frustrated. A number of amendments were made in order, and I appreciate that, but every single amendment is to be debated for only 10 minutes. That's unworthy of a deliberative body. There are important questions here that are involved in these issues. And if you think these bills are important, then the amendments to them are important.

Now, that's within the context of support. In most cases, we are talking about people who support the concept but have some differences about what should be there. But to say that every amendment gets debated for only 10 minutes, 5 minutes on each side, is to denigrate the deliberative function to a point which is of great concern to me. It is not as if we've been so busy that we couldn't carve out time for 20 minutes or even a half hour of debate. So I regret the dumbing down of the House, which is represented by saying that no issue will be debated for more than 10 minutes.

Then I only have one other question of a procedural sort as the ranking member of the Financial Services Committee. Most of these bills have been through the committee. There were six bills; four have even passed the House. Two bills, I was told, were from the committee. But one of the bills, H.R. 4088, it's got a new sponsor, the gentleman from Arizona (Mr. QUAYLE), and we've never seen that in our committee. I've checked. That bill was introduced February 24 or something. It's never had a hearing. It's never been through committee. So why are we getting a bill on the floor now that has never been seen in our committee?

I would yield to the gentleman from the Rules Committee.

Mr. SESSIONS. Well, I'm not seeking recognition, but I would say that the gentleman from Arizona has a good bill, and I encourage you to read it.

Mr. FRANK of Massachusetts. Well, I have read the bill. But to be told that we're going to, in a party that says they're devoted to regular order, bring out a bill—H.R. 4088 has had no committee consideration whatsoever; the other bills have, the other five. But it's never been brought up in a hearing; it's never been in subcommittee; it's never been in committee. The notion that it's a good bill and therefore should be immune from any committee process is very discouraging.

This is a bill that's only been in existence for a couple of weeks. The gentleman says, well, it's a good bill; read it. Well, then I guess we don't need committees. We don't need to do anything. If it's a good bill, you read it. But the process is supposed to be one where these things go through some vetting. So I am disappointed that we have a rule that brings a bill to the floor that has literally had no committee consideration whatsoever—brand-new bill, apparently, because it's got a brand-new sponsor. We've seen nothing like this. There have been some other bills that we've had, but I've seen no bill from the gentleman from Arizona (Mr. QUAYLE). I've seen no bill like H.R. 4088 that hasn't had a hearing, that hasn't been to committee.

At the same time, the Rules Committee thinks that we can take all these interesting questions—should there or shouldn't there be an examination, say, on pay? Is the billion number right?—and debate them all in only 10 minutes, 5 minutes on each side. That hardly serves the deliberative process.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. POLIS. I yield the gentleman an additional 30 seconds.

Mr. FRANK of Massachusetts. I'd say that some Members think the bills may have more impact than I do. I hope I'm wrong and they have it. But if you really believe the bills are this important, why then is the debate only for 10 minutes on every single amendment, on the size, on the reporting requirements?

We have amendments that have been requested by the North American Securities Administrators, the State regulators; 5 minutes on the side. That is hardly a mark of people who take the deliberative process in the U.S. House of Representatives very seriously.

I thank the gentleman from Colorado.

Mr. SESSIONS. Mr. Speaker, just so you know, the gentleman is correct, and I appreciate his viewpoint of this.

This is a copy of Mr. QUAYLE's bill right here. It's about one-third of a page long. It's a good idea that says we're going to increase the number of people who can invest in a community bank. I hope that should not require us to have to go back and do too much thinking about how great this would be. We're trying to perfect, instead of by just having an amendment, to allow all Members to take part in these things with their good ideas.

So I do take that what the gentleman said is correct, but good ideas are part of this bill. That should be what we're about here on the floor, just as an amendment that may not have gone through.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. SESSIONS. I wish I could. I'm out of time. I've got a whole bunch of speakers. But I appreciate the gentleman. He'll have plenty of time.

At this time, Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. MCHENRY).

Mr. MCHENRY. I want to thank my colleague, Mr. SESSIONS, for his leadership on the Rules Committee and otherwise in this House. I also want to commend Mr. FINCHER from Tennessee for offering this legislation. It's a very important bill.

Mr. Speaker, I rise today to support and speak in favor of the JOBS Act. What this legislation does is address a key concern that I hear from my constituents in western North Carolina.

We know that entrepreneurship here in the United States is at a 17-year low. We also realize that the rest of the world has caught up to us in terms of their capital markets and business formation. We also know that small businesses create the majority of new jobs in the United States. So it's very important for us, in light of the new regulatory changes that have happened in the last couple of years here in Washington—the advent of Dodd-Frank that increases the cost of lending and makes it less available for small businesses, the CARD Act that makes credit cards less available to the average person who tries to start their business, like my father did, on his credit card. We also realize that the regulatory changes, the more, higher red tape that we have here in Washington makes it

more expensive to do business here in the United States.

These are major concerns. These are major concerns for my constituents in western North Carolina.

I want to commend Mr. FINCHER for offering the JOBS Act. We've got some very important pieces of information and policy changes in this bill.

If you look at the 1990s, we had 530 IPOs, on average, every year. We had fewer than 65 in the year 2009. We realize that going public is not the avenue for every business, though the dream of many small business folks. So an important component of the JOBS Act is a piece of legislation we passed that I authored here in the House, with the help of my colleague from New York (Mrs. MALONEY), the crowdfunding act, which allows small businesses to access the capital markets to sell equity, rather than ask for debt, sell equity in their great start-up or new idea.

Crowdfunding takes the best of microfinance and crowdsourcing and uses the power of the Internet for small businesses to have offerings in their company. Now, it could be used for a tech company, certainly, to raise up to $2 million, but it could be used for a coffee shop in Hickory or in Asheville in western North Carolina to raise $50,000 and sell equity in their business.

These regulatory changes are very important. We have regulations and laws on the books—the 1933 Securities Act, the 1934 Securities and Exchange Act—that really were the reaction to the problems and challenges of their day.

□ 1310

They put in restrictions in terms of advertising about your security. Well, that was a problem when the telephone was the new technology of the day. But we have the power of the Internet, and people are more informed today than they were 100 years ago about investing. So we're changing these regulatory structures so that small businesses can get the capital they need to grow and expand. That's what this is all about.

It doesn't fix every problem that we face today, but this is a bipartisan bill. It's a good idea. The President has spoken in favor of many of the components of this legislation, and we hope, not to simply pass it out of the House on a bipartisan basis, but to ensure that we pass it through the Senate and the President signs it.

These are good ideas that can have an impact and help us grow and create jobs. It helps entrepreneurs. It helps small businesses. Those folks are the lifeblood of economic growth, and that's what we need to be focused on.

I urge the adoption of the rule, and ask my colleagues to vote for passage.

Mr. POLIS. Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Mrs. MALONEY), an author of key provisions of this bill.

Mrs. MALONEY. I thank the gentleman for yielding, and for his leadership on the Rules Committee.

I rise in support of this rule and the underlying bill. It's a package of bills designed to encourage the growth of smaller companies and start-ups, and it contains six separate bills, four of which have already passed this body by overwhelming majorities.

I share the concerns of the ranking member, Mr. FRANK, that these 17 amendments that were put in place, adequate time has not been given to fully debate them.

I do want to take issue with my good friend from North Carolina in his criticism of the CARD Act, saying that it has made it harder for Americans to receive cards. This bill that passed this body overwhelmingly, with Democratic leadership, I was proud to be the lead sponsor on it, working with all of my colleagues on the Democratic side. And what it did is it stopped unfair deceptive practices.

Money magazine called this bill the best friend a credit card holder ever had, and The Pugh Foundation came out with a report earlier this year saying that this Democratic bill alone saved consumers in our country $10 billion in 1 year. I would say that's an advantage for consumers, an excellent goal that was championed by our President and by the Democratic leadership.

I would like to take issue with this comprehensive jobs agenda. I do support it, but I think that we should be working on major job-creating opportunities, such as the transportation bill and the President's Jobs Act, and these two bills would create half a million jobs. Here we are repackaging a group of old bills that we've passed before, and it does not constitute a comprehensive jobs bill.

As I said, four of the six bills have already passed the House with major support on both sides of the aisle. And I'm disturbed that one bill was taken from my Democratic colleague, JIM HIMES.

I would like to quote The Washington Post. The Washington Post said:

> The JOBS Act is not new legislation but is instead a grab bag of items that have already passed at the committee level or on the House floor by wide bipartisan votes.

These previously-passed bills make some useful yet modest steps forward, but they are no substitute for a major job-creating highway bill or passage of the full American Jobs Act. These bills make modest changes for start-up companies, making it easier for them to raise capital through the Internet and the solicitation of accredited investors, and loosening certain filing and regulatory requirements for start-ups and small banks.

I would say the prime goal of the Democratic leadership is to reignite the American Dream by building the pillars of success for small businesses, our entrepreneurs, and by making our economy stronger. These bills before us do help in many ways, although they are not a comprehensive jobs package. It rightly gives smaller companies and start-ups greater flexibility to grow and flourish.

I urge the adoption of the rule and the underlying bills. I do want to mention the Entrepreneur Access to Capital Act, which creates a new exemption from registration for crowdfunding securities. It permits a company to raise up to $2 million a year, with investors permitted to invest the lesser of $10,000 or 10 percent of their income annually in such companies.

I was pleased to work with my colleague, Mr. MCHENRY, on this bill. It has a number of others that would reduce the cost of going public, and would aid in the capital formation for job creation in our country.

I do want to note that the President of the United States, his administration, is supporting these bills, and I urge passage of them.

Mr. SESSIONS. Mr. Speaker, the gentlewoman from New York makes a good point about the President's jobs bill, except it picks winners and losers, and has hundreds of billions of dollars of tax increases that will continue to kill the free enterprise system, along with the other administrative things that this President is doing to the free enterprise system. So this body will not, will not pass hundreds of billions of dollars of tax increases and then say we're trying to help people doing that.

The President, I'm sure, is entitled to his own beliefs. We're going to do the things which work, that empower the free enterprise system.

Speaking of working and empowering the free enterprise system, I yield 4 minutes to the gentleman from Arizona (Mr. SCHWEIKERT), who has brought great ideas to this bill and they are included in this.

Mr. SCHWEIKERT. First, I want to thank my good friend from Texas. I appreciate him yielding me 4 minutes.

Mr. Speaker, I rise in support of the rule and also the underlying bill, and I may have somewhat of a unique perspective here. Being on the Financial Services Committee, we actually started building and moving these bills and working on them, I think, as early as a year ago, last March. So almost everything that's in here has been well vetted, well understood, even down to the amendments and the concepts and the discussion from the last year.

And why is it important, doing this JOBS Act and bringing it together, in many ways, as a single piece of legislation? Because conceptually, they all link together. It is about capital formation. It is about those small-growth companies that create the next wave of employment.

Let's face it, this truly is about jobs. It is about economic growth. The creativity we need in our economy that creates that next generation of excitement and employment comes from the types of business that need access to capital, and these are the very ones that this bill moves forward.

There's also another point that I hope sort of moves universally from right to left here. I'm one of the believers that capital formation is going to

look very different in the future. You know, the old days of you go find an angel investor, and then you go find VC capital, and then you go public, are going to look different. Some of this is because of Dodd-Frank. Some of this is because of what's happened in the regulatory environment.

And the beauty of this legislation is going to provide opportunity and options, particularly for those growing employers, those small companies that want to grow, want to employ in my home district in Arizona.

Mr. POLIS. Mr. Speaker, if we defeat the previous question, we'll offer an amendment to the rule to provide that, immediately after the House adopts this rule, it will bring up Mr. BISHOP's bill, H.R. 1748, the Taxpayer and Gas Price Relief Act and that would simply do it, in addition to this bill, with broad bipartisan support. I know there is also broad bipartisan concern about gas prices, a very substantial issue that many on my side of the aisle, Mr. BISHOP included, would like to do something about so that American consumers have more of their money to take home.

So to talk about his proposal, I yield 3 minutes to the gentleman from New York (Mr. BISHOP).

□ 1320

Mr. BISHOP of New York. Mr. Speaker, I thank my friend from Colorado for yielding.

I rise in opposition to the rule and in support of moving the previous question. This motion would amend the bill with strong provisions to stop price gouging at the gas pumps and remove unwarranted tax subsidies from the Big Five oil companies.

We're long overdue for a serious debate about gas prices. Scoring political points on this issue serves no one and doesn't solve the problem.

Here are the facts: domestic production is at an 8-year high; imports of oil are at a 17-year low; there are more oil and gas rigs drilling in the United States today than in the rest of the world combined. Let me say that again: there are more oil and gas rigs drilling in the United States today than in the rest of the world combined. The number of oil rigs in operation right now has quadrupled since President Bush left office. Last year, the U.S. became a net exporter of oil for the first time in 62 years. Clearly, rising gas prices do not result from a U.S. supply-driven problem, and this administration cannot be blamed for doing enough to encourage and to facilitate drilling. Nor is rising gas prices a U.S. demand-driven problem. Demand is down by 6½ percent in just 1 year and 17 percent since 2008. There are several factors that contribute to rising gas prices, but U.S. supply and U.S. demand are not among them.

Gas prices in the eastern part of my district are up over 60 cents in a matter of weeks. Rampant speculation accounts for most of that, with over 60 percent of the market controlled by speculators. The speculators' overriding goal is profit-taking, which our legislation targets. Nothing is wrong with profits. They made our Nation strong, but profits should not be pursued at the expense of middle class families, nor at the expense of our fragile economic recovery. This legislation makes sure it doesn't by cutting out speculators. It strengthens penalties for manipulating the market, which forces up gas prices and leads to price gouging. The legislation also cuts out subsidies for Big Oil, and we should reinvest those dollars in a long-term strategy focused on clean and renewable sources.

Mr. Speaker, our debate should focus on a green-energy policy free of market speculation and subsidies our Nation can't afford. We must tackle this problem rather than use it to point fingers and to try to score political points.

Thus I urge my colleagues to vote ''no'' on the previous question and vote ''no'' on the rule.

Mr. SESSIONS. Mr. Speaker, at this time I would like to yield 4 minutes to the gentleman from Indiana (Mr. PENCE), a man who I believe is one of the clearest thinkers in this Congress. He is a person who studies well, applies logic, and comes out with a deduction for making things better for people who are not in this town, but rather people who are the real part of America.

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. I thank the gentleman for yielding, for his leadership, and for his gracious esteem.

I rise in support of H. Res. 572, the rule supporting the JOBS Act and underlying bill.

Mr. Speaker, everywhere I go across the Hoosier State, I hear job creators struggling in this economy, talking to me about the obstacles to growth, the obstacles to getting this economy moving again for their business. And again and again, I hear about the weight of Federal red tape that stands in the way of capital formation, business expansion, and jobs.

Just today I was talking to a manufacturer in the State of Indiana who said to me, MIKE, the environment in Indiana is very positive. Our problem is Washington, D.C.

And I was able to report to him that in a bipartisan manner today, the Congress was going to take a small, but significant, step in lifting a regulatory burden on capital formation. And that Hoosier, like I hope all Americans looking in today, was encouraged.

The JOBS Act will actually facilitate capital formation, business expansion, and growth by lifting the burden from job creators in a number of ways. It exempts emerging growth companies from certain SEC regulations; it raises offering thresholds for SEC registration; it exempts securities issued through innovative crowdfunding sources from SEC regulation. All of those in plain English mean that we are going to change the regulatory environment to help start-ups and small businesses access public markets.

I've always believed throughout more than a decade of working on this floor that politics is the art of the possible, and today we will not do everything those of us on this side of the aisle believe that we should do to jump-start this economy. But we will do what we can do in a bipartisan fashion in passing this rule and moving the bipartisan Jumpstart Our Business Startups, or JOBS, Act, H.R. 3606.

On behalf of the hardworking taxpayers in Indiana, on behalf of that job creator I talked to this morning, I urge my colleagues to come together today to join us in supporting the JOBS Act. Let's give entrepreneurs and investors all across this country the incentive and the regulatory relief they need to get this economy back on track.

Mr. POLIS. I would like to inquire if the gentleman from Texas has any remaining speakers.

Mr. SESSIONS. I thank the gentleman for asking.

We did have one person who we believe is attempting to get here, to run here; but I would at this time tell you he is not here. So I would encourage the gentleman to go ahead and close as he would choose, and I would then do the same.

Mr. POLIS. Thank you.

I will certainly extend the courtesy to the gentleman. If the gentleman in his closing wants to yield some time to his speaker, I will not object to that.

Mr. SESSIONS. I appreciate that. Thank you very much.

Mr. POLIS. I yield myself the balance of my time.

Mr. Speaker, this bill here today is a good bill, an important bill. It's not a job solution for our country. It's not a jobs bill. In fact, I think the frustration of some is that to a certain extent it represents the spinning of the wheels that has typified this Congress in that most of these bills have actually already passed this House. That being said, if packaging them together and passing them again and trying to put pressure on the Senate to pass it is a constructive step towards making them law, then let's do it. I think a strong bipartisan vote of support will help do that. President Obama said he will sign this bill.

I call upon my colleagues of both sides of the aisle to support these bills. These bills help free up our capital markets in positive and constructive ways by allowing small investors the same opportunities as large investors, allowing companies a little bit more flexibility on remaining private over who their investors are, allowing small and mid-cap companies easier access to public marketplaces. This in turn makes it easier for venture capitalists and angel funders to invest in start-up companies, knowing that there's a better prospect of an exit should they succeed at smaller mid-cap stages.

We all know there's a number of contributing factors to the decrease in public offerings that have occurred over the last 10 years, a trend that I think is beginning to reverse. One of those aspects—certainly not the only aspect—is the excess regulation that we abolish through this act. Other things include simply the appetite of the capital markets for public offerings at any given time and other legal and administrative risks that are not dealt with in this bill that perhaps call for additional legislation.

This is not by any stretch of the imagination a recovery or a jobs bill, but these are very constructive steps that, again, cycling our wheels, yes, we've already passed. We are passing two new ones as well. Let's package them together; let's put pressure on the Senate to send them to President Obama's desk where he has said he will sign these bills.

But let us not, in our effort to continue to push these important pieces of legislation for capital formation, forget that our country faces even more important critical risks before us. We need to get serious about growing our economy, and we need to work hard in a bipartisan basis to implement real tax reform legislation, tax reform that would create a more competitive Tax Code, allowing companies to reinvest in their growth rather than taking their money in an arbitrary way or encouraging them to distort the economic reality and the allocation of resources by having certain tax preferences for industries that may be in or out of favor of government officials. Let's allow companies to invest in their own growth and encourage private sector job creation and have real corporate tax reform as the President has proposed and the chair of the Ways and Means Committee, Chairman CAMP, has proposed and many on both sides of the aisle have proposed.

I call upon our House to move forward a bill that will fundamentally make American businesses more competitive and that, Mr. Speaker, we can call a jobs act.

What else can we call a jobs act? We can call a jobs act doing something about our national deficit, the fact that the current fiscal integrity of our Nation is at stake if we do not take action. Over the next 10 to 15 years, yes, our Nation faces an immense financial crisis.

□ 1330

We need a balanced approach, a big, bold and balanced approach, as has been outlined by both the Gang of Six and the Bowles-Simpson Commission. There are a number of people on both sides of the aisle who have been calling for real deficit reduction, and yet this House has not reduced the deficit and has continued to pass and operate, in fact, under a budget that simply continues these record deficits for the next 10 years.

Providing that certainty around the fiscal integrity of our country—to allow for long-term borrowing, to ensure that businesses have access to capital and predictability over time—will, again, do more to create jobs and grow our economy than will freeing up the capital markets around a few key areas that these bills accomplish.

So, yes, these bills are an important step in the right direction, including the only one truly new bill before us—the others have already been passed by this House. This is a good package, a good package which is a first start to rebuilding our economy. But even after they're enacted, there is nothing that instantaneously happens. They have to be implemented, and credited investors have to start buying private securities and start-ups. It will be several years before this can translate into actual job growth, which it will, and produce meaningful results. Again, corporate tax reform and showing some interest among this body in actually balancing our budget deficit would send an indication now to the marketplace that would immediately lead to job growth.

Mr. Speaker, I ask unanimous consent to insert the text of the previous question into the RECORD, along with extraneous material, immediately prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. MCCLINTOCK). Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. POLIS. I urge my colleagues to vote ''no'' and to defeat the previous question.

These are important bills, and I strongly support the underlying bill. I encourage its passage, and again encourage my colleagues to be fully aware that, by passing this bill, we are not creating a single job. Yes, by pressuring the Senate and by getting the bill to Obama's desk, it can eventually lead to the enhancement of our capital markets and some job creation, but this doesn't get us off the hook.

Passing this bill and not balancing the budget deficit, as this Congress is currently doing, as well as passing this bill and not reforming our Tax Code by making it more in line with the international standard, is not a recipe for American competitiveness or jobs. In fact, this bill alone, if it means the absence of balancing our budget and the absence of making our Tax Code competitive, is just an anti-jobs bill. You can't bail out a sinking ship. This country needs fundamental change. We need to balance our budget deficit. We need corporate tax reform. We need individual tax reform.

I call upon my colleagues on both sides of the aisle to take those items up. Yes, it is a small positive measure to help free up capital flow, particularly for start-ups and small- and mid-cap companies. Let's pass this jobs bill now. I encourage my colleagues to support the bill.

I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. SESSIONS. Mr. Speaker, to hear the gentleman's strong voice, not only as an entrepreneur before he came to Congress, but in Mr. POLIS' dustup as he speaks in the Rules Committee in which he talks about America wanting to have a bright future, he is the father of a new young son, and he looks forward to the day that his son will have a bright future in this country. I appreciate his words today. He is also correct that we do not create jobs in this town, as it is the free enterprise system that does that. Yet with that comes an equal recognition that this town gets in the way of jobs and job creation.

Our taxes are preparing to be raised. The President, the Democratic Party are all about raising taxes on entrepreneurs, and people who get up and go to work every day, and small business, and taking away a Tax Code that benefits women, in particular married women, with the marriage penalty, as well as job creation through incentives that might deal with depreciation. All of these things are part of a pro-growth jobs package, and unfortunately, this House is not together on that. This House is having to, as the gentleman Mr. PENCE said, make incremental progress as we move forward.

Mr. Speaker, this body is big enough to be able to recognize that this country is in trouble. I don't care if you live in Orlando, Florida, or in Pensacola, Florida, or whether you live in Dallas, Texas, or whether you live in California. The needs of this great Nation are about job creation and about ensuring in a competitive marketplace that we keep jobs, that we have ample credit that's available, that we have new ideas like we're handling today in this bill, but that we also go to some old ideas, one of which is, when you tax companies or when you tax something, you get less of it.

What the President of the United States and the Democratic Party want to do is to tax America—the free enterprise system—to pick winners and losers and then try to call that ''new revenue'' to this country when, in fact, all it does is offset it with higher unemployment.

We need a pro-growth economy. We need a pro-growth agenda from the United States Congress. It's not just the House but the Senate, also. We need the President of the United States to understand that his temptation to talk about economic growth should be about job creation, not just about picking winners and losers. We need someone who will bring this country together, not attack our free enterprise system, not stand up in front of people and say that we can work together but then not actually become responsible enough to become engaged in legislation that will pass so that we can make this country stronger.

The Republican Party is here today, leading this bill on the floor. We've got

a rule which allows for 17 amendments—13 from Democrats, 3 from Republicans, 1 bipartisan. Once again, our Speaker, JOHN BOEHNER, and the gentleman from California, DAVID DREIER, who is the chairman of the Rules Committee, are intensely interested in having this House work in a bipartisan fashion, but making progress for the American people. The American people expect us and want us to do better. Today is a chance to work together, pass a bill, put it across the aisle to the Senate, and ask them to please join us in making life better for Americans.

Mr. Speaker, I hope all of my colleagues support this rule. It's a great rule. It does the right thing. The underlying legislation is wonderful, and I urge a ''yes'' vote on the previous question and on the rule.

The material previously referred to by Mr. POLIS is as follows:

AN AMENDMENT TO H. RES. 572 OFFERED BY MR. POLIS OF COLORADO

At the end of the resolution, add the following new sections:

SEC. 2. Immediately upon adoption of this resolution the Speaker shall, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1748) to provide consumers relief from high gas prices, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided among and controlled by the chair and ranking minority members of the Committee on Energy and Commerce, the Committee on Ways and Means, and the Committee on Natural Resources. After general debate the bill shall be considered for amendment under the five-minute rule. All points of order against provisions in the bill are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. If the Committee of the Whole rises and reports that it has come to no resolution on the bill, then on the next legislative day the House shall, immediately after the third daily order of business under clause 1 of rule XIV, resolve into the Committee of the Whole for further consideration of the bill.

SEC. 3. Clause 1(c) of rule XIX shall not apply to the consideration of the bill specified in section 2 of this resolution.

(The information contained herein was provided by the Republican Minority on multiple occasions throughout the 110th and 111th Congresses.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives (VI, 308–311), describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Republican majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: ''Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule. . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment.''

In Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: ''Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Mr. SESSIONS. I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 4105. An act to apply the countervailing duty provisions of the Tariff Act of 1930 to nonmarket economy countries, and for other purposes.

BUREAU OF RECLAMATION SMALL CONDUIT HYDROPOWER DEVELOPMENT AND RURAL JOBS ACT OF 2011

The SPEAKER pro tempore (Mr. MILLER of Florida). Pursuant to House Resolution 570 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R. 2842.

□ 1337

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 2842) to authorize all Bureau of Reclamation conduit facilities for hydropower development under Federal Reclamation law, and for other purposes, with Mr. MCCLINTOCK (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose on Tuesday, March 6, 2012, amendment No. 3 printed in the CONGRESSIONAL RECORD by the gentleman from Minnesota (Mr. ELLISON) had been disposed of.

AMENDMENT NO. 1 OFFERED BY MRS. NAPOLITANO

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, the unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Mrs. NAPOLITANO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 168, noes 253, not voting 11, as follows:

[Roll No. 98]

AYES—168

Ackerman	Brady (PA)	Cicilline
Altmire	Braley (IA)	Clarke (MI)
Andrews	Brown (FL)	Clarke (NY)
Baca	Butterfield	Clay
Baldwin	Capps	Cleaver
Bass (CA)	Capuano	Clyburn
Becerra	Carnahan	Cohen
Berkley	Carney	Connolly (VA)
Berman	Carson (IN)	Conyers
Bishop (NY)	Castor (FL)	Cooper
Blumenauer	Chandler	Costello
Bonamici	Chu	Courtney

Critz
Crowley
Cuellar
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Filner
Frank (MA)
Fudge
Garamendi
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hahn
Hanabusa
Heinrich
Higgins
Himes
Hinchey
Hirono
Hochul
Holden
Holt
Honda
Hoyer
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Kaptur
Keating
Kildee
Kind
Kissell
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Pallone
Pascrell
Pastor (AZ)
Perlmutter
Peters
Pingree (ME)
Price (NC)
Quigley
Rahall
Reyes
Richardson
Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Waxman
Welch
Wilson (FL)
Woolsey
Yarmuth

NOES—253

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Barrow
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boswell
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Cardoza
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Costa
Cravaack
Crawford
Crenshaw
Culberson
Davis (KY)
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Donnelly (IN)
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (FL)
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
Kelly
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Loebsack
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Owens
Palazzo
Paulsen
Pearce
Pence
Peterson
Petri
Pitts
Platts
Poe (TX)
Polis
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schock
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (MS)
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NOT VOTING—11

Hinojosa
Inslee
Labrador
Moore
Paul
Pelosi
Rangel
Schmidt
Shuler
Visclosky
Watt

□ 1405

Messrs. ROKITA, LUETKEMEYER, and GARY G. MILLER of California changed their vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIR (Mr. POE of Texas). The question is on the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The Acting CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. DOLD) having assumed the chair, Mr. POE of Texas, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 2842) to authorize all Bureau of Reclamation conduit facilities for hydropower development under Federal Reclamation law, and for other purposes, and, pursuant to House Resolution 570, reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the amendment reported from the Committee of the Whole?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. GARAMENDI. Mr. Speaker, I have a motion at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GARAMENDI. In its present form, yes.

The SPEAKER pro tempore. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Garamendi moves to recommit the bill H.R. 2842 to the Committee on Natural Resources with instructions to report the same back to the House forthwith with the following amendment:

At the end of the bill, add the following:

SEC. 3. MAKE IT IN AMERICA.

Any lease of power privilege offered pursuant to this Act or the amendments made by this Act shall require that all materials used for conduit hydropower generation be manufactured in the United States.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. GARAMENDI. Mr. Speaker, my colleagues, those of you that are addicted to late-night C–SPAN, you may have noticed this placard which we've used for the last year. If you're not addicted to late-night C–SPAN, then let me inform you what this is all about.

This is about rebuilding the American manufacturing sector. Mr. Speaker, if America is going to make it, then we must, once again, Make It In America.

And this is about government policy. This is about the policies that you and I have the opportunity to make here in America so that this great Nation can, once again, become the great manufacturing center of the world.

Is there any one of us in this room that wants to concede American manufacturing to China or to any other place in the world? Is there one of us in this room that's willing to give up the opportunity for this Nation to, once again, be the pride of this world when it comes to making things?

Gentlemen and ladies, it's all about policy. It's about the policy that we write here in the Halls of Congress. It's about how we structure our tax policy, how we structure our employment policy and our educational policy. It's about the laws that we make.

□ 1410

And don't think this is industrial policy that's new. It's not. George Washington turned to his Secretary of Treasury and told Mr. Hamilton, I want an industrial policy for America. And Hamilton came back with eight specific things that needed to be done at the very birth of this Nation to build the American manufacturing sector. And from that start, we grew. So, George Washington set out an industrial policy, put in place laws to build the start of the great American manufacturing renaissance. But let's look what happened.

This chart is not a happy chart. This chart is about the decline. Beginning in

the seventies, we began to see the decline of American manufacturing as policies that were written by this House, by the Senate, signed by Presidents, Democrat and Republican, changed the groundwork upon which our manufacturing sector could be built. And so we began the decline.

Twenty-five years ago, 20 million Americans were in the manufacturing sector. Twenty-five years ago, the American middle class was strong and vibrant and growing, prosperous, able to own a home, able to take care of their family, go on vacation, buy boats, fish—whatever—25 years ago. Today, just over 11 million Americans are in the manufacturing sector. If you were to chart where the middle class is in America, it follows almost exactly this same curve downward.

We have an opportunity today to do one small thing, one small thing: to put in place a policy that will once again lead us back to making it in America, back to rebuilding our manufacturing sector. We can do it here with this amendment that I proposed. It's not going to solve all the problems, and it's not going to employ millions. But if you happen to live in New Mexico, you may want to know that the Elephant Butte Irrigation District has a small hydro facility and able to build in America a hydro facility. They cobbled it together on their own.

If you happen to be from Washington, specifically Deming, Washington, you may know that Canyon Hydro builds small hydro projects and programs and materials. If you happen to be from Alameda, California—listen up my 52 other Californians—Natal Energy builds small hydros. And if you're from Ohio—much discussed these last couple days—Springfield, James Leffel and Company builds small hydros.

We can make it in America. This amendment simply says that any company that applies for one of these small hydro projects must use American-made equipment. This is how we rebuild the American manufacturing sector, piece by piece, law by law—laws like this that require in the public works that we buy America, that we build America, and that we return the great American middle class back to where it should be, at the top of the heap, not at the bottom and not declining.

So, gentlemen and ladies, it's up to us. This is our policy opportunity, in one small way, in one small hydro project to simply say: do it, but use American-made equipment.

We can, once again, make it in America. And Americans can make it when we have policies in place.

Mr. Speaker, I ask for an ''aye'' vote on this important, small, critical amendment.

Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. HASTINGS of Washington. Mr. Speaker, I first want to note that the author of the motion to recommit voted for the bill out of committee without this amendment. So there certainly is some basis of support for this bill. But I find it very, very ironic that we continue to have what I consider impediments to job creation in this country made by the other side, because the other side has generally—not everybody, to the credit of some of those that understand energy creation—but generally they oppose all American energy.

Look at the vote on developing the resources in the Outer Continental Shelf. Look at the vote on developing resources in Alaska. Look at the vote on developing resources in the intermountain West. They have always been generally opposed to it on that side of the aisle. So now we have here in front of us a bill that would create American energy, and they want to put another qualification on it.

Now, the gentleman—as a matter of fact, in the debate he did somewhat mischaracterize because the amendment says ''materials.'' We don't mind, for example—one example, all of the rare Earth we need for high technology, we have to import it. And yet he would have us do it here when we don't even have a source for those materials. That's what this bill says.

So, finally, Mr. Speaker, let me just tell you what this bill does.

Mr. GARAMENDI. Will the gentleman yield?

Mr. HASTINGS of Washington. I will not yield. The gentleman had 5 minutes to make his case.

Let me just tell you what this bill does. This bill creates American jobs with American energy at no cost to the taxpayer. What else do you need to say? Vote against the motion to recommit.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. GARAMENDI. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on the passage of the bill, if ordered; ordering the previous question on House Resolution 572; and adoption of House Resolution 572, if ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 237, not voting 13, as follows:

[Roll No. 99]

AYES—182

Ackerman
Altmire
Andrews
Baca
Baldwin
Barrow
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boren
Boswell
Brady (PA)
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutch
Dingell
Doggett
Donnelly (IN)
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Filner
Frank (MA)
Fudge
Garamendi
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Himes
Hinchey
Hirono
Hochul
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Jones
Kaptur
Keating
Kildee
Kind
Kissell
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Pallone
Pascrell
Pastor (AZ)
Pelosi
Perlmutter
Peters
Pingree (ME)
Price (NC)
Quigley
Rahall
Reyes
Richardson
Richmond
Ross (AR)
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Waxman
Welch
Wilson (FL)
Woolsey
Yarmuth

NOES—237

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Cravaack
Crawford
Crenshaw
Culberson
Davis (KY)
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper

Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jordan
Kelly
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Owens
Palazzo
Paulsen
Pearce
Pence
Petri
Pitts
Platts
Poe (TX)
Polis
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schock
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Yoder
Young (AK)
Young (FL)
Young (IN)

NOT VOTING—13

Dicks
Hinojosa
Labrador
Moore
Paul
Peterson
Rangel
Schmidt
Shuler
Visclosky
Walberg
Watt
Woodall

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1434

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Washington. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 265, nays 154, not voting 13, as follows:

[Roll No. 100]

YEAS—265

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Baca
Bachmann
Bachus
Barletta
Barrow
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Berkley
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boswell
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Cardoza
Carney
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Costa
Costello
Courtney
Cravaack
Crawford
Crenshaw
Cuellar
Culberson
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Donnelly (IN)
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Farr
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garamendi
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Himes
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
Kelly
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kissell
Kline
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Loebsack
Long
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McIntyre
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Owens
Palazzo
Paulsen
Pearce
Pence
Perlmutter
Peterson
Petri
Pitts
Platts
Poe (TX)
Polis
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schock
Schrader
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
Welch
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NAYS—154

Ackerman
Altmire
Andrews
Baldwin
Bass (CA)
Becerra
Berman
Bishop (NY)
Blumenauer
Bonamici
Brady (PA)
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Carnahan
Carson (IN)
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Critz
Crowley
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Doyle
Edwards
Ellison
Engel
Eshoo
Fattah
Filner
Frank (MA)
Fudge
Gonzalez
Green, Al
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Hinchey
Hirono
Hochul
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson, E. B.
Kaptur
Keating
Kildee
Kind
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Pallone
Pascrell
Pastor (AZ)
Pelosi
Peters
Pingree (ME)
Price (NC)
Quigley
Rahall
Reyes
Richardson
Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Waxman
Wilson (FL)
Woolsey
Yarmuth

NOT VOTING—13

Cummings
Davis (KY)
Green, Gene
Hinojosa
Johnson (GA)
Labrador
Moore
Paul
Rangel
Schmidt
Shuler
Visclosky
Watt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There is 1 minute remaining.

□ 1443

Ms. FOXX and Mr. CARNEY changed their vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

JUMPSTART OUR BUSINESS STARTUPS ACT

The SPEAKER pro tempore. The unfinished business is the vote on ordering the previous question on the resolution (H. Res. 572) providing for consideration of the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 244, nays 177, not voting 11, as follows:

[Roll No. 101]

YEAS—244

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren

Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Costa
Cravaack
Crawford
Crenshaw
Cuellar
Culberson
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Green, Gene
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Hochul
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jordan
Kelly
Kind
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Palazzo
Paulsen
Pearce
Pence
Peterson
Petri
Pitts
Platts
Poe (TX)
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schock
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NAYS—177

Ackerman
Altmire
Andrews
Baca
Baldwin
Barrow
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boswell
Brady (PA)
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costello
Courtney
Critz
Crowley
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Filner
Frank (MA)
Fudge
Garamendi
Gonzalez
Green, Al
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Himes
Hinchey
Hirono
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Jones
Kaptur
Keating
Kildee
Kissell
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Owens
Pallone
Pascrell
Pastor (AZ)
Pelosi
Perlmutter
Peters
Pingree (ME)
Polis
Price (NC)
Quigley
Rahall
Reyes
Richardson
Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Waxman
Welch
Wilson (FL)
Woolsey
Yarmuth

NOT VOTING—11

Davis (KY)
Hinojosa
Hurt
Labrador
Moore
Paul
Rangel
Schmidt
Shuler
Visclosky
Watt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There is 1 minute remaining.

□ 1450

So the previous question was ordered.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. MEEHAN was allowed to speak out of order.)

CONGRESSIONAL HOCKEY CAUCUS

Mr. MEEHAN. Mr. Speaker, it is my great pleasure to stand with my colleagues, ERIK PAULSEN, MIKE QUIGLEY, LARRY BUCSHON, and BRIAN HIGGINS, in a true bipartisan fashion to deliver the exciting news to the entire House that this team, skating together as part of the Congressional Hockey Caucus after a 2-year absence, on Sunday at the Verizon Center won back the important cup in a victory of 5–3 over the Lobbyists.

It's tough enough staying together, but QUIGLEY is awfully chippy and we have to watch his back. There's absolutely no question about that.

Mr. Speaker, this is a great game for the spirit of the conference, but in all honesty, the true value of this game is it is a charity. With the great cooperation and support of the National Hockey League, the Washington Capitals and owner Ted Leonsis, we were able to raise in excess of $160,000; and those dollars first will be dedicated to support a program that the National Hockey League has, which is, Hockey is for Everyone, and that is to bring the game of hockey to inner-city youth who would otherwise not have an opportunity.

More significantly, Mr. Speaker, in cooperation with the National Hockey League, and for the first time, there has been a commitment that has been made. Part of these proceeds will be matched with commitments that will, with Gary Bettman, the commissioner of the National Hockey League, support scholarships now for the Thurgood Marshall Scholarship Fund, to the college fund. They will help support 4-year scholarships to one of the 47 public Historically Black Colleges and Universities for an inner-city youth. We are excited and grateful to be a part of it.

I yield to my friend, the gentleman from Illinois (Mr. QUIGLEY).

Mr. QUIGLEY. Mr. Speaker, I want to thank the lobbyists for the day, Nick Lewis who helped organize this. The game did get a little chippy, that's true, but it has no connection with the 20-point lobbying reform measure that we're putting out tomorrow.

I also want to thank the staff who helped carry this older team of guys, our captain, Tim Regan right over here, for helping us win the game and bring back the cup and beat back the evil horde.

Thanks, everyone.

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. POLIS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 252, noes 166, not voting 14, as follows:

[Roll No. 102]

AYES—252

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boustany
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Carney
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Cravaack
Crawford
Crenshaw
Culberson
Davis (KY)
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Donnelly (IN)
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler

Himes
Hochul
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
Kelly
Kind
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kissell
Kline
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
Lipinski
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McIntyre
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (CT)
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Palazzo
Paulsen
Pearce
Pence
Peterson
Petri
Pitts
Platts
Poe (TX)
Pompeo
Posey
Price (GA)
Quayle
Quigley
Reed
Rehberg
Reichert
Renacci
Ribble
Richardson
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Ryan (WI)
Scalise
Schilling
Schock
Schrader
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NOES—166

Ackerman
Altmire
Andrews
Baca
Baldwin
Barrow
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boswell
Brady (PA)
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carson (IN)
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Filner
Frank (MA)
Fudge
Garamendi
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Hinchey
Hirono
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Kaptur
Keating
Kildee
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matsui
McCarthy (NY)
McCollum
McGovern
McNerney
Meeks
Miller (NC)
Miller, George
Moran
Nadler
Napolitano
Neal
Olver
Owens
Pallone
Pascrell
Pastor (AZ)
Pelosi
Perlmutter
Peters
Pingree (ME)
Polis
Price (NC)
Rahall
Reyes
Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Walz (MN)
Wasserman Schultz
Waters
Waxman
Welch
Wilson (FL)
Woolsey
Yarmuth

NOT VOTING—14

Brady (TX)
Capito
Hinojosa
Labrador
McDermott
Moore
Paul
Rangel
Runyan
Schmidt
Shuler
Velázquez
Visclosky
Watt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There is 1 minute remaining.

□ 1501

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3606 and to insert extraneous materials therein.

The SPEAKER pro tempore (Mr. LANDRY). Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 572 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 3606.

□ 1501

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, with Mr. DOLD in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Alabama (Mr. BACHUS) and the gentleman from Massachusetts (Mr. FRANK) each will control 30 minutes.

The Chair recognizes the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I rise in strong support of the JOBS Act and urge my House colleagues to approve this bill with an overwhelming bipartisan support.

This is a legislative package that we believe will help jump-start our economy by creating new growth opportunities for America's small businesses, for start-up companies, and for entrepreneurs.

As chairman of the Financial Services Committee, I'm happy to report to the House that the JOBS Act is comprised of six bills that originated in our committee and were approved by the committee. I'm also proud that these six bills received overwhelming, strong bipartisan support in our committee. It shows that Republicans and Democrats can come together, find common ground and work together to help America's small businesses. In fact, after being approved by the Financial Services Committee, several of these bills moved to the House floor and gained almost unanimous approval by the House and are now in the Senate.

Not only do these measures have support from Republicans and Democrats, but we received a letter from the President this morning dated March 6 endorsing this legislation, strongly endorsing it. So it not only has the support of Republicans, Democrats, but also the President and the leadership.

A consistent observation that I've heard and many others have heard from our business community is that the Federal Government is making it hard for them to expand and hire new workers with all of its new regulations, mandates and spending, as well as those not-so-new regulations.

We've not recovered from this recession as quickly as we have from past recessions, and the reason is that we have not gotten the job growth that we had hoped, and the job growth we have gotten has been from large corporations. The difference in this recovery and the last one is not large companies not hiring—they are. It's small companies not hiring.

Now, there are two reasons that small companies are not hiring, and these are small companies that generate traditionally 65–70 percent of the new jobs. The first is regulation and the second is capital. It's harder for these companies to get traditional bank financing. We all know that. We've talked to bankers. We've talked to small businesses. Because they can't always get bank financing, they must turn to investors and to the capital market. These bipartisan measures will make it easier for them to do that. They'll increase capital formation which spurs the growth in start-up companies, creates jobs, and encourages companies, small companies, to add jobs and to invest.

We know that, as I've said, small businesses are the generators of our economy. In fact, large corporations, 70–80 percent of their business is from small businesses.

That's why we, as Congress, hearing from our constituents, must cut the red tape that prevents our small businesses and entrepreneurs, the same people that created Google, that created Apple, that created a lot of our biotech companies, they were small businesses but now they are the growth businesses. They are creating the most jobs. This legislation will give them the freedom to access capital, to hire workers, and to grow jobs.

I want to talk about just one of these bills, and that is the bill that came out

of our committee with strong bipartisan support; and I want to commend three gentlemen, the gentleman from Tennessee (Mr. FINCHER), the gentleman from Delaware (Mr. CARNEY) and Mr. HIMES, who crafted it. It allows the IPO market, which has been in a funk, to come back and create small companies and allow them to capitalize.

I reserve the balance of my time.

STATEMENT OF ADMINISTRATION POLICY

H.R. 3606—JUMPSTART OUR BUSINESS STARTUPS ACT

(Rep. Fincher, R–Tennessee, and 53 cosponsors, March 6, 2012)

The Administration supports House passage of the Rules Committee Print of H.R. 3606. Helping startups and small businesses succeed and create jobs is fundamental to having an economy built to last. The President outlined a number of ways to help small businesses grow and become more competitive in his September 8, 2011, address to a Joint Session of Congress on jobs and the economy, as well as in the Startup America Legislative Agenda he sent to the Congress last month. In both the speech and the agenda, the President called for cutting the red tape that prevents many rapidly growing startup companies from raising needed capital. The President is encouraged to see that there is common ground between his approach and some of the proposals in H.R. 3606. The Administration looks forward to continuing to work with the House and the Senate to craft legislation that facilitates capital formation and job growth for small businesses and provides appropriate investor protections.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. ESHOO), a Member not on the committee but one of those most active for pushing for one of the bills here.

Ms. ESHOO. Mr. Chairman, I thank the ranking member, Mr. FRANK. I'm pleased to rise in support of H.R. 1070, which is a provision, actually a bill, that is contained in the underlying legislation which we're going to be voting on today.

I want to pay tribute to Mr. FRANK because he recognized the worth of the idea of expanding on Regulation A which was part of the Securities Act of 1933. He was more than interested in the idea. He said come and testify on it, which I did in December of 2010. So I was proud to do that. Both sides of the aisle at that hearing became heavily engaged in it. They were really fascinated by what it was and what it could do relative to capital formation.

So now this bipartisan bill, which passed the House in November of this last year 421–1, is now in this bill. It increases the offering limit from $5 million to $50 million under the SEC Regulation A, which, as I think I said, was enacted during the Great Depression to facilitate the flow of capital to small businesses. Look at the genius of FDR. A reformed Regulation A is important for small businesses and start-ups not only in my Silicon Valley district but across the country. This is especially true in high-tech, sustainable energy and the life sciences fields where research and development start-up costs routinely exceed $5 million. And in 2010, only seven companies actually took advantage of it.

So I'm very pleased that this is part of this overall legislation. I salute the ranking member, Mr. FRANK, for recognizing it, for supporting it early on, and for getting the ball rolling at his committee with a Member who is not a member of his committee; and I think the country is going to win with this provision, and I'm proud to support it.

Mr. HENSARLING. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, it is clear that jobs and the economy are issue number one for our constituents. Many of them don't see the recovery. Even though professional economists may see it, it is clearly the slowest and weakest recovery in the postwar era. We still have now 3 full years of 8-plus percent unemployment, half of our population now being classified as either low income or in poverty. Again, our constituents are demanding jobs.

Public policy makes a difference. Republicans have many disagreements with our President over public policy. We disagree with the $11 trillion of additional debt that he has put into his budget. We disagree with the $1.9 trillion in new job-killing tax increases he wants to impose, much of it on small businesses. We disagree—we believe the Keystone pipeline, with its 20,000 shovel-ready jobs, should be approved. We believe these policies harm job growth and the economy.

□ 1510

But, Mr. Chairman, we have a rare occasion today, and that is there is something that we do agree on. We have found an opportunity to work on a bipartisan basis, on common ground, with the President of the United States. The President said:

It is time to cut away the redtape that prevents too many rapidly growing start-up companies from raising capital and going public.

House Republicans agree, and thus we are happy to bring to the floor, on a bipartisan basis, the JOBS Act.

The President has issued his Statement of Administration Policy endorsing this legislation. Again, a rare occurrence, and I believe it's something that our constituents would like to see us do. They want to see us stand on principle, but they also want to see us compromise on policies to advance those principles. And so this is a bill that will give these emerging growth companies—again, perhaps the future Googles, perhaps the future Apples, the future Home Depots and the future Starbucks—that opportunity to begin to access equity capital where the hurdles, the redtape, and the cost burdens have been too high.

We know that, of many of the root causes of the economic debacle we had, clearly this was an economy that was overleveraged. So we in the Congress need to do whatever we can to enable the start-up companies, the job engines of America, to be able to access the equity markets, not just the debt markets. So this is a bill most of which has been previously approved by large majorities either in the Financial Services Committee or on the floor.

I want to thank the gentleman from Tennessee (Mr. FINCHER) for his leadership, Chairman BACHUS, Leader CANTOR, and the ranking member, Mr. FRANK from Massachusetts. The American people want to see jobs, hope, and opportunity. So let's pass the JOBS Act, and let's pass it now.

I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, first, I yield myself 1 minute to say that I regret that my friend from Texas felt the need to absolve himself from the charge of excessive bipartisanship by engaging in a partisan diatribe that was factually shaky. It is true that this recovery from the recession has been slower than any previous one, but that's because the economy Barack Obama inherited from George Bush was the weakest since the Great Depression. Yes, it was a deeper economic downfall under George Bush than we've had in 8 years, and that's why the recovery was slower. But it's also the case, if you look at the chart recently presented to us by a Bush appointee, Ben Bernanke, the chairman of the Federal Reserve, it would show that in the beginning of 2006, there was a very steep drop in jobs, a month-by-month increase to the hundreds and hundreds of thousands of jobs lost in the last couple of years in the Bush administration, and then less than 2 months after Barack Obama took office, and we were able to begin some policies to stimulate the economy, an equally sharp rise. So we haven't come as far back as we'd like to, but that's because we were so deeply in the hole when we started.

Now I yield 2 minutes to one of the Members who has been a major shaper of this bill, the gentleman from Delaware (Mr. CARNEY).

Mr. CARNEY. Mr. Chairman, I rise today to encourage all my colleagues, Democrats and Republicans, to support this important piece of legislation to create jobs.

In December, Representative FINCHER and I introduced H.R. 3606, the Reopening American Capital Markets to Emerging Growth Companies Act of 2011. Today, our legislation is the vehicle for a package of bills to help small businesses access capital and grow.

I'd also like to recognize Mr. FINCHER and his staff, Jim Hall and Erin Bays, for their bipartisan work on this bill. I would also like to thank Ranking Member FRANK and Representative WATERS for their assistance and leadership throughout this process.

The original bill, H.R. 3606, which is contained in the bill today before us, will create jobs in part by making it easier for emerging growth companies to undertake IPOs and go public. On average, research tells us that 92 percent of a company's growth, job

growth, occurs after they go public. But in recent years, the number of companies going public has fallen off dramatically.

This legislation takes a commonsense approach to reduce the cost of going public for these so-called ''on ramp'' status companies by phasing in, not exempting, by phasing in certain costly regulatory requirements. Our bill creates a new category of issuers called ''emerging growth companies.'' They have annual revenues of less than $1 billion and, following the initial public offering, less than $700 million in publicly traded shares. Exemptions for these on-ramp status companies would either end after 5 years or when the company reaches $1 billion in revenue or $700 million in public float.

The legislation will also make it easier for potential investors to get access to research and company information in advance of an IPO, and this is an issue around which there's been quite a bit of discussion in committee. This is critical, though, for small and medium-sized companies trying to raise capital that have less visibility in the marketplace.

Last month, these provisions were passed out of the Financial Services Committee with a bipartisan vote of 54–1. We've worked hard to craft legislation that could garner support from Democrats and Republicans and that can pass both the House and the Senate. And as you heard earlier, it's supported by the administration. In fact, many of the ideas in this bill were generated out of a process started by the Treasury Department itself.

Making it easier for small and medium-sized companies to grow is an effective way to create jobs and improve the economy, and we all know how important that is to the constituents that we serve. This legislation will encourage more entrepreneurs to start businesses and allow more start-ups to become public companies and grow and create jobs.

Please join me in supporting H.R. 3606.

Mr. HENSARLING. Mr. Chairman, I now would like to yield 2 minutes to the gentleman from Arizona (Mr. QUAYLE).

Mr. QUAYLE. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 3606, the Jumpstart Our Business Startups Act. This bill will do just that, jump-start our small businesses by removing costly, outdated compliance requirements so businesses and community banks can grow, invest, and hire again. I want to thank Chairman BACHUS for including my legislation, H.R. 4088, the Capital Expansion Act, in the JOBS Act.

Our economy is being held back by onerous and outdated regulations that keep small community banks from expanding. By making it easier for banks to raise capital and invest in our Nation's small businesses, our entire economy benefits. This legislation is essential to small businesses and will allow them greater access to necessary capital. Community banks make up 11 percent of the banking industry's assets in America, but they provide 40 percent of all loans to small businesses.

Currently, community banks with 500 or more shareholders must register with the SEC, and in so doing, submit to the costly compliance requirements. The 500 shareholder threshold hasn't been updated since 1964. This bill would raise the threshold and lower compliance costs for our community banks.

Under this act, a bank would be able to expand to 2,000 shareholders before having to register with the SEC. This will lower compliance costs for the average community bank by $250,000 annually. That $250,000 can be lent to small businesses or used to expand its operations.

I've been concerned about these issues addressed by this act since I came to Congress, and it is gratifying to see these solutions being put forward. I'm particularly grateful for Mr. FINCHER for his leadership on H.R. 3606, which addresses the high cost of compliance with section 404 of Sarbanes-Oxley. As I've been meeting with small businesses within my district, I've been engaged in trying to roll back the costly regulations on our start-ups imposed by Sarbanes-Oxley.

I urge my colleagues to support the JOBS Act.

Mr. FRANK of Massachusetts. Madam Chair, I yield myself such time as I may consume.

I now have an answer to a question. There was a bill in this package, H.R. 4088, that had never had a hearing, it had never been to our committee, everything else had been through the process, and I asked the gentleman from Texas (Mr. SESSIONS) about it. He represented the Rules Committee, and he told me it was a good bill, and therefore, there was no need for it to go to a hearing or through subcommittee or committee. That struck me as rather odd. I've never heard that before, particularly from a party that says they wanted to bring us regular order.

□ 1520

But now that the gentleman from Arizona has spoken, let me make a confession, Madam Chair. I was being a little disingenuous. Now, let me alert people to the rules who may be new to the place. You may not accuse anyone else of being disingenuous under the House rules, but you can cop to it.

I knew what H.R. 4088 was, and we just heard it. We heard the gentleman from Arizona—surprisingly, to me—talk about his legislation. His legislation is the bill I was referring to. It was introduced on February 24, I believe, of this year. It had no hearing. It had no subcommittee markup. But it sounded very familiar as he described it, because that's not just a bill. It's a shape-shifter. It used to be the Himes-Schweikert bill.

So let me be clear: yes, we did consider this in subcommittee and in committee. It was voted on and debated. But it wasn't the Quayle bill then. There was no Quayle bill then. This bill had been the product of bipartisan collaboration between two of our Members: the gentleman from Connecticut (Mr. HIMES), the gentleman from Arizona (Mr. SCHWEIKERT). It had a great deal of appeal, particularly for the bank community.

So what happened?

Apparently, the Republican leadership decided it was Christmas in March, so they stole the bill from Mr. SCHWEIKERT and Mr. HIMES and made a present of it to the gentleman from Arizona (Mr. QUAYLE). And Mr. QUAYLE, I must say, someone told him, Always be grateful, never look a gift bill in the mouth; because when they took the bill from the two men who had created it and took it away from them so that the gentleman from Arizona could get the credit for the bill—in which he had done no work—he seemed perfectly happy with it.

Now, I want to say, Madam Chairman, I've been here for 31½ years. I'm about to be not here anymore, but I do want to say—and I have thought very much about what I am about to say—that's shameful, shameful on the part of the Republican leadership that engaged in this cheap maneuver, shameful on the part of a Member who would be the beneficiary of it. I am deeply disappointed.

Yeah, it's a good bill. It was a good bill when it was the Himes-Schweikert bill. It was a good bill when it went through the hearing in the subcommittee. And for two Members who worked hard on this to then have it taken away and credit given to someone who had nothing to do with it previously is a bad idea.

Then, for the gentleman from Texas (Mr. SESSIONS), on behalf of the Rules Committee, he did not want to admit this theft, so, instead, he announced a new principle—and I hope we can now be clear that's not going to be a precedent—namely, that if it's a good bill and a short bill, it doesn't have to go through a hearing; it doesn't have to go through subcommittee; it doesn't have to go through committee. That was the defense the gentleman from Texas made because he was, to his credit, embarrassed to acknowledge the truth.

But having understood that that was the truth, I do want to make it clear: it would have been better if he had not pretended, as it seems to me he did, that this was such a wonderful bill it didn't need to go through the procedure but, rather, had admitted that it was a bill that had gone through the procedure but had been kidnapped along the way and brought here under another Member.

As I said, I am very disappointed in a leadership that would do this and in a Member who would accept credit for a bill with which he had so little to do with.

I reserve the balance of my time.

Mr. HENSARLING. Madam Chairman, I yield myself 10 seconds to say that the American people care about jobs and economic growth, not a John Grisham novel of intrigue. Either the gentleman, the ranking member, likes the policy—in which case, he can vote for it. If he doesn't like the policy, he can vote against it. The President of the United States apparently supports it.

At this time, I yield 3 minutes to the gentleman from Tennessee (Mr. FINCHER), the author of the JOBS Act.

Mr. FINCHER. I thank the gentleman for yielding.

I want to thank my colleague, Mr. CARNEY, for his hard work and his staff for helping work on something good for the country, for the private sector, getting people back to work. That's what we were sent here to do.

I'm pleased to be the lead sponsor on H.R. 3606, the Jumpstart Our Business Startups Act.

Today, according to the Bureau of Labor Statistics, the unemployment rate is currently 8.3 percent. However, in December of last year, all but one of the counties I represent had a higher unemployment rate than the national average of 8.5 percent. At the top of the list was Obion County, with an unemployment rate of 15.3 percent, and Crockett County, where I live, 10.5 percent.

It is no secret that our Nation has seen a decline in small business startups over the last few years, which means less jobs created for American workers. I think we all can agree that small businesses and entrepreneurs are the backbone of our Nation and our economy.

The heartbeat of America is in the heartland of America, not here in Washington. The best thing our government can do right now to get our economy moving in the right direction is to help create an environment where new ideas and start-up companies have a chance to grow and succeed. The provisions in the JOBS Act will put the focus on the private sector, capitalism, and the free market, providing the jump-start our Nation's entrepreneurs need.

Title I of this bill is legislation that I introduced with Congressman CARNEY, the Reopening American Capital Markets to Emerging Growth Companies Act, which would help more small and mid-size companies go public. During the last 15 years, fewer and fewer start-up companies have pursued initial public offerings because of burdensome costs created by a series of one-size-fits-all laws and regulations. These changes have driven up costs and uncertainty for young companies looking to go public. Not going public deprives companies of the needed capital to expand their businesses, develop innovative products, and hire more American workers.

Title I would create a new category of issuers called emerging growth companies that have less than $1 billion in annual revenues when they register with the SEC and less than $700 million in public float after the IPO.

Emerging growth companies will have as many as 5 years, depending on size, to transition to full compliance with a variety of regulations that are expensive and burdensome. This on-ramp status will allow small and mid-size companies the opportunity to save on expensive compliance costs and create the cash needed to successfully grow their business and create American jobs. It will also make it easier for potential investors to get access to research and company information in advance of an IPO in order to make informed decisions about investing. This is critical for small and medium-sized companies trying to raise capital that have less visibility in the marketplace.

Our bill had tremendous bipartisan support when passed by the Financial Services Committee 2 weeks ago. It's my hope that we can continue to work together as we move this package of bills forward.

Madam Chairman, the JOBS Act will provide companies some valuable tools they need to grow and create jobs. I urge my colleagues to support this bill.

Mr. FRANK of Massachusetts. Madam Chair, preliminarily, I yield myself 15 seconds to say the gentleman from Texas said the American people don't care about this intrigue. Then the question is: Why do they involve in it? Why do they engage in it? Why didn't they just leave the bill with the sponsors? So apparently they cared enough to play that double-game.

I now yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. I thank the gentleman.

I rise to support H.R. 3606, which would help start-ups and small businesses succeed and create jobs during this economic recovery.

I want to really congratulate and thank the ranking member for his leadership, along with the administration, during the worst recession after the Great Depression.

Christina Romer testified before this Congress that the economic shocks to our economy were three times greater than the Great Depression. We were shedding over 700,000 jobs a month when the President assumed office.

In a report by Chairman Bernanke, he showed a chart where we are digging our way out under his leadership. We have gained 3.7 million private sector jobs. This is an important step forward.

The financial reform bill that Ranking Member BARNEY FRANK—we're going to miss you, BARNEY. You did a great job, and we all owe you a debt of gratitude for your leadership during this time.

But what we need now is a real jobs bill, not just a tweaking around the corners with a few words and a few changes in the securities law. What we should be debating today, which would have a huge impact on jobs, is the transportation bill or the President's American Jobs Act, which would create more than a half million jobs and move us forward.

This particular bill, the package is important, but it is not a comprehensive jobs bill or agenda which we need. There are some modest steps forward, but they are no substitute for a major job-creating highway bill or a passage of a full American Jobs Act.

These bills make only very modest changes for start-up companies, making it easier for them to raise capital through the Internet and the solicitation of accredited investors, and loosening certain filing and regulatory requirements for start-ups and small banks.

□ 1530

I support it, but it does not really do a great deal to create more jobs, which we need.

I must say that I have cosponsored parts of it, and all four of them have already passed this body overwhelmingly with over 300 votes. And I'd like to note that the administration supports the passage of this act, as Congress clearly has already done.

I do want to join the chairman in speaking in support of my colleagues, Mr. HIMES and Mr. SCHWEIKERT, on the committee. They championed the provision of the bill that raises the shareholder threshold for having to register with the SEC, and this title passed this body on its own already by a 420–2 margin. That's quite an achievement for them.

But by putting another person's name on it, we have a clear example of the majority more interested in scoring points than in working in a bipartisan way for job development. I will place in the RECORD further comments on these bills and their importance and my work with Mr. MCHENRY on crowdfunding.

SUMMARY OF HR 3606, JUMPSTART OUR BUSINESS STARTUPS ACT

TITLE I ''REOPENING AMERICAN CAPITAL MARKETS TO EMERGING GROWTH COMPANIES ACT OF 2011'' (HR 3606, CARNEY-FINCHER)

HR 3606 creates an expanded on-ramp for newly public companies by exempting a new category ''emerging growth companies'' (companies with less than $1 billion in revenues or $700 million in public float) for up to five years from a variety of securities law requirements, including: say-on-pay votes; certain executive compensation reporting; requirements to provide 3-years of audited financials (would only need 2 years worth), SOx section 404(b) auditing of internal controls over financial reporting; and any future auditor rotation or other auditor requirements. HR 3606 also eases restrictions on communications and research related to an IPO. HR 3606 passed the Financial Services Committee by a vote of 54–1 on 2/16/12, has not previously come to the floor action.

TITLE II, ''ACCESS TO CAPITAL FOR JOB CREATORS ACT'' (HR 2940, MCCARTHY OF CA)

HR 2940 amends section 4(2) of the Securities Act of 1933 to permit use of public solicitation in connection with private securities offerings, provided that the issuer or underwriter verifies that all purchasers of the securities are accredited investors. In addition,

the SEC would have to share offering materials and documentation with the states. HR 2940 passed the House 413–11 on 11/3/11.

TITLE III ''ENTREPRENEUR ACCESS TO CAPITAL ACT'' (HR 2930 MCHENRY)

HR 2930 creates a new exemption from registration under the Securities Act of 1933 for ''crowdfunding'' securities. HR 2930 permits a company to raise up to $2 million a year, with investors permitted to invest the lesser of $10,000 or 10% of his or her income annually in such companies. HR 2930 pre-empts the state regulators' registration authority for the exempt securities, but websites and issuers must register with and provide notice to the SEC, which would be shared with the states. HR 2930 passed House 407–17 on 11/3/11.

TITLE IV, THE ''SMALL COMPANY CAPITAL FORMATION ACT OF 2011'' (HR 1070, SCHWEIKERT)

HR 1070 requires the Securities and Exchange Commission (SEC) to create a new and larger exemption, effectively raising the limit from $5 million to $50 million for its Regulation A (''Reg A'') security offerings and permitting a more streamlined approach for smaller issuers. The current limit is $5 million, but the mechanism is little used due to the small size of issuances permitted. The bill would permit SEC to impose conditions on issuance under the rule, and would require periodic review of the limit. HR 1070 passed House 421–1 on 11/2/11.

TITLE V, ''PRIVATE COMPANY FLEXIBILITY AND GROWTH ACT'' (HR 2167, SCHWEIKERT)

HR 2167 allows companies to remain private longer, with no SEC filings, by raising the minimum shareholder threshold triggering public reporting for all companies from 500 to 1000 shareholders, and by excluding employees from the definition of a shareholder. HR 2167 passed the Financial Services Committee on voice vote 10/26/11, but has not previously come to the floor.

TITLE VI, ''CAPITAL EXPANSION'' (HR 4088, QUAYLE)

HR 4088 is identical to House-passed HR 1965 (Himes) except that HR 4088 removes a cost-benefit analysis study on raising the shareholder threshold for all companies (see Title V). HR 4088 allows banks and bank holding companies to remain private longer by raising the threshold triggering public reporting from 500 shareholders to 2000 shareholders. The bill also eases restrictions for discontinuing public reporting by increasing the minimum threshold from 300 shareholders to 1200 shareholders. The employee exclusion discussed in Title V also applies to banks and bank holding companies. HR 4088 has not been considered in the Financial Services Committee. However, HR 1965 passed the House 420–2 on 11/2/11.

Mr. HENSARLING. I yield myself 10 seconds just to say that President Reagan once said there's no limit to what the American people can achieve if they don't mind who gets the credit. We seem to hear the ranking member say, if I and my friends can't take credit, we're going to pick up our toys and go home. All of us can take credit if we will support the JOBS Act.

I yield 2 minutes to the gentlewoman from Illinois (Mrs. BIGGERT), the chair of the Housing and Insurance Subcommittee.

Mrs. BIGGERT. I thank the gentleman for yielding me the time.

Madam Chair, when it comes to promoting economic growth, no government program is as effective as the old-fashioned drive and ingenuity of the hardworking American people. But to harness that power and the jobs that come with it, we need to clear a path for the start-ups and fledgling businesses that bring new goods and ideas into the marketplace. That's the purpose of the JOBS Act.

This jobs package includes several bills that I've had the opportunity to work on closely with my colleagues on the House Financial Services Committee. All together, it includes six bipartisan proposals that the committee has reviewed to streamline or eliminate the regulatory and legal barriers that prevent emerging businesses from reaching out to investors, accessing capital, and selling shares to the public market.

This legislation will make it possible for promising businesses to go public and access financial opportunities that currently are limited to large corporations, and it eliminates needless costs and delays imposed by the SEC and other regulators.

These ideas are not political. These ideas are not partisan. They come from the small business community in districts like mine, where I meet regularly with local employees who tell me that accessing capital is the hardest part of enduring the recession. Many of these changes have bipartisan backing and have been endorsed by members of the President's Council on Jobs and Economic Competitiveness.

Madam Chair, I urge my colleagues to support this important jobs package and unite behind good ideas that will free American businesses to do what they do best.

Mr. FRANK of Massachusetts. Madam Speaker, I yield myself 30 seconds.

* * *

Mr. HENSARLING. Madam Chair, I ask that the gentleman's words be taken down.

The Acting CHAIR (Ms. FOXX). The gentleman from Massachusetts will please take a seat.

The Clerk will report the words.

The Clerk read as follows:

Mr. FRANK of Massachusetts. I have never seen truth stood on its head more rapidly than by my colleague from Texas. This notion that who cares about the credit—if that were honestly what the Republican leadership believed, why did they take the credit from Mr. SCHWEIKERT and Mr. HIMES and give it to Mr. QUAYLE? It is they who decided that substance was less important. For the gentleman from Texas, having been part of the leadership that engaged in that shameful maneuver, to now accuse us of being excessively concerned with credit is the most hypocritical and dishonest statement I have heard uttered in this House.

The Acting CHAIR. The Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HURT) having assumed the chair, Ms. FOXX, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, reported that certain words used in debate were objected to and, on request, were taken down and read at the Clerk's desk, and herewith reported the same to the House.

The SPEAKER pro tempore. The Clerk will report the words objected to.

The Clerk read as follows:

Mr. FRANK of Massachusetts. I have never seen truth stood on its head more rapidly than by my colleague from Texas. This notion that who cares about the credit—if that were honestly what the Republican leadership believed, why did they take the credit from Mr. SCHWEIKERT and Mr. HIMES and give it to Mr. QUAYLE? It is they who decided that substance was less important. For the gentleman from Texas, having been part of the leadership that engaged in that shameful maneuver, to now accuse us of being excessively concerned with credit is the most hypocritical and dishonest statement I have heard uttered in this House.

The SPEAKER pro tempore. The Chair finds that the remarks constitute a personality directed toward an identifiable Member.

Without objection, the offending words are stricken from the RECORD.

There was no objection.

The SPEAKER pro tempore. The Committee will resume its sitting.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, with Ms. FOXX (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose earlier today, 31½ minutes remained in general debate.

The gentleman from Texas (Mr. HENSARLING) has 15½ minutes remaining, and the gentlewoman from California (Ms. WATERS) has 16 minutes remaining.

Ms. WATERS. I yield myself 4 minutes.

Madam Chair, I rise today in support of H.R. 3606, the Jumpstart Our Business Startups Act.

Before I begin my remarks, I would like to thank Chairman BACHUS, Chairman GARRETT and, certainly, Ranking Member FRANK for their assistance and support on this bill. We were able to work in a bipartisan manner on this bill in our committee, passing many of the provisions in the bill with strong bipartisan majorities.

H.R. 3606 is an omnibus package of small business capital formation bills, some of which we already passed through the House back in November. I was pleased to work with Representative MCCARTHY on a provision now included in the bill to amend securities law in order to remove the prohibition on general solicitation, or general advertising, for the Office of Securities made under rule 506 of regulation D if those securities are only sold to accredited investors.

Last year, I worked with Representative MCHENRY to add critical investor protection provisions to this crowdfunding bill, which previously passed the House and is now included in this package. I was also pleased to support the provision from Representative SCHWEIKERT to allow companies to raise more funds through the Regulation A process and another provision to raise minimum shareholder thresholds at which companies must register their securities with the SEC.

On the title of this bill, which deals with the emerging growth companies, the IPOs, I support the goal of this legislation, and I hope that many of the amendments offered today on this title are accepted, including my own, which is dealing with the provision of research. Again, I am supportive of this legislation, but I think that more investor protection provisions are needed.

Why did we work together to get this legislation passed?

We worked from both sides of the aisle because we are all concerned about job creation and access to capital. We have gone through a recession in this country, starting with the loans that were made in the subprime market in 2003 to 2007. We almost reached a depression, and we destroyed the housing industry in this country. So we are all working to try and not only get the housing industry revitalized, but we are also working to make sure that our small businesses have access to capital and, thus, job creation.

I am very pleased that we were able to work together on this legislation despite the fact that what Mr. FRANK brought to our attention today is the kind of effort that could interfere with attempts to have bipartisanship on some of these legislative attempts that we have made. What Congressman FRANK brought to our attention was that title VI of the bill, a provision that was drafted by Representative HIMES, with the support of Republicans, seems to have been bare minimally reworked and rebranded as a Representative Quayle bill.

While I support the provision, I think that taking Mr. HIMES' work product undermines the spirit of bipartisanship and the cooperation that was otherwise demonstrated by this bill.

□ 1600

Do I like every one of these bills 100 percent? No, I don't. I have some concerns and I have some questions. I even have some uncertainty when we talk about crowdfunding. I want to make sure that we're protecting the investors. I want to make sure that the proper research is isolated from the underwriters who have connections to those people that they're writing the bills for.

The Acting CHAIR. The time of the gentlewoman has expired.

Ms. WATERS. I yield myself an additional 30 seconds.

To sum up this bill, it will make it just a bit easier for some companies to raise funds in our capital markets, enabling them to grow their businesses. But make no mistake, I believe that this Congress still needs to do more on jobs. In addition to these legislative changes that enable capital formation, we need to keep teachers, police officers, and firefighters on the job; extend unemployment insurance for laid-off workers; and revitalize neighborhoods devastated by foreclosures.

A truly comprehensive approach is needed to get Americans working again, and I hope my colleagues are willing to work with me on these issues.

I reserve the balance of my time.

Mr. HENSARLING. I yield myself 10 seconds just to say the gentlelady alluded to the gentleman from Massachusetts for bringing something to our attention. What he brought to our attention is that he violated House rules and is prohibited from speaking the rest of the day when the rest of the Chamber wishes to promote jobs for the American people.

At this time, I am happy to yield 2 minutes to the gentleman from Illinois (Mr. DOLD).

Mr. DOLD. I want to thank my good friend from Texas for yielding me the time.

As a small-business owner, I understand firsthand what small businesses are facing today when they try to meet a payroll or a budget, try to expand their business, or try to hire an extra worker.

My small business employs just about 100 people. For me, that's 100 families. It's a responsibility that I take very seriously.

All across our country, we've got 29 million small businesses throughout our Nation. We should be doing everything we can, everything within our power to create an environment that enables those small businesses to hire one more worker. That's why I'm pleased today to stand up and voice my support for this bipartisan JOBS Act on the floor today.

Many of the bills in this package passed the House with over 400 votes each. Today, we hear a lot about gridlock; we hear a lot about partisanship. These are bipartisan bills. What we had are 400 bills, 400 votes here in the United States Congress that were sent over to the United States Senate without action, and I'm glad that we're able to package them today to have another crack at that.

These measures were introduced by Republicans and Democrats and are aimed at allowing small businesses to gain access to capital. This is exactly the type of legislation that the United States Senate should be passing and that the President should sign into law.

This week we're sending another message to the United States Senate, and we urge them to take action on these important matters.

These are bipartisan bills. Our small businesses and hardworking families don't have the luxury of waiting for gridlock in Washington to end, specifically in the United States Senate. We sent 30 jobs bills from this body over to the United States Senate without any action. So it's time that I ask that the Senate join the House and work together with us on the issues that I think we can all agree on in empowering our small-business owners and job creators.

I believe that bipartisanship is extremely important; and when we find common ground, we must act. That's why it's critical that we empower our job creators and small-business owners to spur our economy and get America back to work.

The JOBS Act is an example of how we can put people before politics and progress before partnership, which is why I am delighted to be able to support this bill and thank my colleagues, Mr. CARNEY, and my friend, Mr. FINCHER.

Ms. WATERS. Madam Chair, I yield 3 minutes to the minority whip, the gentleman from Maryland, Mr. STENY HOYER.

Mr. HOYER. I thank the gentlelady for yielding, and I rise in strong support of these six pieces of legislation which have been put together and called a jobs bill.

I think they have a positive effect on economic growth in our country. I think they are good bills. I particularly support the Himes bill, currently called the Quayle bill; but I'm pleased to support it by whoever's name it might have on it.

Four out of the six components of this legislation have been previously passed overwhelmingly. This is a recycle, but doing a good thing twice is not bad. So I'm going to vote for it, and I'm going to be enthusiastic about voting for it. As a matter of fact, I suggested a number of these ideas on our side of the aisle.

This bill makes it easier for small businesses to go public and raise the capital they need to expand and hire new workers by reducing regulatory burdens. It also raises the SEC registration thresholds for community banks, which will free up bank capital for lending to small businesses and individuals. That's an important step we ought to be taking.

A number of my Democratic colleagues worked hard on these provisions, including, as I said earlier, Representative JAMES HIMES of Connecticut, who introduced one of these bills months and months and months ago, and it passed 420–2 in this body. He has been a leader on this issue of small business access to capital, and I congratulate him for his efforts.

I'm glad the Republican leadership is bringing this bill to the floor, and I hope it signals a new willingness to work with us to create jobs.

This bill is called a JOBS bill. Catchy title. I sort of refer to it as the ''just old bills'' bill, but they are good bills. As I said, we're doing a good thing

twice in hoping the Senate will pass it; and I hope the Senate does pass all of these bills and this bill as a package.

But make no mistake about it, Madam Chair—and America should make no doubt about it—this is not the jobs bill America needs, one with tweaking around the edges and pretending that we've put something together that's going to create a significant number of jobs. This will help and in the longer term it will create jobs. I'm for it. I think it's a positive step forward. But make no mistake about it, this is not the jobs bill that the President asked for. This is not the jobs bill that America needs. This is not the jobs bill that millions who are unemployed and can't find employment are crying out for in America.

America needs a comprehensive jobs plan to help get the millions who have lost jobs and are still looking for work. This bill alone simply is not enough. We must do more. And I will tell my friend—and he is my friend—from Texas, I'm prepared to work with him on a real jobs bill. This is a real jobs bill, but you and I both know it's a small-bore jobs bill. That doesn't make it bad. It doesn't mean that we shouldn't pass it. I thank you for bringing it to the floor. But let us not delude America or deceive ourselves that this is the jobs bill that we need to be passing.

Mr. HENSARLING. I yield myself 10 seconds simply to respond to my friend that we have tried the President's jobs bill, the stimulus, the health care package, Dodd-Frank; and yet we still have the highest duration of 8 percent-plus unemployment since the Great Depression. Here's at least a bipartisan bill we can work on, and I look forward to that today.

At this point, I will yield 2 minutes to the gentleman from New Jersey (Mr. GARRETT), the chairman of the Capital Markets Subcommittee.

Mr. GARRETT. I thank the Chair and I thank the gentleman from Texas as well.

I also rise to express support for the JOBS Act today.

I strongly believe that the JOBS Act will ease the burden of capital formation on the entrepreneurial growth companies that have traditionally served as the U.S. economy's primary job creators and provide a larger pool of investors with access to information and investment options on these companies that currently doesn't exist.

With venture capital fundraising basically stagnant and the IPO market largely closed off, innovative start-up companies who can't have access to the capital market they need have been forced literally to delay research on promising medical and scientific and technological breakthroughs, and that has hurt our economy and our global competitiveness because emerging companies need capital. Developing medical cures to help people live longer and healthier and more productive lives needs capital; developing technology to improve the speed of communication needs capital; and developing alternative energy technologies to reduce our dependence on foreign sources requires capital.

With the passage of this bill, we will provide those companies with the innovation and creativity needed in the marketplace which is essential to keeping American companies competitive with a cost-effective means to access that capital and keep this country at the forefront of medical, scientific, and technological breakthroughs.

□ 1610

Economic growth occurs when companies go public. Just recently I met with the New Jersey Technology Council, and they stressed the importance of removing the regulatory burdens of bringing companies they invest in to market. And the JOBS bill does that. It restores that innovation for early-stage investors to provide the capital that America's entrepreneurs need.

So we do this by chipping away at the albatross of regulations that have strangled and held back the IPO market since the passage of the Sarbanes-Oxley law. This bill provides America's entrepreneurs with access to the capital that they need to basically go after and seek their dreams. It provides the venture capital investors with the exit strategy they need to help make their dreams a reality and create a welcoming environment.

With that, I believe the JOBS Act is a commonsense bill, and I will support the legislation before us.

Ms. WATERS. Madam Chair, I yield 1 minute to the gentleman from Maryland (Mr. SARBANES).

Mr. SARBANES. I thank the gentlelady for yielding.

I actually rise with some significant concerns about the IPO on-ramp provisions of this bill. I'm concerned because there already is exempted from the Sarbanes-Oxley compliance requirements about 60 percent of the IPOs that we see, and this would extend the period in which companies have the requirement of complying with Sarbanes-Oxley to 5 years for companies that exceed that $75 million and go up to $1 billion in revenues. My concern about that is that's a period of time in which a lot of mischief can be done when it comes to financial fraud, and I think it exposes investors to significant potential damage.

My hope would have been that this could have been remedied along the way. Because of my concerns about it, I'm going to be compelled to vote against the bill because I think it really has the effect of gutting significant investor protections.

Ms. WATERS. Madam Chair, I yield 3 minutes to the gentleman from Connecticut (Mr. HIMES).

Mr. HIMES. Madam Chair, I rise today very excited about what we are about to do on this floor. As has been said over the course of many hours, we are about to pass legislation that will be good for the core strength of this country, for our entrepreneurs, for our small banks that we trust to provide credit in our communities. This is a good bill.

I'm sorry it has been marred by a couple of things that have been the topic of much discussion today. I'm sorry that the Republican majority has used this debate as an opportunity to promote the canard—not my word, Bruce Bartlett's word, which I think means ''baloney''—that the main problem with our economy today is regulation. Bruce Bartlett, conservative economist and former adviser to President Reagan said:

> In my opinion, regulatory uncertainty is a canard invented by Republicans that allows them to use current economic problems to pursue an agenda supported by the business community year in and year out.

We have an obligation to make sure that our regulation is good, that it keeps us safe, that it keeps our air clean, that it keeps our banks alive without quashing the entrepreneurship and economic vitality. We should do that every day.

But what we have heard, the ideology, this notion that regulation is the problem in our economy is just what Bruce Bartlett called it, a canard.

And I'm sorry that this bill has been spoiled by the antics of the Republican majority. I'm thrilled that this bill includes H.R. 1965.

At the end of the day—I mentioned Reagan—Reagan said you'd get a lot done in Washington, DC, if you didn't care who gets the credit. There may be only one way to spell ''potato,'' but there are a lot of ways to skin a cat. And if we're going to skin this cat this way, I'm okay with that, because small banks need the flexibility to go public when they should go public; because we should, for those companies that want to go public, provide them with some relief from the regulations that might be more appropriate for larger companies. All of these things, though we have passed many of these measures on the floor, are important.

And so, marred though it has been by the antics of the Republican majority, this is fundamentally a bipartisan, good bill, and it is a rare step forward for this House of Representatives, something that I think will cause every American to say they can get something done. And for that I'm grateful and urge the passage of this bill.

Mr. HENSARLING. Madam Chair, I now yield 2 minutes to the gentleman from Virginia (Mr. HURT).

Mr. HURT. Madam Chair, I thank the gentleman for yielding.

Madam Chair, I rise today in support of the bipartisan JOBS Act, and I thank Chairman BACHUS for his leadership in putting the Financial Services Committee at the forefront of the effort to advance job-creating policies in this House.

After recently touring Virginia's Fifth District, I am freshly reminded

that Federal Government overregulation continues to stand in the way of the lifeblood of our economy, our small family businesses, our Main Street banks, and our family farms.

Across the Fifth District, I regularly hear stories of how unnecessary regulations have served as a barrier to existing family business owners who wish to hire and expand their companies and as a barrier to aspiring Fifth District entrepreneurs who are discouraged from investing in new start-ups.

Our committee has worked to offer solutions that would give citizens across this country the ability to harness the American Dream by starting a new business, working to make that business successful, and working to create the jobs Americans desperately need.

The JOBS Act represents a legislative package that has support from Members of Congress on both sides of the aisle and from the President. This legislation collectively reduces burdens that prevent small businesses from accessing the capital necessary to hire and expand, and it encourages our entrepreneurs to get their start-ups off the ground. This legislation represents an opportunity for Congress and the President to work together to advance legislation for the good of the American people.

Small family businesses and family farms are the backbone of our economy in central and southside Virginia; and as we work to grow our economy and spur job creation, it is critical that we adopt legislation like the JOBS Act to make it easier for them to succeed, not harder. We must act now to put the American people back to work and sustain the American Dream for our children and our grandchildren.

I urge my colleagues to support this legislation.

Ms. WATERS. Madam Chair, I yield myself 2 minutes.

To the Members of this House and to those who are listening to this debate, you've heard this described as a jobs bill. In my earlier remarks, I, too, described this as a jobs bill. You've heard us talk about job creation, access to capital, ways by which we can support small businesses in general but IPOs in particular. You heard us talk about crowdfunding and creative means by which we can help to invigorate this economy. And so certainly this is a jobs bill. But then you heard some reference to the President's jobs bill by our minority whip, Mr. STENY HOYER, who talked about a comprehensive approach.

Make no mistake, this jobs bill is important, and I certainly hope that it will help to stimulate the economy in ways that all of us thought that it could. However, when you take a look at this compared to the President's comprehensive legislation, then you understand what Mr. STENY HOYER was talking about.

Mr. STENY HOYER was talking about the President's comprehensive jobs bill that would do some very important things. It talked about job sharing. It will make sure that our teachers and our firefighters are kept on the job. It talks about school construction. It talks about aid to community college and comprehensive efforts to provide tax credits for small businesses.

So, you see, we would like everybody to understand that we're not abandoning a comprehensive effort to do real job creation and access to capital and support for small businesses. We're trying to take every opportunity, every step, as it has been mentioned time and time again.

The Acting CHAIR. The time of the gentlewoman has expired.

Ms. WATERS. I yield myself 1 minute.

Continuing the comparison between the two efforts, as has been said over and over again today, we certainly have joined in a bipartisan fashion to move this bill. Even though I am not sure and some of our Members are not sure that everything that's in all of these bills is what we absolutely understand and we're willing to say we know that it will help, it will help to deal with this economy in ways that we want it to, but we are willing to take a chance. We're willing to try.

Now, when you compare this with the President's comprehensive jobs bill, then you can see this is only one effort; and in comparison, it's a small effort in comparison to what the President has proposed. And so, let us not forget, we still have work to do. We still have to be concerned about the unacceptably high unemployment rate. As we speak today, the unemployment rate is still in excess of 8 percent.

The Acting CHAIR. The time of the gentlewoman has again expired.

Ms. WATERS. I yield myself the balance of my time.

Madam Chair, I would like for us all to recognize that we are taking a step that we are constantly accused of not being able to do, and that is move something in a bipartisan fashion.

I'm appreciative for my colleagues on the opposite side of the aisle who have been so cooperative, and I'm appreciative for the leadership that has been provided on this side of the aisle. But we still must remember that unemployment is unacceptably high. We must remember that we must have a comprehensive approach. We must remember that the President has presented us with a comprehensive, realistic approach by which we can stimulate this economy, create jobs, support education and our schools, and help the unemployed in ways that they are desperately waiting for.

With that, Madam Chair, I yield back the balance of my time.

□ 1620

Mr. HENSARLING. Madam Chairman, at this time, I am happy to yield 2 minutes to the vice chairman of the Capital Markets Subcommittee, one of the prime authors of this bill, the gentleman from Arizona (Mr. SCHWEIKERT).

Mr. SCHWEIKERT. To my good friend from Texas, thank you. I actually feel somewhat blessed being able to stand here today. I am blessed because I have multiple pieces of legislation that are rolled into this jobs bill as well as multiple amendments. So, first, let me make sure that I have said my proper thank yous. I also want to make sure that the chairman of the Financial Services Committee, SPENCER BACHUS, has my appreciation for allowing me to work on these over the last year. But I also need to reach across the aisle to Mr. HIMES and many of the others who made me defend some of the ideas, who argued with me and helped me make these better pieces of legislation through the last year as we vetted the process.

I wanted to touch on two of the pieces of legislation that are in here and help folks understand why these are actually really important to capital formation for small businesses. The first one we refer to is H.R. 1070, the Small Capital Formation Act. Many people will refer to it as Regulation A—Reg A. Well, in today's world, if you wanted to go public in this streamlined, simplified process, you could only go public with a capitalization of $5 million. Well, no one is going to the stock market for $5 million. This will raise it to 50. Why is 50 so important? Fifty is the minimum threshold to be traded on the big exchanges, on the public exchanges. This allows an organization to find a path, a less expensive path, to become publicly traded and be publicly traded on those exchanges, where it can be viewed and vetted and hopefully grow and grow jobs.

The second bill I have in here that I'm very proud of is one that—we realized capital formation is changing in the world. And for many, many, many, many years, if you were an organization and you got the 500 shareholders, you had to stop, because at 501 you had to go to the SEC and do a public filing. Well, what if you were a high-tech company or a biotech company and you were giving shares, bits of ownership of the company, to your employees?

The Acting CHAIR. The time of the gentleman has expired.

Mr. HENSARLING. Madam Chair, I yield the gentleman an additional 1 minute.

Mr. SCHWEIKERT. This will give those employees an exemption, so a company that's growing, that's actually in some ways, to use a term that's often used around here, ''spreading the wealth'' inside that organization and encouraging folks to vest their time and their talents in what are often speculative ventures as the company is growing—this lifts that cap, but it also raises it to 1,000 shareholders. There may be an amendment to come that raises that up to 2,000, and that is something I will support.

That last thing here is, in committee we also heard discussion last year of

why should community banks, why should we raise their shareholder limit to 2,000? We actually had some community banks come to us and say, look, we've been around here many, many, many, many years. We have legacy stockholders in the company. We're at that 500 share, but because of our long history, we can no longer raise the capital, the equity capital that's necessary. And that's why that concept is so important, raising that to 2,000 shareholders.

Mr. HENSARLING. I yield myself as much time as I may consume.

Madam Chair, again, jobs and growing the economy is what our constituents care about. Again, we are unfortunately and regrettably in the midst of the slowest and weakest recovery in the postwar era. And, in fact, many of my constituents, they don't feel the recovery. They don't see it. They still know many of their friends, neighbors, and family members remain unemployed. That's why the number one priority of House Republicans has been to grow this economy and create more jobs. That is why House Republicans have a plan for America's job creators.

Now, Madam Chair, it's very difficult, very difficult, to find common ground in this institution, as we all know. Regrettably, the vast majority of these bills are stacked up like cordwood in the United States Senate. They won't take them up. We've tried many of the President's ideas. For 2 years we tried every single one of his ideas. We tried the stimulus program, which helped stimulate the national debt to the level it is today. We tried the President's health care plan that we were told would help grow jobs and the economy. Dodd-Frank, our financial institutions—the big get bigger, the small get smaller, and the taxpayer gets poorer.

We disagreed with those policies, and so we have tried to find common ground. We heard the distinguished minority whip lament that the bill didn't do more. This is the common ground we can find with our friends on the other side of the aisle. It's important. It's not as important as repealing the President's health care program, which is absolutely strangling our small businesses. It's not as important as turning back so much of the red tape that impacts every single small business in America by enacting the REINS Act to ensure that Congress, not the unelected bureaucracy, controls whether or not we impose job-killing regulations on our small business enterprises. But it's still an important bill nonetheless. It's a bill that will allow these emerging growth companies, again, perhaps the Googles of tomorrow and the Apples of tomorrow, to be able to access vital equity capital. And so it's an important piece of legislation. I wish it did more.

I wish my friends from the other side of the aisle would acknowledge that we have tried many of their partisan ideas, and they haven't worked. But here's at least a bipartisan idea where we have worked with the President. We have his support right here—right here—Madam Chair, where the President of the United States supports this legislation. So I'm happy that at least one portion of the House Republican plan for America's job creators stands a very good chance of being turned into law and that the American people will see that we continue to work to find that common ground.

So I'm happy, again, to be able to encourage my colleagues to support this today. I look forward to the day that the President can sign this into law.

At this time, Madam Chair, I would like to yield 2 minutes to the gentleman from North Carolina (Mr. MCHENRY).

Mr. MCHENRY. Madam Chairman, I want to thank my colleague, Mr. HENSARLING, for his leadership on the Financial Services Committee, and I want to thank my colleague, Mr. FINCHER, for offering the legislation before us today.

The American people understand that entrepreneurship is at a record low, that it's actually at a 17-year low in the United States. We know that small businesses create the majority of new jobs in our country and have done so for generations. We also know that we have record unemployment. We've had 8 percent unemployment for a record 36 months at that very high level. It's not acceptable. We have to do something.

Now, we cannot fix everything in one piece of legislation. This idea that you can have just simply a large bill that fixes all the problems in the world simply is not in accordance with American history or what the American people want and desire.

But we also know, and the American people understand, especially small business folks and entrepreneurs understand, that red tape gets in the way of job creation. We saw with the Dodd-Frank Act that it restricts lending and makes it more costly to get lending. If you talk to small business folks, their one biggest complaint is a restriction on access to capital. That's on the debt side.

We also see that we have regulations and laws written in 1933 and 1934 in an era when the telephone was the new technology of the day.

□ 1630

We need to update those regulations. That is at the heart of what this JOBS Act does. It doesn't simply say about debt fundraising; it says on the equity side that you can go around the red tape and actually allow the average, everyday investor access to the capital markets and the new, great ideas of the future.

This is what the legislation is about. I urge my colleagues to vote for it, and I ask my colleagues to move forward on this, especially in the Senate.

Mr. HENSARLING. Mr. Chairman, might I inquire how much time I have remaining.

The Acting CHAIR (Mr. YODER). The gentleman from Texas has exactly 1 minute remaining.

Mr. HENSARLING. In that case, Mr. Chairman, I'm happy to yield exactly that 1 minute to the prime author of the JOBS Act, the gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. I want to thank the gentleman from Texas for yielding.

I stand today heartbroken that something that we've meant for good here—myself and my colleague, Mr. CARNEY—a JOBS Act would be tied up in some heated rhetoric.

I want to urge my colleagues on the other side of the aisle that jobs aren't Democrat or Republican; they're American. People are begging for Congress to get out of the way and let the private sector get back in the business of creating jobs. That's what we're doing with this jobs bill that we're pushing through.

So hopefully, hopefully, we can get beyond some feelings—hurt feelings maybe—and let's focus back on the reason why we were sent up here, and that's to put the people back in power and not Washington.

Mr. FITZPATRICK. Mr. Chair, I rise today in support of the JOBS Act. This bill is a package designed to jumpstart our economy and restore opportunities for our small-business job creators.

It represents a combination of several job creation measures aimed at increasing capital formation, spurring the growth of startups and small businesses, and paving the way for more small-scale businesses to go public and create more jobs.

The JOBS Act will provide certainty to small business owners and entrepreneurs in terms of access to capital and the federal regulatory environment.environment. Because without access to capital, businesses cannot expand, and without regulatory certainty, capital disappears.

Dr. Tim Block is the President of the Pennsylvania Biotechnology Center in my home of Bucks County. He had this to say when I shared the JOBS Act with him this afternoon: "We appreciate the support for nurturing entrepreneurial development and investment. Innovation is going to drive the future of the economy in southeast Pennsylvania and around the United States. Capital is the lifeblood that sustains these dynamic entrepreneurs who are harnessing innovation to create new companies and new jobs."

Mr. Chair, it is risk-takers like Tim and the companies he works with that hold the keys to a lasting recovery and a strong American economy if we only give them the tools they need.

Most of this Act enjoys overwhelming bipartisan support in the House, as well as from the President and successful entrepreneurs such as Steve Case, of the President's Council on Jobs and Economic Competitiveness.

In addition to parts of this bill, I have joined my colleagues in the House since last January in sending over 30 pro-growth jobs bills to the Senate for their consideration and they have piled up there like cordwood. If we are going to jumpstart a real and lasting economic recovery, I am urging the Senate to immediately take up and pass the JOBS Act, which I expect to receive widespread support tomorrow,

as well as the other measures that have passed the House with bipartisan support.

Mr. DINGELL. Mr. Chair, I rise in opposition to H.R. 3606, the JOBS Act. This unfortunate amalgam of bad ideas is being sold to us as an easy way to create jobs and help small businesses. I fully support both causes, but passing H.R. 3606 is not the way to see them to fruition.

The JOBS Act takes as its premise the tired rhetoric that deregulation naturally will lead to business growth and job creation. The bill contains four others, H.R. 1070, H.R. 1965, H.R. 2930, and H.R. 2940, which the House passed in November of last year. I am the only Member of this body to have voted against all four, and my conviction in their potential to facilitate investor fraud and abuse remains strong. Simply put, increasing the amount of capital a company may raise and the number of shareholders it may have before registering with the Securities Exchange Commission (SEC), carving out registration requirements for crowdfunding in the Securities Act, and removing the long-standing prohibition on public solicitation in the sale of unregistered stock offerings will create more risk than reward. Mark my words: Investors will be swindled, and great sums of money will be lost, all because of the dubious assumption that deregulation stimulates economic growth.

As if this were not bad enough, H.R. 3606 goes one step further to allow all but the very largest new companies up to five years to raise money from the public without having to assess the adequacy of their own internal controls. The Sarbanes-Oxley Act requires this for good reason: to protect investors, promote higher-quality financial reporting, and thereby create lower costs of capital for companies.

We have just survived the greatest shock to the Nation's financial services sector since the Great Depression. Regulation subsequent to 1929 created decades of stability and prosperity. The gradual erosion of the laws and regulations put in place in the aftermath of the Great Depression ultimately caused the crash in 2008, which cost this country millions of jobs and wiped out trillions of dollars in our constituents' collective net worth. Now is not the time to deregulate.

If my colleagues wish to create jobs, I suggest we consider investing in improving our country's crumbling infrastructure, supporting research and development with grants and low-interest loans, and assuring our citizens have the education they need to compete in the future. Exposing American investors to all manner of fraud and rascality will create misery instead of jobs.

Vote down H.R. 3606.

Mr. HENSARLING. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

In lieu of the amendment in the nature of a substitute printed in the bill, an amendment in the nature of a substitute consisting of the text of the Rules Committee Print 112–17 is adopted and the bill, as amended, shall be considered as an original bill for the purpose of further amendment under the 5-minute rule and shall be considered as read.

The text of the bill, as amended, is as follows:

H.R. 3606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Jumpstart Our Business Startups Act''.

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
TITLE I—REOPENING AMERICAN CAPITAL MARKETS TO EMERGING GROWTH COMPANIES
Sec. 101. Definitions.
Sec. 102. Disclosure obligations.
Sec. 103. Internal controls audit.
Sec. 104. Auditing standards.
Sec. 105. Availability of information about emerging growth companies.
Sec. 106. Other matters.
Sec. 107. Opt-in right for emerging growth companies.
Sec. 108. Review of Regulation S-K.
TITLE II—ACCESS TO CAPITAL FOR JOB CREATORS
Sec. 201. Modification of exemption.
TITLE III—ENTREPRENEUR ACCESS TO CAPITAL
Sec. 301. Crowdfunding exemption.
Sec. 302. Exclusion of crowdfunding investors from shareholder cap.
Sec. 303. Preemption of State law.
TITLE IV—SMALL COMPANY CAPITAL FORMATION
Sec. 401. Authority to exempt certain securities.
Sec. 402. Study on the impact of State Blue Sky laws on Regulation A offerings.
TITLE V—PRIVATE COMPANY FLEXIBILITY AND GROWTH
Sec. 501. Threshold for registration.
Sec. 502. Employees.
Sec. 503. Commission rulemaking.
TITLE VI—CAPITAL EXPANSION
Sec. 601. Shareholder threshold for registration.
Sec. 602. Rulemaking.

TITLE I—REOPENING AMERICAN CAPITAL MARKETS TO EMERGING GROWTH COMPANIES

SEC. 101. DEFINITIONS.

(a) SECURITIES ACT OF 1933.—Section 2(a) of the Securities Act of 1933 (15 U.S.C. 77b(a)) is amended by adding at the end the following:

''(19) The term 'emerging growth company' means an issuer that had total annual gross revenues of less than $1,000,000,000 during its most recently completed fiscal year. An issuer that is an emerging growth company as of the first day of that fiscal year shall continue to be deemed an emerging growth company until the earliest of—

''(A) the last day of the fiscal year of the issuer during which it had total annual gross revenues of $1,000,000,000 or more;

''(B) the last day of the fiscal year of the issuer following the fifth anniversary of the date of the first sale of common equity securities of the issuer pursuant to an effective registration statement under this title; or

''(C) the date on which such issuer is deemed to be a 'large accelerated filer', as defined in section 240.12b–2 of title 17, Code of Federal Regulations, or any successor thereto.''.

(b) SECURITIES EXCHANGE ACT OF 1934.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended—

(1) by redesignating paragraph (77), as added by section 941(a) of the Investor Protection and Securities Reform Act of 2010 (Public Law 111–203, 124 Stat. 1890), as paragraph (79); and

(2) by adding at the end the following:

''(80) The term 'emerging growth company' means an issuer that had total annual gross revenues of less than $1,000,000,000 during its most recently completed fiscal year. An issuer that is an emerging growth company as of the first day of that fiscal year shall continue to be deemed an emerging growth company until the earliest of—

''(A) the last day of the fiscal year of the issuer during which it had total annual gross revenues of $1,000,000,000 or more;

''(B) the last day of the fiscal year of the issuer following the fifth anniversary of the date of the first sale of common equity securities of the issuer pursuant to an effective registration statement under the Securities Act of 1933; or

''(C) the date on which such issuer is deemed to be a 'large accelerated filer', as defined in section 240.12b–2 of title 17, Code of Federal Regulations, or any successor thereto.''.

(c) OTHER DEFINITIONS.—As used in this title, the following definitions shall apply:

(1) COMMISSION.—The term ''Commission'' means the Securities and Exchange Commission.

(2) INITIAL PUBLIC OFFERING DATE.—The term ''initial public offering date'' means the date of the first sale of common equity securities of an issuer pursuant to an effective registration statement under the Securities Act of 1933.

(d) EFFECTIVE DATE.—Notwithstanding section 2(a)(19) of the Securities Act of 1933 and section 3(a)(80) of the Securities Exchange Act of 1934, an issuer shall not be an emerging growth company for purposes of such Acts if the first sale of common equity securities of such issuer pursuant to an effective registration statement under the Securities Act of 1933 occurred on or before December 8, 2011.

SEC. 102. DISCLOSURE OBLIGATIONS.

(a) EXECUTIVE COMPENSATION.—

(1) EXEMPTION.—Section 14A(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78n–1(e)) is amended—

(A) by striking ''The Commission may'' and inserting the following:

''(1) IN GENERAL.— The Commission may'';

(B) by striking ''an issuer'' and inserting ''any other issuer''; and

(C) by adding at the end the following:

''(2) TREATMENT OF EMERGING GROWTH COMPANIES.—

''(A) IN GENERAL.—An emerging growth company shall be exempt from the requirements of subsections (a) and (b).

''(B) COMPLIANCE AFTER TERMINATION OF EMERGING GROWTH COMPANY TREATMENT.—An issuer that was an emerging growth company but is no longer an emerging growth company shall include the first separate resolution described under subsection (a)(1) not later than the end of—

''(i) in the case of an issuer that was an emerging growth company for less than 2 years after the date of first sale of common equity securities of the issuer pursuant to an effective registration statement under the Securities Act of 1933, the 3-year period beginning on such date; and

''(ii) in the case of any other issuer, the 1-year period beginning on the date the issuer is no longer an emerging growth company.''.

(2) PROXIES.—Section 14(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(i)) is amended by inserting '', for any issuer other than an emerging growth company,'' after ''including''.

(3) COMPENSATION DISCLOSURES.—Section 953(b)(1) of the Investor Protection and Securities Reform Act of 2010 (Public Law 111–203; 124 Stat. 1904) is amended by inserting '', other than an emerging growth company, as that term is defined in section 3(a) of the Securities Exchange Act of 1934,'' after ''require each issuer''.

(b) FINANCIAL DISCLOSURES AND ACCOUNTING PRONOUNCEMENTS.—

(1) SECURITIES ACT OF 1933.—Section 7(a) of the Securities Act of 1933 (15 U.S.C. 77g(a)) is amended—

(A) by striking ''(a) The registration'' and inserting the following:

''(a) INFORMATION REQUIRED IN REGISTRATION STATEMENT.—

''(1) IN GENERAL.—The registration''; and

(B) by adding at the end the following:

''(2) TREATMENT OF EMERGING GROWTH COMPANIES.—An emerging growth company—

''(A) need not present more than 2 years of audited financial statements in order for the registration statement of such emerging growth company with respect to an initial public offering of its common equity securities to be effective, and in any other registration statement to be filed with the Commission, an emerging growth company need not present selected financial data in accordance with section 229.301 of title 17, Code of Federal Regulations, for any period prior to the earliest audited period presented in connection with its initial public offering; and

''(B) may not be required to comply with any new or revised financial accounting standard until such date that a company that is not an issuer (as defined under section 2(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201(a)) is required to comply with such new or revised accounting standard, if such standard applies to companies that are not issuers.''.

(2) SECURITIES EXCHANGE ACT OF 1934.—Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a)) is amended by adding at the end the following: ''In any registration statement, periodic report, or other reports to be filed with the Commission, an emerging growth company need not present selected financial data in accordance with section 229.301 of title 17, Code of Federal Regulations, for any period prior to the earliest audited period presented in connection with its first registration statement that became effective under this Act or the Securities Act of 1933 and, with respect to any such statement or reports, an emerging growth company may not be required to comply with any new or revised financial accounting standard until such date that a company that is not an issuer (as defined under section 2(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201(a)) is required to comply with such new or revised accounting standard, if such standard applies to companies that are not issuers.''.

(c) OTHER DISCLOSURES.—An emerging growth company may comply with section 229.303(a) of title 17, Code of Federal Regulations, or any successor thereto, by providing information required by such section with respect to the financial statements of the emerging growth company for each period presented pursuant to section 7(a) of the Securities Act of 1933 (15 U.S.C. 77g(a)). An emerging growth company may comply with section 229.402 of title 17, Code of Federal Regulations, or any successor thereto, by disclosing the same information as any issuer with a market value of outstanding voting and nonvoting common equity held by non-affiliates of less than $75,000,000.

SEC. 103. INTERNAL CONTROLS AUDIT.

Section 404(b) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7262(b)) is amended by inserting '', other than an issuer that is an emerging growth company (as defined in section 3 of the Securities Exchange Act of 1934),'' before ''shall attest to''.

SEC. 104. AUDITING STANDARDS.

Section 103(a)(3) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7213(a)(3)) is amended by adding at the end the following:

''(C) TRANSITION PERIOD FOR EMERGING GROWTH COMPANIES.—Any rules of the Board requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer (auditor discussion and analysis) shall not apply to an audit of an emerging growth company, as defined in section 3 of the Securities Exchange Act of 1934. Any additional rules adopted by the Board after the date of enactment of this subparagraph shall not apply to an audit of any emerging growth company, unless the Commission determines that the application of such additional requirements is necessary or appropriate in the public interest, after considering the protection of investors and whether the action will promote efficiency, competition, and capital formation.''.

SEC. 105. AVAILABILITY OF INFORMATION ABOUT EMERGING GROWTH COMPANIES.

(a) PROVISION OF RESEARCH.—Section 2(a)(3) of the Securities Act of 1933 (15 U.S.C. 77b(a)(3)) is amended by adding at the end the following: ''The publication or distribution by a broker or dealer of a research report about an emerging growth company that is the subject of a proposed public offering of the common equity securities of such emerging growth company pursuant to a registration statement that the issuer proposes to file, or has filed, or that is effective shall be deemed for purposes of paragraph (10) of this subsection and section 5(c) not to constitute an offer for sale or offer to sell a security, even if the broker or dealer is participating or will participate in the registered offering of the securities of the issuer. As used in this paragraph, the term 'research report' means a written, electronic, or oral communication that includes information, opinions, or recommendations with respect to securities of an issuer or an analysis of a security or an issuer, whether or not it provides information reasonably sufficient upon which to base an investment decision.''.

(b) SECURITIES ANALYST COMMUNICATIONS.—Section 15D of the Securities Exchange Act of 1934 (15 U.S.C. 78o–6) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following:

''(c) LIMITATION.—Notwithstanding subsection (a) or any other provision of law, neither the Commission nor any national securities association registered under section 15A may adopt or maintain any rule or regulation in connection with an initial public offering of the common equity of an emerging growth company—

''(1) restricting, based on functional role, which associated persons of a broker, dealer, or member of a national securities association, may arrange for communications between a securities analyst and a potential investor; or

''(2) restricting a securities analyst from participating in any communications with the management of an emerging growth company that is also attended by any other associated person of a broker, dealer, or member of a national securities association whose functional role is other than as a securities analyst.''.

(c) EXPANDING PERMISSIBLE COMMUNICATIONS.—Section 5 of the Securities Act of 1933 (15 U.S.C. 77e) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

''(d) LIMITATION.—Notwithstanding any other provision of this section, an emerging growth company or any person authorized to act on behalf of an emerging growth company may engage in oral or written communications with potential investors that are qualified institutional buyers or institutions that are accredited investors, as such terms are respectively defined in section 230.144A and section 230.501(a) of title 17, Code of Federal Regulations, or any successor thereto, to determine whether such investors might have an interest in a contemplated securities offering, either prior to or following the date of filing of a registration statement with respect to such securities with the Commission, subject to the requirement of subsection (b)(2).''.

(d) POST OFFERING COMMUNICATIONS.—Neither the Commission nor any national securities association registered under section 15A of the Securities Exchange Act of 1934 may adopt or maintain any rule or regulation prohibiting any broker, dealer, or member of a national securities association from publishing or distributing any research report or making a public appearance, with respect to the securities of an emerging growth company, either—

(1) within any prescribed period of time following the initial public offering date of the emerging growth company; or

(2) within any prescribed period of time prior to the expiration date of any agreement between the broker, dealer, or member of a national securities association and the emerging growth company or its shareholders that restricts or prohibits the sale of securities held by the emerging growth company or its shareholders after the initial public offering date.

SEC. 106. OTHER MATTERS.

(a) DRAFT REGISTRATION STATEMENTS.—Section 6 of the Securities Act of 1933 (15 U.S.C. 77f) is amended by adding at the end the following:

''(e) EMERGING GROWTH COMPANIES.—

''(1) IN GENERAL.—Any emerging growth company, prior to its initial public offering date, may confidentially submit to the Commission a draft registration statement, for confidential nonpublic review by the staff of the Commission prior to public filing, provided that the initial confidential submission and all amendments thereto shall be publicly filed with the Commission not later than 21 days before the date on which the issuer conducts a road show, as such term is defined in section 230.433(h)(4) of title 17, Code of Federal Regulations, or any successor thereto.

''(2) CONFIDENTIALITY.—Notwithstanding any other provision of this title, the Commission shall not be compelled to disclose any information provided to or obtained by the Commission pursuant to this subsection. For purposes of section 552 of title 5, United States Code, this subsection shall be considered a statute described in subsection (b)(3)(B) of such section 552. Information described in or obtained pursuant to this subsection shall be deemed to constitute confidential information for purposes of section 24(b)(2) of the Securities Exchange Act of 1934.''.

(b) TICK SIZE.—Section 11A(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1(c)) is amended by adding at the end the following new paragraph:

''(6) TICK SIZE.—

''(A) STUDY AND REPORT.—The Commission shall conduct a study examining the transition to trading and quoting securities in one penny increments, also known as decimalization. The study shall examine the impact that decimalization has had on the number of initial public offerings since its implementation relative to the period before its implementation. The study shall also examine the impact that this change has had on liquidity for small and middle capitalization company securities and whether there is sufficient economic incentive to support trading operations in these securities in penny increments. Not later than 90 days after the date of enactment of this paragraph, the Commission shall submit to Congress a report on the findings of the study.

''(B) DESIGNATION.—If the Commission determines that the securities of emerging growth companies should be quoted and traded using a minimum increment of greater than $0.01, the Commission may, by rule not later than 180 days after the date of enactment of this paragraph, designate a minimum increment for the securities of emerging growth companies that is greater than $0.01 but less than $0.10 for use in all quoting and trading of securities in any exchange or other execution venue.''.

SEC. 107. OPT-IN RIGHT FOR EMERGING GROWTH COMPANIES.

(a) IN GENERAL.—With respect to an exemption provided to emerging growth companies under this title, or an amendment made by this

title, an emerging growth company may choose to forgo such exemption and instead comply with the requirements that apply to an issuer that is not an emerging growth company.

(b) SPECIAL RULE.—Notwithstanding subsection (a), with respect to the extension of time to comply with new or revised financial accounting standards provided under section 7(a)(2)(B) of the Securities Act of 1933 and section 13(a) of the Securities Exchange Act of 1934, as added by section 102(b), if an emerging growth company chooses to comply with such standards to the same extent that a non-emerging growth company is required to comply with such standards, the emerging growth company—

(1) must make such choice at the time the company is first required to file a registration statement, periodic report, or other report with the Commission under section 13 of the Securities Exchange Act of 1934 and notify the Securities and Exchange Commission of such choice;

(2) may not select some standards to comply with in such manner and not others, but must comply with all such standards to the same extent that a non-emerging growth company is required to comply with such standards; and

(3) must continue to comply with such standards to the same extent that a non-emerging growth company is required to comply with such standards for as long as the company remains an emerging growth company.

SEC. 108. REVIEW OF REGULATION S-K.

(a) REVIEW.—The Securities and Exchange Commission shall conduct a review of its Regulation S-K (17 C.F.R. 229.10 et seq.) to—

(1) comprehensively analyze the current registration requirements of such regulation; and

(2) determine how such requirements can be updated to modernize and simplify the registration process and reduce the costs and other burdens associated with these requirements for issuers who are emerging growth companies.

(b) REPORT.—Not later the 180 days after the date of enactment of this title, the Commission shall transmit to Congress a report of the review conducted under subsection (a). The report shall include the specific recommendations of the Commission on how to streamline the registration process in order to make it more efficient and less burdensome for the Commission and for prospective issuers who are emerging growth companies.

TITLE II—ACCESS TO CAPITAL FOR JOB CREATORS

SEC. 201. MODIFICATION OF EXEMPTION.

(a) REMOVAL OF RESTRICTION.—Section 4(2) of the Securities Act of 1933 (15 U.S.C. 77d(2)) is amended by adding before the period the following: '', whether or not such transactions involve general solicitation or general advertising''.

(b) MODIFICATION OF RULES.—Not later than 90 days after the date of the enactment of this Act, the Securities and Exchange Commission shall revise its rules issued in section 230.506 of title 17, Code of Federal Regulations, to provide that the prohibition against general solicitation or general advertising contained in section 230.502(c) of such title shall not apply to offers and sales of securities made pursuant to section 230.506, provided that all purchasers of the securities are accredited investors. Such rules shall require the issuer to take reasonable steps to verify that purchasers of the securities are accredited investors, using such methods as determined by the Commission.

TITLE III—ENTREPRENEUR ACCESS TO CAPITAL

SEC. 301. CROWDFUNDING EXEMPTION.

(a) SECURITIES ACT OF 1933.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) (as amended by section 201) is further amended by adding at the end the following:

''(6) transactions involving the offer or sale of securities by an issuer, provided that—

''(A) the aggregate amount sold within the previous 12-month period in reliance upon this exemption is—

''(i) $1,000,000, as such amount is adjusted by the Commission to reflect the annual change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, or less; or

''(ii) if the issuer provides potential investors with audited financial statements, $2,000,000, as such amount is adjusted by the Commission to reflect the annual change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, or less;

''(B) the aggregate amount sold to any investor in reliance on this exemption within the previous 12-month period does not exceed the lesser of—

''(i) $10,000, as such amount is adjusted by the Commission to reflect the annual change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics; and

''(ii) 10 percent of such investor's annual income;

''(C) in the case of a transaction involving an intermediary between the issuer and the investor, such intermediary complies with the requirements under section 4A(a); and

''(D) in the case of a transaction not involving an intermediary between the issuer and the investor, the issuer complies with the requirements under section 4A(b).''.

(b) REQUIREMENTS TO QUALIFY FOR CROWDFUNDING EXEMPTION.—The Securities Act of 1933 is amended by inserting after section 4 the following:

''SEC. 4A. REQUIREMENTS WITH RESPECT TO CERTAIN SMALL TRANSACTIONS.

''(a) REQUIREMENTS ON INTERMEDIARIES.—For purposes of section 4(6), a person acting as an intermediary in a transaction involving the offer or sale of securities shall comply with the requirements of this subsection if the intermediary—

''(1) warns investors, including on the intermediary's website used for the offer and sale of such securities, of the speculative nature generally applicable to investments in startups, emerging businesses, and small issuers, including risks in the secondary market related to illiquidity;

''(2) warns investors that they are subject to the restriction on sales requirement described under subsection (e);

''(3) takes reasonable measures to reduce the risk of fraud with respect to such transaction;

''(4) provides the Commission with the intermediary's physical address, website address, and the names of the intermediary and employees of the intermediary, and keep such information up-to-date;

''(5) provides the Commission with continuous investor-level access to the intermediary's website;

''(6) requires each potential investor to answer questions demonstrating—

''(A) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

''(B) an understanding of the risk of illiquidity; and

''(C) such other areas as the Commission may determine appropriate by rule or regulation;

''(7) requires the issuer to state a target offering amount and a deadline to reach the target offering amount and ensure the third party custodian described under paragraph (10) withholds offering proceeds until aggregate capital raised from investors other than the issuer is no less than 60 percent of the target offering amount;

''(8) carries out a background check on the issuer's principals;

''(9) provides the Commission and potential investors with notice of the offering, not later than the first day securities are offered to potential investors, including—

''(A) the issuer's name, legal status, physical address, and website address;

''(B) the names of the issuer's principals;

''(C) the stated purpose and intended use of the proceeds of the offering sought by the issuer; and

''(D) the target offering amount and the deadline to reach the target offering amount;

''(10) outsources cash-management functions to a qualified third party custodian, such as a broker or dealer registered under section 15(b)(1) of the Securities Exchange Act of 1934 or an insured depository institution;

''(11) maintains such books and records as the Commission determines appropriate;

''(12) makes available on the intermediary's website a method of communication that permits the issuer and investors to communicate with one another;

''(13) provides the Commission with a notice upon completion of the offering, which shall include the aggregate offering amount and the number of purchasers; and

''(14) does not offer investment advice.

''(b) REQUIREMENTS ON ISSUERS IF NO INTERMEDIARY.—For purposes of section 4(6), an issuer who offers or sells securities without an intermediary shall comply with the requirements of this subsection if the issuer—

''(1) warns investors, including on the issuer's website, of the speculative nature generally applicable to investments in startups, emerging businesses, and small issuers, including risks in the secondary market related to illiquidity;

''(2) warns investors that they are subject to the restriction on sales requirement described under subsection (e);

''(3) takes reasonable measures to reduce the risk of fraud with respect to such transaction;

''(4) provides the Commission with the issuer's physical address, website address, and the names of the principals and employees of the issuers, and keeps such information up-to-date;

''(5) provides the Commission with continuous investor-level access to the issuer's website;

''(6) requires each potential investor to answer questions demonstrating—

''(A) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

''(B) an understanding of the risk of illiquidity; and

''(C) such other areas as the Commission may determine appropriate by rule or regulation;

''(7) states a target offering amount and ensures that the third party custodian described under paragraph (9) withholds offering proceeds until the aggregate capital raised from investors other than the issuer is no less than 60 percent of the target offering amount;

''(8) provides the Commission with notice of the offering, not later than the first day securities are offered to potential investors, including—

''(A) the stated purpose and intended use of the proceeds of the offering sought by the issuer; and

''(B) the target offering amount and the deadline to reach the target offering amount;

''(9) outsources cash-management functions to a qualified third party custodian, such as a broker or dealer registered under section 15(b)(1) of the Securities Exchange Act of 1934 or an insured depository institution;

''(10) maintains such books and records as the Commission determines appropriate;

''(11) makes available on the issuer's website a method of communication that permits the issuer and investors to communicate with one another;

''(12) does not offer investment advice;

''(13) provides the Commission with a notice upon completion of the offering, which shall include the aggregate offering amount and the number of purchasers; and

''(14) discloses to potential investors, on the issuer's website, that the issuer has an interest in the issuance.

''(c) VERIFICATION OF INCOME.—For purposes of section 4(6), an issuer or intermediary may rely on certifications as to annual income provided by the person to whom the securities are sold to verify the investor's income.

''(d) INFORMATION AVAILABLE TO STATES.—The Commission shall make the notices described under subsections (a)(9), (a)(13), (b)(8), and (b)(13) and the information described under subsections (a)(4) and (b)(4) available to the States.

''(e) RESTRICTION ON SALES.—With respect to a transaction involving the issuance of securities described under section 4(6), a purchaser may not transfer such securities during the 1-year period beginning on the date of purchase, unless such securities are sold to—

''(1) the issuer of such securities; or

''(2) an accredited investor.

''(f) CONSTRUCTION.—

''(1) NO REGISTRATION AS BROKER.—With respect to a transaction described under section 4(6) involving an intermediary, such intermediary shall not be required to register as a broker under section 15(a)(1) of the Securities Exchange Act of 1934 solely by reason of participation in such transaction.

''(2) NO PRECLUSION OF OTHER CAPITAL RAISING.—Nothing in this section or section 4(6) shall be construed as preventing an issuer from raising capital through methods not described under section 4(6).''.

(c) RULEMAKING.—Not later than 180 days after the date of the enactment of this Act, the Securities and Exchange Commission shall issue such rules as may be necessary to carry out section 4A of the Securities Act of 1933. In issuing such rules, the Commission shall consider the costs and benefits of the action.

(d) DISQUALIFICATION.—Not later than 180 days after the date of the enactment of this Act, the Securities and Exchange Commission shall by rule or regulation establish disqualification provisions under which an issuer shall not be eligible to utilize the exemption under section 4(6) of the Securities Act of 1933 based on the disciplinary history of the issuer or its predecessors, affiliates, officers, directors, or persons fulfilling similar roles. The Commission shall also establish disqualification provisions under which an intermediary shall not be eligible to act as an intermediary in connection with an offering utilizing the exemption under section 4(6) of the Securities Act of 1933 based on the disciplinary history of the intermediary or its predecessors, affiliates, officers, directors, or persons fulfilling similar roles. Such provisions shall be substantially similar to the disqualification provisions contained in the regulations adopted in accordance with section 926 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (15 U.S.C. 77d note).

SEC. 302. EXCLUSION OF CROWDFUNDING INVESTORS FROM SHAREHOLDER CAP.

Section 12(g)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)(5)) is amended—

(1) by striking ''(5) For the purposes'' and inserting:

''(5) DEFINITIONS.—

''(A) IN GENERAL.—For the purposes''; and

(2) by adding at the end the following:

''(B) EXCLUSION FOR PERSONS HOLDING CERTAIN SECURITIES.—For purposes of this subsection, securities held by persons who purchase such securities in transactions described under section 4(6) of the Securities Act of 1933 shall not be deemed to be 'held of record'.''.

SEC. 303. PREEMPTION OF STATE LAW.

(a) IN GENERAL.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (E) and (F), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) section 4(6);''.

(b) CLARIFICATION OF THE PRESERVATION OF STATE ENFORCEMENT AUTHORITY.—

(1) IN GENERAL.—The amendments made by subsection (a) relate solely to State registration, documentation, and offering requirements, as described under section 18(a) of Securities Act of 1933 (15 U.S.C. 77r(a)), and shall have no impact or limitation on other State authority to take enforcement action with regard to an issuer, intermediary, or any other person or entity using the exemption from registration provided by section 4(6) of such Act.

(2) CLARIFICATION OF STATE JURISDICTION OVER UNLAWFUL CONDUCT OF INTERMEDIARIES, ISSUERS, AND CUSTODIANS.—Section 18(c)(1) of the Securities Act of 1933 is amended by striking ''with respect to fraud or deceit, or unlawful conduct by a broker or dealer, in connection with securities or securities transactions.'' and inserting the following: '', in connection with securities or securities transactions, with respect to—

''(A) fraud or deceit;

''(B) unlawful conduct by a broker or dealer; and

''(C) with respect to a transaction described under section 4(6), unlawful conduct by an intermediary, issuer, or custodian.''.

TITLE IV—SMALL COMPANY CAPITAL FORMATION

SEC. 401. AUTHORITY TO EXEMPT CERTAIN SECURITIES.

(a) IN GENERAL.—Section 3(b) of the Securities Act of 1933 (15 U.S.C. 77c(b)) is amended—

(1) by striking ''(b) The Commission'' and inserting the following:

''(b) ADDITIONAL EXEMPTIONS.—

''(1) SMALL ISSUES EXEMPTIVE AUTHORITY.—The Commission''; and

(2) by adding at the end the following:

''(2) ADDITIONAL ISSUES.—The Commission shall by rule or regulation add a class of securities to the securities exempted pursuant to this section in accordance with the following terms and conditions:

''(A) The aggregate offering amount of all securities offered and sold within the prior 12-month period in reliance on the exemption added in accordance with this paragraph shall not exceed $50,000,000.

''(B) The securities may be offered and sold publicly.

''(C) The securities shall not be restricted securities within the meaning of the Federal securities laws and the regulations promulgated thereunder.

''(D) The civil liability provision in section 12(a)(2) shall apply to any person offering or selling such securities.

''(E) The issuer may solicit interest in the offering prior to filing any offering statement, on such terms and conditions as the Commission may prescribe in the public interest or for the protection of investors.

''(F) The Commission shall require the issuer to file audited financial statements with the Commission annually.

''(G) Such other terms, conditions, or requirements as the Commission may determine necessary in the public interest and for the protection of investors, which may include—

''(i) a requirement that the issuer prepare and electronically file with the Commission and distribute to prospective investors an offering statement, and any related documents, in such form and with such content as prescribed by the Commission, including audited financial statements, a description of the issuer's business operations, its financial condition, its corporate governance principles, its use of investor funds, and other appropriate matters; and

''(ii) disqualification provisions under which the exemption shall not be available to the issuer or its predecessors, affiliates, officers, directors, underwriters, or other related persons, which shall be substantially similar to the disqualification provisions contained in the regulations adopted in accordance with section 926 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (15 U.S.C. 77d note).

''(3) LIMITATION.—Only the following types of securities may be exempted under a rule or regulation adopted pursuant to paragraph (2): equity securities, debt securities, and debt securities convertible or exchangeable to equity interests, including any guarantees of such securities.

''(4) PERIODIC DISCLOSURES.—Upon such terms and conditions as the Commission determines necessary in the public interest and for the protection of investors, the Commission by rule or regulation may require an issuer of a class of securities exempted under paragraph (2) to make available to investors and file with the Commission periodic disclosures regarding the issuer, its business operations, its financial condition, its corporate governance principles, its use of investor funds, and other appropriate matters, and also may provide for the suspension and termination of such a requirement with respect to that issuer.

''(5) ADJUSTMENT.—Not later than 2 years after the date of enactment of the Small Company Capital Formation Act of 2011 and every 2 years thereafter, the Commission shall review the offering amount limitation described in paragraph (2)(A) and shall increase such amount as the Commission determines appropriate. If the Commission determines not to increase such amount, it shall report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on its reasons for not increasing the amount.''.

(b) TREATMENT AS COVERED SECURITIES FOR PURPOSES OF NSMIA.—Section 18(b)(4) of the Securities Act of 1933 (as amended by section 303) (15 U.S.C. 77r(b)(4)) is further amended by inserting after subparagraph (C) (as added by such section) the following:

''(D) a rule or regulation adopted pursuant to section 3(b)(2) and such security is—

''(i) offered or sold on a national securities exchange; or

''(ii) offered or sold to a qualified purchaser, as defined by the Commission pursuant to paragraph (3) with respect to that purchase or sale;''.

(c) CONFORMING AMENDMENT.—Section 4(5) of the Securities Act of 1933 is amended by striking ''section 3(b)'' and inserting ''section 3(b)(1)''.

SEC. 402. STUDY ON THE IMPACT OF STATE BLUE SKY LAWS ON REGULATION A OFFERINGS.

The Comptroller General shall conduct a study on the impact of State laws regulating securities offerings, or ''Blue Sky laws'', on offerings made under Regulation A (17 C.F.R. 230.251 et seq.). The Comptroller General shall transmit a report on the findings of the study to the Committee on Financial Services of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate not later than 3 months after the date of enactment of this Act.

TITLE V—PRIVATE COMPANY FLEXIBILITY AND GROWTH

SEC. 501. THRESHOLD FOR REGISTRATION.

Section 12(g)(1)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)(1)(A)) is amended to read as follows:

''(A) within 120 days after the last day of its first fiscal year ended on which the issuer has total assets exceeding $10,000,000 and a class of equity security (other than an exempted security) held of record by 1,000 persons, and''.

SEC. 502. EMPLOYEES.

Section 12(g)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)(5)) is amended by adding at the end the following: ''For purposes of determining whether an issuer is required to register a security with the Commission pursuant to paragraph (1), the definition of 'held of record' shall not include securities held by persons who received the securities pursuant to an employee compensation plan in transactions exempted from the registration requirements of section 5 of the Securities Act of 1933.''.

SEC. 503. COMMISSION RULEMAKING.

The Securities and Exchange Commission shall revise the definition of ''held of record'' pursuant to section 12(g)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)(5)) to implement the amendment made by section 502. The Commission shall also adopt safe harbor provisions that issuers can follow when determining whether holders of their securities are accredited investors or that holders of their securities received the securities pursuant to an employee compensation plan in transactions that were exempt from the registration requirements of section 5 of the Securities Act of 1933.

TITLE VI—CAPITAL EXPANSION

SEC. 601. SHAREHOLDER THRESHOLD FOR REGISTRATION.

(a) AMENDMENTS TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78l (g)) is further amended—

(1) in paragraph (1), by amending subparagraph (B) to read as follows:

''(B) in the case of an issuer that is a bank or a bank holding company, as such term is defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), not later than 120 days after the last day of its first fiscal year ended after the effective date of this subsection, on which the issuer has total assets exceeding $10,000,000 and a class of equity security (other than an exempted security) held of record by 2,000 or more persons,''; and

(2) in paragraph (4), by striking ''three hundred'' and inserting ''300 persons, or, in the case of a bank, as such term is defined in section 3(a)(6), or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 1,200 persons''.

(b) AMENDMENTS TO SECTION 15 OF THE SECURITIES EXCHANGE ACT OF 1934.—Section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)) is amended, in the third sentence, by striking ''three hundred'' and inserting ''300 persons, or, in the case of bank or a bank holding company, as such term is defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 1,200 persons''.

SEC. 602. RULEMAKING.

Not later than 1 year after the date of enactment of this Act, the Securities and Exchange Commission shall issue final regulations to implement this title and the amendments made by this title.

The Acting CHAIR. No further amendment to the bill, as amended, shall be in order except those printed in House Report 112–409. Each such further amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. FINCHER

The Acting CHAIR. It is now in order to consider amendment No. 1 printed in House Report 112–409.

Mr. FINCHER. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 3, line 18, after ''(80)'' insert the following: ''EMERGING GROWTH COMPANY.—''.

Page 9, line 3, strike ''7201(a))'' and insert ''7201(a)))''.

Page 37, line 3, strike ''is amended'' and insert the following: '', as amended by section 302, is amended in subparagraph (A)''.

Page 37, beginning on line 18, strike ''holders of their securities are accredited investors or that''.

Page 38, line 16, strike '', as such term is defined in section 3(a)(6),''.

Page 38, line 18, strike ''section (2)'' and insert ''section 2''.

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Tennessee (Mr. FINCHER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Tennessee.

Mr. FINCHER. Mr. Chairman, I rise today, along with the gentleman from Delaware (Mr. CARNEY), to offer a technical amendment to H.R. 3606.

The amendment now pending would simply provide technical corrections to the underlying bill. Both Members and committee staff have heard from various groups and stakeholders affected by this bill. The amendment is a reflection of the technical advice given to us by these groups. I strongly believe that these technical changes improve the bill and would ask my colleagues to support this amendment.

I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I ask unanimous consent to claim the time in opposition to the amendment; although I'm not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. HENSARLING. I want to commend, again, the gentleman from Tennessee and the gentleman from Delaware for this amendment that I believe helps improve the underlying amendment with some technical corrections. I would urge all Members to adopt it.

Mr. Chairman, I yield back the balance of my time.

Mr. FINCHER. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Delaware (Mr. CARNEY).

Mr. CARNEY. I thank the gentleman. Being new at this, I think I was supposed to grab that time in opposition, but I don't oppose this amendment. So I stumbled there for a minute.

I rise in support of the technical amendment that is under consideration at this time and also say that, in the work through the committee, we also had a technical amendment that was adopted by the committee that addressed a number of the concerns that were raised by Ranking Member FRANK and by my good friend from Ohio (Mr. RENACCI) consistent with this amendment that's under consideration right now.

This is the spirit in which we've worked this bill, tried to address concerns that were raised both by interested parties as well as by individual Members. So I rise in support of the amendment.

Mr. FINCHER. Mr. Chairman, with that, I yield back the balance of my time.

The Acting CHAIR (Mr. BISHOP of Utah). The question is on the amendment offered by the gentleman from Tennessee (Mr. FINCHER).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. MCINTYRE

The Acting CHAIR. It is now in order to consider amendment No. 2 printed in House Report 112–409.

Mr. MCINTYRE. Mr. Chairman, I rise today in support of my amendment to Jumpstart Our Business Startups Act and would like to speak on the same.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 2, line 11, insert after ''$1,000,000,000'' the following: ''(as such amount is indexed for inflation every 5 years by the Commission to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, setting the threshold to the nearest 1,000,000)''.

Page 2, line 18, insert after ''$1,000,000,000'' the following: ''(as such amount is indexed for inflation every 5 years by the Commission to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, setting the threshold to the nearest 1,000,000)''.

Page 3, line 20, insert after ''$1,000,000,000'' the following: ''(as such amount is indexed for inflation every 5 years by the Commission to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, setting the threshold to the nearest 1,000,000)''.

Page 4, line 3, insert after ''$1,000,000,000'' the following: ''(as such amount is indexed for inflation every 5 years by the Commission to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, setting the threshold to the nearest 1,000,000)''.

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from North Carolina (Mr. MCINTYRE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. MCINTYRE. Mr. Chairman, this important amendment addresses the emerging growth company definition for inflation, resulting in providing more flexibility for businesses.

The emerging growth company definition would ensure that our small businesses and start-ups thrive in our Nation's challenging economy and continue to create jobs that are so important to our citizens.

Similar to other parts of the bill, the amount related to regulation flexibility will be adjusted for inflation to take into account increased costs that small companies are currently facing. This will allow for more businesses to be able to enjoy the regulation flexibility and help them start up and grow.

Mr. Chairman, our economy continues to struggle, and many Americans are struggling with dwindling family finances while too many are facing joblessness. And no one knows better that our true job creators across the Nation need to be able to have relief from burdensome regulations. The small businesses and companies that

are being hit hard by these regulations need relief. It is imperative that we all work together to reduce regulations, to get rid of these onerous regulations on our small businesses and help them continue to create jobs and persevere.

My amendment, which the Congressional Budget Office has scored as having no cost to the Federal Government, reflects the needs and priorities of those small businesses and entrepreneurs across the Nation. By passing it today, we can truly make a difference for American families and businesses. Let's work together to rebuild our economy and put Americans back to work.

Mr. Chairman, I yield back the balance of my time.

Mr. HENSARLING. I ask unanimous consent, Mr. Chairman, to claim the time in opposition, although I'm not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. HENSARLING. Mr. Chairman, I would like to encourage the House to support the amendment from the gentleman from North Carolina. I believe it to be very straightforward, very simple, very common sense to ensure that there is an inflation adjustment that is applied to the underlying bill.

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I think that it's helpful. I urge, again, all Members to adopt it.

I reserve the balance of my time.

Mr. MCINTYRE. I yield back the balance of my time.

Mr. HENSARLING. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from North Carolina (Mr. MCINTYRE).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. HIMES

The Acting CHAIR. It is now in order to consider amendment No. 3 printed in House Report 112–409.

Mr. HIMES. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 2, line 11, strike ''$1,000,000,000'' and insert ''$750,000,000''.

Page 2, line 18, strike ''$1,000,000,000'' and insert ''$750,000,000''.

Page 2, line 18, add ''or'' at the end.

Page 3, line 5, strike ''; or'' and insert a period.

Page 3, strike lines 6 through 9.

Page 3, line 20, strike ''$1,000,000,000'' and insert ''$750,000,000''.

Page 4, line 3, strike ''$1,000,000,000'' and insert ''$750,000,000''.

Page 4, line 3, add ''or'' at the end.

Page 4, line 8, strike ''; or'' and insert a period.

Page 4, strike lines 9 through 12.

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Connecticut (Mr. HIMES) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Connecticut.

Mr. HIMES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chair, my amendment is very simple. This bill that we are discussing today creates what we have come to describe as the IPO on-ramp, which, for emerging growth companies, would lift some of the more burdensome requirements that are perhaps more appropriate for larger, more established companies.

Now, the question naturally arises, how should we define an emerging growth company? Currently, the bill specifies that a company with revenues at or in excess of $1 billion would not qualify, meaning revenues less than that, and you could qualify to be an emerging growth company.

My amendment, Mr. Chairman, and my belief is that this is far too expansive a definition of emerging growth companies. It's not just my belief. We heard in the hearing which we held on this bill from Mr. LeBlanc that something more like $250 million to $500 million in revenues would be appropriate. I offered in committee the notion similar to this amendment that we make the cap $750 million in revenues.

The Council of Institutional Investors has sent a letter to our leadership expressing the same concern about the billion dollar revenue number. And I would just read from that letter and quote:

> We note that some of the most knowledgeable and active advocates for small business capital formation have in the past agreed that a company with more than $250 million of public float generally has the resources and infrastructure to comply with existing U.S. security regulations.

It's hard to know—a billion dollars in revenue is an abstraction. Let me give you an example.

I have a list of the IPOs that have occurred in the last couple of years. Currently, what I think of as a fine company, Spirit Airlines, with some $800 million in revenues, would qualify as an emerging growth company. They went public in May of 2011.

Spirit Airlines is an established airline with 2,400 employees. They clearly are a company that has the capability to comply with the full array of protections that are there for investors and others. And I would note that the letter that I read from, of course, is from the association that is there to advocate on behalf of our investors.

So, Mr. Chairman, my amendment is common sense. It's supported by the hearing that we had. It's supported by the Council of Institutional Investors. It is common sense, dare I use that phrase, and, therefore, would urge adoption so that we get this definition right.

It's a great bill. It is good that we are making it easier for small and emerging companies to go public and to not bear the full burden of the protections that are out there, but we should get this definition right. We should make sure that this is a benefit that accrues to truly small entrepreneurial emerging companies.

And therefore, I think $750 million in revenue is a more appropriate benchmark and, therefore, I propose this amendment.

With that, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chair, I claim the time in opposition.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. I yield myself as much time as I may consume.

Mr. Chairman, again, the people of America care about jobs, they care about economic growth. Although we've had some recent improvement in our monthly unemployment figures, when we add in those who are working part-time who would prefer to be working full-time, and when we add in those who, frankly, have just given up and left the labor force, we know that the true unemployment rate in America is closer to 15.3 percent.

We know that the job engine of America is small business. And every big business had to start out as a small business.

I respect the gentleman's contribution to the bill. And this is about line drawing. I understand that. I respect his opinion. I know the professional background from which he has come. But I feel like his amendment would take this bill in the complete opposite direction of where we need to take this policy for emerging growth companies.

He used the example of Spirit Airlines. I don't have the figure at my fingertips, but I believe their market cap was in excess of what is provided for in the underlying bill, so I believe, again, they would not have qualified for the exemption in the first place.

But we want to provide this on-ramp for emerging growth companies, so, again, we can find tomorrow's Google, we can find tomorrow's Apple. And yes, this is drawing some lines in the sand, but it's clearly not a line that seems to be of great concern to the President.

We all know that the White House issues the Statement of Administration Policy, and when they have concerns about provisions in a piece of legislation, they have never been shy or reticent to share that with us. As I read the Statement of Administration Policy, the President doesn't seem to have a problem with where that line has been drawn.

I would also point out that the companion legislation on the Senate side, S. 1933, introduced by Senator SCHUMER of New York, Democrat, also has a gross revenue test of $1 billion. And so it appears that the President supports this. Senator SCHUMER supports this. This is bipartisan support for this $1 billion figure. I think at this particular time in our Nation's history the American people demand we err on the side of creating jobs and economic growth.

So, again, I respect the gentleman for his amendment, but I would urge that it be rejected.

I reserve the balance of my time.

Mr. HIMES. Mr. Chair, I yield 1 minute to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. Mr. Chairman, I thank the gentleman for yielding.

I believe the gentleman from Connecticut has made the salient points, but I do want to point out that this ''radical'' amendment, under current law, and current regulation, approximately 60 percent of all businesses are already exempt. They're exempted pursuant to a law that we passed in 2003, Sarbanes-Oxley, which was a bipartisan bill. Sarbanes, Oxley. Bipartisan.

All this ''radical'' amendment does is simply say that we're going up from 60 percent to allow 80 percent of the businesses to be exempted from these provisions. Now, I don't think that's radical by any definition. I think that's reasonable. The truth is I have some hesitancies even at these numbers, but I do believe that it's worth trying because it's worth taking a shot to see if some relief will help.

At the same time, it is not a wise provision to take a complete step backwards and say to investors that you're going to go in blind, you're going to be exempted from audits. This bill doesn't do that. I don't think that's the intent.

The Acting CHAIR. The time of the gentleman has expired.

Mr. HIMES. I yield an additional 30 seconds to the gentleman from Massachusetts.

Mr. CAPUANO. I don't think that's the intent. I actually think this bill has an underlying good purpose, and I'd like to be able to support it. But I think that the bill goes too far, particularly in this provision.

By going from 60 percent to 80 percent in one fell swoop, I think the risks are too high, having gone through the problems of the early 2000s, the problems of 2008, and the potential problems that are lurking there every single day.

A little extra transparency on behalf of investors is not a bad thing when we're only talking a handful of the largest corporations in the country.

□ 1650

Mr. HENSARLING. I continue to reserve the balance of my time.

The Acting CHAIR. The gentleman from Texas has 2 minutes remaining. The gentleman from Connecticut's time has expired.

Mr. HENSARLING. If the time of the gentleman from Connecticut has expired, in that case, Mr. Chairman, I will yield the remainder of the time to the gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. I want to be clear: This bill is about new companies, not existing companies, but about new companies that are wanting to go public.

The $1 billion revenue and $700 million in public float thresholds for emerging growth companies in the underlying bill were recommended by the nonpartisan IPO task force comprised of industry experts, such as venture capitalists, public investors, entrepreneurs, investment bankers, accountants, professors, securities attorneys, and the exchanges.

If we strike the public float requirements, we break this provision's ties to an already defined SEC threshold. Seven hundred million in public float is the threshold for a company to be considered ''a large accelerated'' filer under SEC rules. This number is used by the SEC to define a mature company, meaning that the company will be able to handle complying with a variety of SEC regulations on day one of its IPO.

The $1 billion threshold in the bill serves as a backstop to the SEC's definition of an accelerated filer.

In addition, lowering the revenue thresholds would increase IPO costs for more companies and make the IPO path less attractive than merger and acquisition transactions. More mergers and less IPOs would mean less job creation here at home as a result of innovative companies being absorbed by larger purchasers, including non-U.S. companies.

Therefore, I appreciate the gentleman's position and understand his wanting to go in this direction, but we cannot support this amendment.

The Acting CHAIR. The gentleman from Texas has 15 seconds remaining.

Mr. HENSARLING. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Connecticut (Mr. HIMES).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. HIMES. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Connecticut will be postponed.

AMENDMENT NO. 4 OFFERED BY MS. JACKSON LEE OF TEXAS

The Acting CHAIR. It is now in order to consider amendment No. 4 printed in House Report 112–409.

Ms. JACKSON LEE of Texas. I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 3, line 5, strike ''or''.

Page 3, after line 5, insert the following:

''(C) the date on which such issuer has, during the previous 3-year period, issued more than $1,000,000,000 in non-convertible debt; or''.

Page 3, line 6, strike ''(C)'' and insert ''(D)''.

Page 4, line 8, strike ''or''.

Page 4, after line 8, insert the following:

''(C) the date on which such issuer has, during the previous 3-year period, issued more than $1,000,000,000 in non-convertible debt; or''.

Page 4, line 9, strike ''(C)'' and insert ''(D)''.

The Acting CHAIR. Pursuant to House Resolution 572, the gentlewoman from Texas (Ms. JACKSON LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. JACKSON LEE of Texas. Let me acknowledge, first of all, the combined efforts that have generated this approach to putting Americans back to work. Let me acknowledge the manager that is on the floor, Congresswoman WATERS, for her enormous leadership on many of these issues, as well as the ranking member of the full committee; Mr. FRANK, who certainly has served and exercised his willingness to deal with questions of these markets; and, of course, my friend from Texas who is managing this and is, again, I hope working with us in a bipartisan way on some very serious matters.

Again, let me emphasize that the most effective way to reduce our deficit is to put Americans back to work. My amendment in this legislation deals with acknowledging that the emerging companies under this legislation—provides for 5 years from the date of the EGC's initial public offering; 2, the date an EGC has $1 billion in annual growth; and then the date the EGC becomes ''a large accelerated filer,'' which is defined by the Securities and Exchange; a number of provisions to, in essence, help small businesses. This is an important principle. But my amendment adds a requirement that a company would not be considered an emerging growth company, an EGC, if it has issued more than $1 billion in nonconvertible debt over the prior 3 years.

Let me suggest that we are doing better than many of us might think. Many aspects of this bill, for example, will help community banks, which will help other small businesses. But if we look to the economy as we speak, the private sector unemployment has grown for 23 straight months, the economy has grown for 10 straight quarters, overall business investment is going up, corporate profits are up, as are investments in equipment and software, and exports have been a source of growth.

But emerging growth of small businesses needs the extra push, because when you think of the backbone of America, you think of small businesses. As a matter of fact, it is not uncommon for a company to be financed with debt as opposed to equity, and that while $1 billion is not what it used to be, it is still a pretty substantial sum of money.

So what I am saying is I want to help small businesses, but I also want to ensure that we do not expand this legislation where it is not actually helping those smaller emergent growth companies that truly are in need. For years, both Wall Street and big banks lacked the requisite government and oversight

accountability, and I believe that it is important to ensure continued oversight but continued help for these particular companies.

With that, I'd ask my colleagues to support this amendment, and I reserve the balance of my time.

Mr. HENSARLING. I claim time in opposition.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. I'm not, frankly, certain I'm in opposition to the gentlelady's amendment, and I appreciate her bringing it to the floor.

If she would yield for a question, I'm just trying to understand the purpose of her amendment, and what is the deficiency in the underlying bill that she seeks to address with this amendment would be that question.

I would be happy to yield to the gentlelady.

Ms. JACKSON LEE of Texas. I thank the gentleman.

Mr. HENSARLING. I'm inquiring as to the perceived deficiency in the underlying bill that you seek to address with your amendment, and I would be happy to yield to my friend from Texas.

Ms. JACKSON LEE of Texas. I like the concept of emerging growth, and I think the concept is to build these businesses up, to give them greater opportunities. What I am suggesting is that, the amendment suggests that if you have issued more than a billion dollars, you have grown sufficiently to have an additional standard or a different standard. This particular amendment suggests that we have a framework for emerging growth.

Mr. HENSARLING. I have one other question for the gentlelady.

On the 3-year period, I'm just curious as to the thought or purpose behind that particular selection of a 3-year period.

I'd be once again be happy to yield to my friend, the gentlelady from Texas.

Ms. JACKSON LEE of Texas. I'd tell my good friend, it is not 3 years.

I thought that was an appropriate framework for a billion dollars. If you spread it out over a period of time, that's $300 million to $400 million a year.

Let me just say that I think the concept is so important, to my friend from Texas, that a friendly modification would be welcomed in the timeframe. But I think the billion dollars is an appropriate standard, if you will, for trying to ensure that we really do boost and give latitude to emerging growth companies.

Mr. HENSARLING. I thank the gentlelady for her responses.

I reserve the balance of my time.

Ms. JACKSON LEE of Texas. Let me just conclude my remarks, and if I might, let me yield to the gentleman, because I did not hear him clearly. Let me yield to the gentleman from Texas.

I'd like to raise the question, I did not hear your support or opposition to this initiative.

Mr. HENSARLING. Is the gentlelady yielding?

Ms. JACKSON LEE of Texas. I'm hoping for a good bipartisan effort here, but I am yielding to the gentleman.

Mr. HENSARLING. Yes, the gentlelady was very perceptive in her hearing. I was contemplating the answers that the gentlelady gave. At this time, I do not intend to oppose the amendment.

Ms. JACKSON LEE of Texas. The gentleman is very kind.

So let me just say, as my leader on the floor was trying to get an inquiry about it—and you always take a gift quickly and you say ''thank you''—I think that this will add to the confidence of this legislation.

And as I indicated, though this is not specifically to this point, I want to make sure that we're helping community banks provide more lending and access to small businesses. I want to make sure that we, under the definition of this bill, help emerging growth companies, as well, be stronger and, as well, to be part of the creation of jobs putting Americans back to work.

With that, I ask my colleagues to support the Jackson Lee amendment.

Mr. Chair, I rise today to offer my amendment No. 4 to H.R. 3606 "The Reopening American Capital Markets to Emerging Growth Companies Act of 2011." My amendment would create a five-year "on-ramp" for smaller companies to comply with certain provisions of Sarbanes-Oxley and Dodd-Frank.

In the bill, Emerging Growth Companies are exempted from certain regulatory requirements until the earliest of three dates: (1) five years from the date of the EGC's initial public offering; (2) the date an EGC has $1 billion in annual gross revenue; or (3) the date an EGC becomes a "large accelerated filer, which is defined by the Securities and Exchange Commission (SEC) as a company that has a worldwide public float of $700 million or more.

H.R. 3606 thus provides temporary regulatory relief to small companies, which encourages them to go public, yet ensures their eventual compliance with regulatory requirements as they grow larger.

I agree in principle that it is important to modernize and improve the ability of a company to raise capital in today's environment, but I am concerned H.R. 3606 goes beyond what is necessary at the expense of protecting the investor.

My amendment adds a requirement that a company would NOT be considered an "emerging growth company" (EGC) if it has issued more than $1 billion in non-convertible debt over the prior three years.

As a matter of fact, it is not uncommon for a company to be financed with debt as opposed to equity, and that while $1 billion dollars is not what it used to be—-it is still a pretty substantial sum of money. Frankly, Mr. Chair, a company that size needs to have some oversight to protect the public.

For years, both Wall Street and big banks lacked the requisite government oversight and accountability. Relying on Wall Street and big banks to police themselves resulted in the worst financial crisis since the Great Depression, the loss of 8 million jobs, failed businesses, a drop in housing prices, and wiped out personal savings.

We must restore responsibility and accountability in our financial system to give Americans confidence that there is a system in place that works for and protects them. We must create a sound foundation to grow the economy and create jobs.

To wit—this debt financing might be tax deductible, whereas the equity financing typically is not—which gives debt financing a distinct advantage.

H.R. 3606 encourages emerging growth companies (EGCs) to access the public capital markets by temporarily exempting EGCs from some registration procedures, prohibitions on initial public offering (IPO) communications, and independent audits of internal controls over financial reporting, among other exemptions.

I encourage my colleagues to vote for this amendment to H.R. 3606 that adds a requirement that a company not be considered to be as an "emerging growth company," if it has issued more than $1 billion in non-convertible debt over the prior three years.

Mr. Chair, let's continue to protect the investing public.

I yield back the balance of my time.

Mr. HENSARLING. I yield back the balance of my time.

□ 1700

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON LEE).

The amendment was agreed to.

AMENDMENT NO. 5 OFFERED BY MR. ELLISON

The Acting CHAIR. It is now in order to consider amendment No. 5 printed in House Report 112–409.

Mr. ELLISON. I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 5, strike line 7 and all that follows through page 6, line 13 (and redesignate succeeding paragraphs accordingly).

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Minnesota (Mr. ELLISON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota.

Mr. ELLISON. Mr. Chair, this amendment is very simple. We brought this up in committee. I would like the whole body to be able to get a chance to have their say on Say on Pay. Say on Pay is a good, commonsense thing that empowers investors. It allows shareholders and companies to be able to say, Do I believe that the CEO pay in this company is too high?

Companies are not exercising the right to approve or to have a nonbinding vote on pay. As a matter of fact, Nabors Industries announced that its former CEO agreed to waive a $100 million termination payment, and that was regarded as a rare win for shareholders. In light of this, I would like to submit for the RECORD and for the purpose of this debate, an article entitled, ''A Rare Win for Say on Pay.''

Now, this is a bill that I would like to support. I think it's a good idea. The fact of the matter is—Mr. Chair, you would be shocked to know—that we actually, I think, passed this bill out of our committee without any dissenting votes.

The issue remains that there are a lot of advantages to this bill. It relieves the emerging growth companies of the pretty hefty burden of complying with 404(b) of Sarbanes-Oxley. It allows them to escape the obligation of providing 3 years of audited financial statements. Although I think they're good for our system with regard to controls, these things are costly and do take a toll.

Do you know what, Mr. Chair? Say on Pay is not costly, and it's not burdensome. It empowers investors and makes them more engaged and gives them greater reason to be plugged into what the company is doing.

I have a letter from the Council of Institutional Investors that I would also like to submit for the RECORD. They are concerned about this section that would waive Say on Pay because it would effectively limit the shareholders' ability to voice their concerns about executive compensation packages.

[From Real-Time Advice, Feb. 6, 2012]

A RARE WIN FOR SAY ON PAY

(By Sarah Morgan)

NABORS INDUSTRIES' (NBR) announcement that its former CEO agreed to waive a $100 million termination payment was a rare win for shareholders, who experts say often gripe about excessive compensation but rarely act.

Under pressure from shareholders, who voted against Nabors' pay packages and directors in a recent proxy voting, the oil drilling company said this morning that former CEO Eugene Isenberg will waive the huge payout. Instead, his estate will receive a payment of $6.6 million plus interest upon his death. ''Isenberg has more than enough money. So having him defer this $100 million is a good thing for shareholders,'' says Stephen Ellis, a Morningstar equity analyst.

In recent years, compensation has become a lightning rod for criticism from investor advocates, who say poorly designed pay policies often give executives the wrong incentives. Instead, shareholders want to see management paid for performance, says Jesse Fried, a professor of law at Harvard University. Nabors' $100 million payment was a perfect example of ''pay for failure,'' he says. ''There's a lot of things that are wrong with pay practices in the United States, but this was particularly egregious, so it's not surprising it drew shareholder anger,'' he says.

This case also proves that shareholder outrage has an impact: Boards pay attention, and companies do change their policies, Fried says. ''Pressure matters, and investors shouldn't feel shy about applying it,'' he says.

Thanks to the Dodd-Frank financial reform bill, and to the recession, investors are now paying more attention than ever to compensation issues, says Michael Littenberg, a partner at Schulte Roth & Zabel LLP who focuses on corporate governance issues. The Dodd-Frank bill required annual (though non-binding) say on pay votes, and companies do take those votes very seriously, because a few companies whose pay policies haven't passed muster have been sued by shareholders, Littenberg says.

But investors aren't taking as much advantage of this new power as some had hoped (or feared). Last year (the first with the new say on pay rule in place), shareholders voted down pay policies at only 36 companies in the Russell 3000, or 1.6%, although roughly another 350 companies saw their policies pass with low enough votes that they'd be considered at risk for a ''no'' vote in the future, Littenberg says.

Nabors is one of the few companies that has suffered a ''no'' vote on its pay practices, according to Governance Metrics International, an independent research firm. ''We have long rated Nabors poorly, because of concerns over poor compensation practices,'' including ''a bonus formula rarely seen in modern practice with no measure against a peer group,'' says Greg Ruel, a research associate with GMI.

Many companies that see ''no'' votes or worryingly low ''yes'' votes do make some changes, but they don't always change the actual pay policy, Littenberg says. Some companies might try to better explain how pay is determined, or simply sit down with institutional shareholders to figure out what's most important to investors, he says. Of course, individual shareholders aren't privy to those conversations.

All observers agree that Isenberg had long enjoyed an unusually lavish compensation package. He was ''extraordinarily well paid,'' in part because of an unusual compensation plan that was put in place back in 1987, when he took on the CEO role to lead the company out of bankruptcy, Ellis says. His contract with the company entitled him to a cash bonus of 10% of any amount of the company's cash flow that exceeded 10% of average shareholder equity. This arrangement made his pay work more like a hedge fund manager's than like a typical CEO's, Morningstar's Ellis says.

Since the current CEO, Tony Petrello, took over, the company has taken some other steps that show it's responding to widespread shareholder anger over pay practices, Ellis says. They're now going to allow their board of directors to be elected by a majority instead of a plurality, making it easier for shareholders to vote out directors they're not happy with, and hold annual ''say-on-pay'' votes. However, Petrello is still being paid in a similar hedge-fund-like fashion, getting a percentage of cash flow above a certain benchmark, and while the recent shareholder-friendly moves are good signs, it would certainly be better for investors if the company got rid of this unusual pay policy, Ellis says.

A spokesman for the company said that Isenberg, who holds more than 8 million shares of Nabors, decided that waiving the payment was best for his fellow shareholders, and that the company views the decision as ''positive,'' but declined to comment on whether any other changes would be made to pay policies in the future.

COUNCIL OF INSTITUTIONAL INVESTORS,
March 7, 2012.

Hon. JOHN BOEHNER,
Speaker, House of Representatives, Washington, DC.

Hon. NANCY PELOSI Minority Leader, House of Representatives,
Washington, DC.

DEAR SPEAKER BOEHNER AND MINORITY LEADER PELOSI: As a nonprofit, nonpartisan association of public, corporate and union pension plans, and other employee benefit funds, foundations and endowments with combined assets that exceed $3 trillion, the Council of Institutional Investors (Council) is committed to protecting the retirement savings of millions of American workers. With that commitment in mind, and in anticipation of the upcoming vote on the ''Jumpstart Our Business Startups (JOBS) Act,'' we would like to share with you some of our deep concerns about Title I of the proposed legislation.

Our questions and concerns about Title I are grounded in the Council's membership approved corporate governance best practices. Those policies explicitly reflect our members' view that all companies, including ''companies in the process of going public should practice good corporate governance.'' Thus, we respectfully request that you consider changes to, or removal of, the following provisions of Title I:

DEFINITIONS

We question the appropriateness of the qualities defining the term ''emerging growth company'' (EGC) as set forth in Sec. 101(a) and 101(b).

As you are aware, under Sec. 101(a) and 101(b), a company would qualify for special status for up to five years, so long as it has less than $1 billion in annual revenues and not more than $700 million in public float following its initial public offering (IPO). The Council is concerned that those thresholds may be too high in establishing an appropriate balance between facilitating capital formation and protecting investors.

For example, we note that some of the most knowledgeable and active advocates for small business capital formation have in the past agreed that a company with more than $250 million of public float generally has the resources and infrastructure to comply with existing U.S. securities regulations. We, therefore, urge you to reevaluate the basis for the proposed thresholds defining an EGC.

DISCLOSURE OBLIGATIONS

We have concerns about Sec. 102(a)(1) because it would effectively limit shareowners' ability to voice their concerns about executive compensation practices.

More specifically, Sec. 102(a)(1) would revoke the right of shareowners, as owners of an EGC, to express their opinion collectively on the appropriateness of executive pay packages and severance agreements.

The Council's longstanding policy on advisory shareowner votes on executive compensation calls on all companies to ''provide annually for advisory shareowner votes on the compensation of senior executives.'' The Investors Working Group echoed the Council's position in its July 2009 report entitled U.S. Financial Regulatory Reform: The Investors' Perspective.

Advisory shareowner votes on executive compensation and golden parachutes efficiently and effectively encourage dialogue between boards and shareowners about pay concerns and support a culture of performance, transparency and accountability in executive compensation. Moreover, compensation committees looking to actively rein in executive compensation can utilize the results of advisory shareowner votes to defend against excessively demanding officers or compensation consultants.

The 2011 proxy season has demonstrated the benefits of nonbinding shareowner votes on pay. As described in Say on Pay: Identifying Investors Concerns:

Compensation committees and boards have become much more thoughtful about their executive pay programs and pay decisions. Companies and boards in particular are articulating the rationale for these decisions much better than in the past. Some of the most egregious practices have already waned considerably, and may even disappear entirely.

As the U.S. House of Representatives deliberates the appropriateness of

disenfranchising certain shareowners from the right to express their views on a company's executive compensation package, we respectfully request that the following factors be considered:

1. Companies are not required to change their executive compensation programs in response to the outcome of a say on pay or golden parachutes vote. Securities and Exchange Commission (SEC) rules simply require that companies discuss how the vote results affected their executive compensation decisions.

2. The SEC approved a two-year deferral for the say on pay rule for smaller U.S. companies. As a result, companies with less than $75 million in market capitalization do not have to comply with the rule until 2013, thus the rule's impact on IPO activity is presumably unknown. We, therefore, question whether there is a basis for the claim by some that advisory votes on pay and golden parachutes are an impediment to capital formation or job creation.

We also have concerns about Sec. 102(a)(2) because it would potentially reduce the ability of investors to evaluate the appropriateness of executive compensation.

More specifically, Sec. 102(a)(2) would exempt an EGC from Sec. 14(i) of the Securities Exchange Act of 1934, which would require a company to include in its proxy statement information that shows the relationship between executive compensation actually paid and the financial performance of the issuer.

We note that the SEC has yet to issue proposed rules relating to the disclosure of pay versus performance required by Sec. 14(i). As a result, no public companies are currently required to provide the disclosure. We, therefore, again question whether a disclosure that has not yet even been proposed for public comment is impeding capital formation or job creation.

Our membership approved policies emphasize that executive compensation is one of the most critical and visible aspects of a company's governance. Executive pay decisions are one of the most direct ways for shareowners to assess the performance of the board and the compensation committee.

The Council endorses reasonable, appropriately structured pay-for-performance programs that reward executives for sustainable, superior performance over the long-term. It is the job of the board of directors and the compensation committee to ensure that executive compensation programs are effective, reasonable and rational with respect to critical factors such as company performance.

Transparency of executive compensation is a primary concern of Council members. All aspects of executive compensation, including all information necessary for shareowners to understand how and how much executives are paid should be clearly, comprehensively and promptly disclosed in plain English in the annual proxy statement.

Transparency of executive pay enables shareowners to evaluate the performance of the compensation committee and the board in setting executive pay, to assess pay-for-performance links and to optimize their role in overseeing executive compensation through such means as proxy voting. It is, after all, shareowners, not executives, whose money is at risk.

ACCOUNTING AND AUDITING STANDARDS

We have concerns about Sec. 102(b)(2) and Sec. 104 because those provisions would effectively impair the independence of private sector accounting and auditing standard setting, respectively.

More specifically, Sec. 102(b)(2) would prohibit the independent private sector Financial Accounting Standards Board from exercising their own expert judgment, after a thorough public due process in which the views of investors and other interested parties are solicited and carefully considered, in determining the appropriate effective date for new or revised accounting standards applicable to EGCs.

Similarly, Sec. 104 would prohibit the independent private sector Public Company Accounting Oversight Board from exercising their own expert judgment, after a thorough public due process in which the view of investors and other interested parties are solicited and carefully considered, in determining improvements to certain standards applicable to the audits of EGCs.

The Council's membership ''has consistently supported the view that the responsibility to promulgate accounting and auditing standards should reside with independent private sector organizations.'' Thus, the Council opposes legislative provisions like Sec. 102(b)(2) and Sec. 104 that override or unduly interfere with the technical decisions and judgments (including the timing of the implementation of standards) of private sector standard setters.

A 2010 joint letter by the Council, the American Institute of Certified Public Accountants, the Center for Audit Quality, the CFA Institute, the Financial Executives International, the Investment Company Institute, and the U.S. Chamber of Commerce explains, in part, the basis for the Council's strong support for the independence of private sector standard setters:

We believe that interim and annual audited financial statements provide investors and companies with information that is vital to making investment and business decisions. The accounting standards underlying such financial statements derive their legitimacy from the confidence that they are established, interpreted and, when necessary, modified based on independent, objective considerations that focus on the needs and demands of investors—the primary users of financial statements. We believe that in order for investors, businesses and other users to maintain this confidence, the process by which accounting standards are developed must be free—both in fact and appearance—of outside influences that inappropriately benefit any particular participant or group of participants in the financial reporting system to the detriment of investors, business and the capital markets. We believe political influences that dictate one particular outcome for an accounting standard without the benefit of public due process that considers the views of investors and other stakeholders would have adverse impacts on investor confidence and the quality of financial reporting, which are of critical importance to the successful operation of the U.S. capital markets.

INTERNAL CONTROLS AUDIT

We have concerns about Sec. 103 because that provision would, in our view, unwisely expand the existing exemption for most public companies from the requirement to have effective internal controls.

More specifically, Sec. 103 would exempt an EGC from the requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002 (SOX). That section requires an independent audit of a company's assessment of its internal controls as a component of its financial statement audit.

The Council has long been a proponent of Section 404 of SOX. We believe that effective internal controls are critical to ensuring investors receive reliable financial information from public companies.

We note that Section 989G(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) already exempts most public companies, including all smaller companies, from the requirements of Section 404(b). We also note that Section 989G(b) of Dodd-Frank required the SEC to conduct a study on ''how the Commission could reduce the burden of complying with section 404(b) . . . while maintaining investor protections . . .

The SEC study, issued April 2011, revealed that (1) there is strong evidence that the provisions of Section 404(b) ''improves the reliability of internal control disclosures and financial reporting overall and is useful to investors,'' and (2) that the ''evidence does not suggest that granting an exemption [from Section 404(b)] . . . would, by itself, encourage companies in the United States or abroad to list their IPOs in the United States.'' Finally, and importantly, the study recommends explicitly against—what Sec. 103 attempts to achieve—a further expansion of the Section 404(b) exemption.

AVAILABILITY OF INFORMATION ABOUT EMERGING GROWTH COMPANIES

Finally, we have concerns about Sec. 105 because it appears to potentially create conflicts of interest for financial analysts.

More specifically, we agree with the U.S. Chamber of Commerce that the provisions of Sec. 105 as drafted ''may be a blurring of boundaries that could create potential conflicts of interests between the research and investment components of broker-dealers.'' The Council membership supports the provisions of Section 501 of SOX and the Global Research Analyst Settlement. Those provisions bolstered the transparency, independence, oversight and accountability of research analysts.

While the Council welcomes further examination of issues, including potential new rules, relating to research analysts as gatekeepers, it generally does not support legislative provisions like Sec. 105 that would appear to weaken the aforementioned investor protections.

The Council respectfully requests that you carefully consider our questions and concerns about the provisions of the JOBS Act. If you should have any questions or require any additional information about the Council or the contents of this letter, please feel free to contact me at 202.261.7081 or Jeff@cii.orq, or Senior Analyst Laurel Leitner at 202.658.9431 or Laurel@cii.org.

Sincerely,

JEFF MAHONEY,
General Counsel.

With that, Mr. Chair, as I have with me today Members who want to offer some remarks in support, I will inquire as to how much time I have remaining.

The Acting CHAIR. The gentleman has 2½ minutes remaining.

Mr. ELLISON. I reserve the balance of my time.

Mr. HENSARLING. I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Mr. Chairman, again, when we add in those who want full-time work and yet have part-time work, those who have given up and have left the labor force, those who have been unemployed for weeks and months on end, we know that the true unemployment rate in America is, regrettably, close to 15.3 percent.

Jobs is the number one concern, jobs and the economic growth of the American people, and it has to be our number one concern as well. And as ever well-intentioned as the gentleman

from Minnesota's amendment is, it is not one particular regulatory burden; it is the cumulative impact of them all that is inhibiting job growth in America today.

Anytime I talk to small business people in the Fifth District of Texas, which I have the honor and privilege of representing, and whether I'm talking to small business people or, frankly, to Fortune 50 CEOs, this is what they tell me: it is the government red tape. Now, it doesn't mean all regulation is bad, but we have to look at the cumulative impact, particularly in the midst of what our constituents view as a crisis.

John Mackey, cofounder and CEO of Whole Foods Market:

> In some cases, regulations have gone too far, and it really makes it difficult for small businesses. There's too much bureaucracy and red tape. Taxes on businesses are very high. So we're not creating the enabling conditions that allow businesses to get started.

Again, on a bipartisan piece of legislation that is supported by the President of the United States, most of the provisions have been overwhelmingly supported either on the House floor or in the Financial Services Committee. Regrettably, the gentleman from Minnesota's amendment takes a huge step backwards and makes it more difficult for these emerging growth companies to get started.

Now, I understand his particular concern on Say on Pay, but I would note that emerging growth companies still have to disclose their executive compensation arrangements to shareholders in their SEC filings in the same way that the SEC requires for smaller reporting companies. How many votes do you want to compel shareholders to take, particularly on emerging growth companies?

We could require votes on patent filings. We could require votes on the retention of the accounting firm. Maybe we could require it on the acquisition of real estate. Perhaps shareholders should be compelled to vote to ratify any particular union contract. Maybe we should compel a vote on the IT system. We could go to the ridiculous. Maybe we have to have shareholder votes to choose between Coke and Pepsi in the break room, or as to whether or not the coffee is organically grown or not organically grown. What is the company logo?

At some point, it begs the question: Are we here to stand up for shareholder value or for somebody's subjective, personal values, which I respect, but which, again, can harm emerging growth companies as they're trying to grow jobs and the economy.

I reserve the balance of my time.

Mr. ELLISON. I yield 1 minute to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. I thank the gentleman for yielding.

This argument makes no sense to me. If we are interested in creating jobs, how does it hurt jobs by simply allowing the people who actually own the company, the shareholders, the ability to have a nonbinding vote on the pay of their CEO? By the way, if they choose to pay the CEO a gazillion dollars, that's fine. It's their money. They can do what they want with it. If, however, they choose to cut the CEO's salary, maybe they could use some of that money to actually create more jobs.

This amendment doesn't affect the creation of one job. It simply recognizes the fact that shareholders own the company. They should be able to decide how to spend their money. Some people have not liked this provision since it was adopted. This is simply an opportunity to take a bite out of something they've never liked. It has no effect whatsoever on the creation of a job. And I would dare say to empower the shareholders might actually free up some corporate money in order to hire one or two more people.

Mr. HENSARLING. Mr. Chairman, how much time remains on both sides, please?

The Acting CHAIR. Both sides have 1½ minutes remaining.

Mr. HENSARLING. I continue to reserve the balance of my time.

Mr. ELLISON. I yield 1 minute to the gentleman from Massachusetts, Mr. STEPHEN LYNCH.

Mr. LYNCH. I want to thank the gentleman for yielding.

The gentleman from Minnesota has a very good amendment here. Here is what we're talking about.

This would strengthen title I by keeping in place the requirement that all public companies, including emerging growth companies, hold a nonbinding shareholder vote on executive compensation and golden parachutes once every 3 years. One vote. They're having a meeting anyway. These are the companies that we know the least about. We support the underlying bill, but we think that requiring a nonbinding vote once every 3 years is good for the shareholders.

The question is: Will this inhibit the operation of these emerging growth companies? No, it will not.

I think the gentleman from Minnesota has a great amendment here. These are the companies we know the least about. They have the shortest track records. These shareholders and investors are taking a leap of faith, and this would allow them to have a vote on the CEO salaries and also on the golden parachutes, so I ask Members to support the amendment.

Mr. HENSARLING. Mr. Chairman, I yield the balance of my time to the gentleman from Tennessee (Mr. FINCHER).

□ 1710

Mr. FINCHER. I thank the gentleman from Texas for yielding.

The SEC already provides smaller reporting companies with an additional year to comply with executive-compensation disclosure and say-on-pay vote compliance.

This bill would simply extend the extension to emerging growth companies during the on-ramp period. They would still disclose compensation arrangements to shareholders in the same way that the SEC requires for smaller reporting companies, we think, forcing shareholder votes on internal issues such as compensation levels, risk, undermining the emerging growth companies' ability to exercise independent judgment on behalf of all the corporation's shareholders. The bottom line here is that we must spare emerging growth companies from the costly litigation that could result if an emerging growth company's board of directors reject or refuse to abide by the results of the shareholder vote.

I would just remind all of my colleagues the President is supporting this jobs bill. We think this is something that will really, really put Americans back to work.

The Acting CHAIR. The gentleman from Minnesota has 30 seconds remaining, and the gentleman from Texas has 15 seconds remaining.

Mr. ELLISON. Mr. Speaker, we are talking about a vote once a year, probably at the annual meeting, probably take a sum total of a few seconds; and my friends on the other side of the aisle don't want to at least agree to this small thing that empowers investors and shareholders and puts them in the position to be good stewards of the company that they own.

Now, you would think that we could come together on something like this; but when you want to stand up for the highest, most grotesque and egregious executive pay imaginable, then, of course, you're going to say no. In 2010, median pay for CEOs and large corporations was $11 million. It's time to get some say on pay.

I yield back the balance of my time.

Mr. HENSARLING. Mr. Chairman, every single regulation imposes some type of financial burden on a company that cannot be used to create a job.

If this was a concern, why don't we find it listed in the Statement of Administration Policy. It's not a concern of the President. Let's work together and pass this bill.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Minnesota (Mr. ELLISON).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. ELLISON. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Minnesota will be postponed.

AMENDMENT NO. 6 OFFERED BY MS. WATERS

The Acting CHAIR. It is now in order to consider amendment No. 6 printed in House Report 112–409.

Ms. WATERS. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 11, line 12, strike ''paragraph (10) of this subsection and''.

Page 11, line 16, insert after the period the following: ''Any such research report published or distributed by a broker or dealer that is participating or will participate in the registered offering of the securities of the issuer shall be filed with the Commission by the later of the date of the filing of such registration statement or the date such report is first published or distributed. Such research report shall be deemed a prospectus under paragraph (10).''.

Page 13, line 18, after the first period insert the following: ''Any written communication (as such term is defined in section 203.405 of title 17, Code of Federal Regulations) provided to potential investors in accordance with this subsection shall be filed with the Commission by the later of the date of the filing of such registration statement or the date the written communication is first engaged in. Such written communication shall be deemed a prospectus under section 2(a)(10).''.

The Acting CHAIR. Pursuant to House Resolution 572, the gentlewoman from California (Ms. WATERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. WATERS. I offer my amendment today in the spirit of improving the underlying bill in the area of investor protection with regard to the provisions of research provisions in title I.

First, my amendment attempts to mitigate against potentially damaging conflicts of interest between the people who will profit from an emerging growth company's IPO and the people who write research about such IPOs. This amendment provides that if a broker or a dealer is underwriting an IPO and also providing research to the public about that IPO, those research reports need to be filed with the SEC and underwriters need to be held to stricter liability for their comments.

Second, this amendment provides that if emerging growth companies are communicating orally or in writing with potential investors before or following an offering, they need to file those communications with the SEC.

During the dot-com boom of the 2000s, it was uncovered that certain research analysts were recommending companies to the investing public because their firms had an economic interest in the firm's IPO, or wanting to get other businesses from the company.

Meanwhile, those same analysts were telling their colleagues in internal emails that the company's IPOs were junk. Essentially, these analysts misled the investing public and didn't disclose their economic interest in hyping the company.

Through a global settlement and related rules coming from the scandal, we cracked down on some of these conflicts of interest. My amendment, rather than letting these conflicts be restored, would require that if underwriters are also issuing reports about a company's IPOs, they need to file those with the SEC. Filing of materials subjects underwriters to more robust liability.

Secondly, the filing of a pre- or post-offering communication with the SEC under this amendment will also hold companies to a higher level of legal liability, ensuring their communications accurately portrayed the nature of the offering. It also allows the SEC and the public to make sure that companies aren't inappropriately hyping their offering to investors.

Today we received communications, both from the Chamber of Commerce and from the Council of Institutional Investors. The Council of Institutional Investors simply said, ''The Council membership supports the provisions of section 501 of Sarbanes-Oxley and the Global Research Analyst Settlement. Those provisions bolstered the transparency, independence, oversight, and accountability of research analysts,'' and similar comments from the Chamber of Commerce.

I would urge support for my amendment and for the underlying bill. We must help our small businesses to access our capital markets, but we must also mitigate against conflicts of interest that would mislead investors. I believe my amendment strikes the right balance.

I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I rise to claim time in opposition to the amendment.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Mr. Chairman, we've had a vigorous debate over some amendments that were accepted, others that we thought were unwise. Frankly, this one, Mr. Chairman, we believe would simply gut the entire bill. You know, Mr. Chairman, you cannot sue your way into job growth. You are not going to be able to sue your way into economic growth.

This amendment takes us a huge, huge step in the opposite direction. The practical impact of the amendment from the gentlelady from California is to essentially squash any of the reporting that would take place on these emerging growth companies for imposing the prospectus level of liability imputed to the communications of the research reports.

I mean, in order to get onto this IPO on-ramp in order for the small growth companies to access our equity market, there has to be the research which is published. Without it, without it, the accredited investors will probably never know of the existence of the companies in the first place. I would point out that many of the concerns should have already been addressed.

Number one, all these emerging growth companies are still liable for the Global Research Analyst Settlement of 2003, which established a comprehensive set of rules that sever the link between investment banking and research activities, section 501 of Sarbanes-Oxley, which requires the research analysts and broker-dealers to disclose all potential conflicts of interest, Regulation AC, stock exchange-listing standards, FINRA codes of conduct, and the list goes on and on and on.

And so again, Mr. Chairman, to add yet another level of liability, one that we are told would simply have an incredibly dampening impact on the existence of these research reports, for all intents and purposes this would simply gut the bill. I suppose it would be an early evening in the House if we accepted it, but everything that Members of both sides of the aisle have worked for would be for naught.

Again, if this was a concern of the administration, why wasn't it listed in their Statement of Administration Policy where they always list their concern?

□ 1720

The President would like to see this passed. We would like to see it passed. There is bipartisan support in the Senate.

I would urge a strong rejection of this amendment, and I reserve the balance of my time.

Ms. WATERS. May I inquire as to how much time I have left.

The Acting CHAIR. The gentlewoman from California has 1½ minutes remaining.

Ms. WATERS. I yield the balance of my time to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. Mr. Chairman, I want to thank the gentlewoman for yielding.

I don't know if I am going to use the whole thing, but this must be Bizarro Congress because I'm about to agree with the Chamber of Commerce. I've been listening to my colleagues on the other side claiming that they're with the President on this one. Something must be wrong.

The Chamber of Commerce has raised the exact same issues that we're raising with this amendment. This amendment doesn't kill this bill. It simply says if you're going to give information to a handful of people, you have to file with the SEC and you have to stand by that information as being legitimate and honest information. That's really all it says. It says it in technical terms, but that's all it says.

By the way, I guess I need to be clear. We don't necessarily agree with everything the chamber says, even on this amendment. They just raise the same issue. And I would like to be clear that no one has since stated it, but even the President himself would like to see some amendments to this bill. I presume some of them will be passed in the Senate; and hopefully when they are, people like me will be a lot more supportive when it comes back.

I just thought it was important to point out I'm not with the chamber very often. When I am, I think that's worthy of note.

Mr. HENSARLING. Mr. Chair, I continue to reserve the balance of my time.

The Acting CHAIR. The gentlewoman from California has 15 seconds remaining.

Ms. WATERS. Mr. Chairman, I join with Mr. CAPUANO in saying that we don't normally agree with the Chamber of Commerce. As a matter of fact, this may be the first time that I've agreed with the Chamber of Commerce. But you have also the Council of Institutional Investors that is warning us about this research problem that we have unless we clear it up.

Mr. HENSARLING. May I inquire of the Chair how much time I have remaining.

The Acting CHAIR. The gentleman has 2 minutes remaining.

Mr. HENSARLING. In that case, I will yield 1 minute to the gentleman from Arizona (Mr. SCHWEIKERT).

Mr. SCHWEIKERT. I thank the gentleman from Texas.

First off, I actually think I have the letter here from the Chamber of Commerce, and I'm trying to find what has been discussed here. I thought I saw something come across where after 3 years they were willing to look at it. That would be an interesting one to find.

This is a classic case of an amendment that I believe the law of unintended consequences is potentially just devastating. How many times around here—particularly in the Financial Services Committee—do we have the discussion of what's the best regulator? It's information and yet you're running an amendment here that basically will destroy information because of the liability. That liability will make it so you're not going to do the research, you're not going to cover the stock. If you read the amendment, I fear it may be too broad. Does it cover someone that does a detailed investment newsletter? What level does it ultimately cover?

Mr. Chairman, I believe the law of unintended consequences here is very dangerous.

Mr. HENSARLING. I yield the balance of my time to the gentleman from New Jersey (Mr. GARRETT), the chairman of the Capital Markets Subcommittee.

Mr. GARRETT. I thank the chairman.

As we indicate, the President supports the underlying legislation and the gentleman indicated that he may be looking for some amendments to the bill, but I would assume quite candidly he would not be looking for this amendment.

As the gentleman from Arizona aptly points out, what we're trying to do is to facilitate the expansion and growth by the small companies. How do we do that? As the gentleman from Arizona says rightfully so, by the expansion of information. This information can and should get out there; but at the end of the day, we want to make sure that the liability that is imposed on the dissemination of information is not so grave and dangerous to it that you would basically supplement with an overarching desire to destroy that overall purpose of the legislation. You do that unfortunately with this amendment.

Why so? At the end of the day, you will get the same protections that you're looking for here, I think, in the sense that there will be strict liability imposed. Where? On the prospectus. So if you are the investor in this instance and you're trying to decide whether you're going to go and invest in this new company or not, the information that you'll be looking for will be where? In the prospectus. And the strict liability standard will be imposed at that period of time.

You do not want to impose that liability as you lead up to the situation with the other information that is going out by outside research analysts. With that, I will respectfully oppose the amendment.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. WATERS).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Ms. WATERS. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California will be postponed.

AMENDMENT NO. 7 OFFERED BY MS. JACKSON LEE OF TEXAS

The Acting CHAIR. It is now in order to consider amendment No. 7 printed in House Report 112–409.

Ms. JACKSON LEE of Texas. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 13, line 10, strike ''or institutions that are accredited investors''.

Page 13, line 11, strike ''terms are respectively'' and insert ''term is''.

Page 13, line 12, strike ''and section 230.501(a)''.

The Acting CHAIR. Pursuant to House Resolution 572, the gentlewoman from Texas (Ms. JACKSON LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. JACKSON LEE of Texas. I thank the chairman very much.

I started my earlier discussion with a previous amendment by suggesting that our underlying premise or the goal should be to reduce the deficit and to put America back to work. This concept of emerging growth opportunities or emerging growth companies is, in fact, I believe, a viable step of doing so.

I do want to remind my colleagues again that overall business investment is growing, corporate profits are up, as are investments in equipment and software. Exports have been a source of strength. We're working very hard to ensure that we reinvigorate manufacturing. We want to make it in America. We want to bring companies back home, and certainly we want to encourage investment. Private sector employment has grown for 23 months, and the economy has grown for 10 straight quarters.

My amendment is to discuss the fine distinctions between those who are very sophisticated and those who are not. My amendment narrows the permissible exemption to allow oral or written communications with potential investors who are qualified institutional investors, but it omits accredited investors from this exemption in the name of investor protection. That is simply to say that we know that the accredited investors are less, if you will, able with the information that they have to compete with what we have classified as qualified institutional investors.

The idea of this amendment is to ensure that an accredited investor would not be considered a qualified investor and therefore be taken advantage of. Under the bill, the commonly known test-the-waters provision would amend the Securities Act of 1933 to expand the range of permissible prefiling communication to sophisticated institutional investors to allow emerging growth companies to determine whether qualified institutional or accredited investors might have an interest in a contemplated securities offering.

Mine is an amendment simply being concerned about the accredited investors and whether or not there is the equal playing field alongside of the qualified institutional investors, which you would expect would have far more sophistication in making determinations about investments. It is simply an effort to provide extra protection for those who will now be out in the marketplace under these emerging growth concepts.

I ask my colleagues to support this amendment, and I reserve the balance of my time.

Mr. HENSARLING. I rise to claim time in opposition.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. I yield 1½ minutes to the gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. I thank the gentleman for yielding.

Mr. Chair, I rise in opposition to the gentlelady's amendment.

Again, our goal here today is to help America's start-up companies grow, raise capital, create jobs. The amendment offered by the gentlelady from Texas would limit opportunities for emerging growth companies to expand business by cutting them off from experienced investors.

Part of generating a successful IPO is having the ability to test the waters through pre-IPO meetings with institutional qualified investors. These are the investors you want to talk to and receive feedback from before launching an IPO to ensure success. If a company learned that there is a good chance it

will have a successful IPO, it would be less likely to choose a merger and acquisition path, which often results in losing jobs, and continue to grow organically and create jobs. So it doesn't make sense to me to cut these investors off from emerging growth companies.

I understand there may be some concerns with investor protections. But in this amendment, emerging growth companies are only allowed to test the waters with highly sophisticated investors so existing investor protections are not weakened. Therefore, I cannot support this amendment.

□ 1730

Ms. JACKSON LEE of Texas. Mr. Chairman, who has the right to close?

The Acting CHAIR. The gentleman from Texas.

Ms. JACKSON LEE of Texas. Mr. Chairman, let me just maintain that this is a simple premise of protecting the less sophisticated investor, and I have no desire to not see jobs being created or the opportunity for emerging growth entities to have access to opportunities for investment. It is quite clear that qualified institutional investors are far more sophisticated than the accredited investors' status, and so I can't get clearer than that, trying to make sure that we protect those.

And as we noted for the Democrats who served on the Financial Services Committee, they made certain statements, if you would, to ensure that we have the greatest amount of protection for those who we want to see having greater opportunities.

So with that, Mr. Chairman, I happily yield back my time and ask my colleagues to support this very simple amendment that seeks to protect accredited investors.

Mr. Chair, I rise today to offer my amendment # 7 to H.R. 3606 "The Reopening American Capital Markets to Emerging Growth Companies Act of 2011." This amendment strikes language in the bill that allows an emerging growth company or its underwriter to communicate with "institutions that are accredited investors."

H.R. 3606 would exempt certain regulatory requirements until the earliest of three dates: (1) five years from the date of the EGC's initial public offering; (2) the date an EGC has $1 billion in annual gross revenue; or (3) the date an EGC becomes a "large accelerated filer, which is defined by the Securities and Exchange Commission (SEC) as a company that has a worldwide public float of $700 million or more.

The bill thus provides temporary regulatory relief to small companies, which encourages them to go public, yet ensures their eventual compliance with regulatory requirements as they grow larger.

My amendment narrows the permissible exemption to allow oral or written communications with potential investors who are "qualified institutional investors," but omits "accredited investors from this exemption, in the name of investor protection."

For example, this amendment would ensure that an accredited investor would not be considered a qualified institutional investor and therefore would not be able to engage in certain types of investments.

Under the bill, the commonly known "test the waters provision," would amend the Securities Act of 1933 to expand the range of permissible pre-filing communications to sophisticated institutional investors to allow Emerging Growth Companies (EGCs) to determine whether qualified institutional or accredited investors might have an interest in a contemplated securities offering.

I believe that while many Accredited Investors are sophisticated and prosperous, and meet the brokerage firm requirements for alternative investments.

My amendment is merely a continuation of the investor protection theme of Dodd-Frank. Specifically, investors that lack the necessary capital to absorb the losses that can arise when investing in an Emerging Growth Company.

Moreover, I would note that many qualified institutional investors have a minimum of $1 billion to invest, which simply may not be the case with accredited investors. My sentiments are similar to those expressed by my Democratic colleagues on the Financial Services Committee: that they and Republicans share the desire to create an accessible, robust and efficient capital market for the benefit of small businesses and investors, alike.

I too, expect that as H.R. 3606 moves forward, further refinements will be adopted to ensure that investor protections are not sacrificed.

Again, as my Democratic colleagues on the Financial Services Committee stated:

> H.R. 3606 encourages emerging growth companies (EGCs) to access the public capital markets by temporarily exempting EGCs from some registration procedures, prohibitions on initial public offering (IPO) communications, and independent audits of internal controls over financial reporting, among other exemptions.
>
> Democrats agree in principle that it is important to modernize and improve the ability of a company to raise capital in today's environment, but are concerned H.R. 3606 goes beyond what is necessary at the expense of protecting the investor.

I encourage my colleagues to vote for this consumer and investor-friendly amendment.

Mr. HENSARLING. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey, the chairman of the Capital Markets Subcommittee, Mr. GARRETT.

Mr. GARRETT. So the premise of the legislation is what? As we said before, to try to encourage the smaller growth companies to be able to development their businesses and go on and to eventually to go public. In light of the last conversation we had on the last amendment, we said how do we facilitate doing that? We do that by exchanging information out to the public to be able to share information from research analysts and the like.

Eventually, as was pointed out in the last amendment, we said that eventually at the end of the day you'd get to a prospectus where strict liability would incur and so that the investor would have the adequate information to do so, and they would also have the liability protection afforded to them that you would have with a prospective. All well and good.

Now we come to this amendment, and I have to scratch my head to understand exactly what the proponent of the legislation is trying to do here. Her last comment was that we want to protect who? Well, the less sophisticated investor. Okay, well, let's take a look at that. What are we dealing with here? What we're dealing with here would strike the language that would allow an emerging growth company to underwrite and communicate——

The Acting CHAIR. The time of the gentleman has expired.

Mr. HENSARLING. I yield the gentleman 30 additional seconds.

Mr. GARRETT. To deal with institutions that are accredited investors. Who is it that sets the standards for accredited investors? The SEC. So if your concern is that the level of accredited investors is not sophisticated enough to deal with the purchase of these investments, then your complaint is not with this underlying legislation. Your concern should be directed to who? The entity that sets the standards for that—the SEC.

This legislation basically says that these people who should be involved here are accredited, set by the SEC. They, therefore, by definition are sophisticated investors. That is why we oppose the amendment.

Mr. HENSARLING. Mr. Chairman, how much time do I have remaining?

The Acting CHAIR. The gentleman from Texas has 2 minutes remaining.

Mr. HENSARLING. At this time, I will yield 1½ minutes to the gentleman from Arizona (Mr. SCHWEIKERT).

Mr. SCHWEIKERT. Mr. Chairman, this is also one of those—my understanding is the way the amendment is drafted is this would basically say that an emerging growth company could not, would be prohibited from communicating with accredited investors. Okay. Do we all know, I think, the current definition of accredited investor is $1 million net worth not counting your residence, $200,000 income for, I think, 3 years running. And now we're telling an emerging growth company that that is the population that you're not allowed to talk to?

I appreciate investor protection and protecting the little guy; but at some point when someone is holding $1 million in equity outside their house and they've demonstrated they have $200,000 a year income, I actually think those are the very people I want to be having communications with a growth company, that give-and-take, that information flow. And that's why actually this is a bad amendment, and we need to stand up and oppose it.

Mr. HENSARLING. I yield myself the balance of the time.

I would just say to my friend, the gentlelady from Texas will have to settle for batting .500, as I supported her earlier amendment, but I have to rise in opposition to this one. The very purpose of an accredited investor is to

identify the class of individuals who have greater capacity to handle risk, do not require the enhanced protections. Her amendment would unnecessarily restrict capital formation and consequently job growth. I urge its rejection, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON LEE).

The amendment was rejected.

AMENDMENT NO. 8 OFFERED BY MS. JACKSON LEE OF TEXAS

The Acting CHAIR. It is now in order to consider amendment No. 8 printed in House Report 112–409.

Ms. JACKSON LEE of Texas. I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 15, line 16, strike the quotation mark and final period and after such line insert the following:

(3) ADDITIONAL FILING FEE.—In order to discourage frivolous filings with the Commission, the Commission shall establish a fee that shall apply to any draft registration statement submitted to the Commission for confidential nonpublic review pursuant to paragraph (1).

The Acting CHAIR. Pursuant to House Resolution 572, the gentlewoman from Texas (Ms. JACKSON LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. JACKSON LEE of Texas. Let me say to my good friend from Texas, I'm going to look forward to working with him on the previous amendment that simply was misconstrued, and we certainly want to respect those who have a million dollars outside their window, but we also want to ensure that we have protection for those less sophisticated investors.

The amendment that I have before me, likewise, has an intent to allow the SEC not to be plagued by frivolous filings. But I want to work with the committee going forward, and so I will not pursue this amendment. And, Mr. Chairman, I'm going to ask unanimous consent to withdraw this amendment No. 8 at this time.

I will conclude by saying I like batting .500, and I will continue to work with this committee on these important issues.

The Acting CHAIR. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 9 OFFERED BY MR. CONNOLLY OF VIRGINIA

The Acting CHAIR. It is now in order to consider amendment No. 9 printed in House Report 112–409.

Mr. CONNOLLY of Virginia. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 19, after line 2, insert the following new section (and conform the table of contents accordingly):

SEC. 109. STUDY ON THE EFFECTS OF MARKET SPECULATION ON EMERGING GROWTH COMPANIES.

(a) STUDY.—The Securities and Exchange Commission, in consultation with the Commodity Futures Trading Commission, shall carry out an ongoing study on the ability of emerging growth companies to raise capital utilizing the exemptions provided under this title and the amendments made by this title, in light of—

(1) financial market speculation on domestic oil and gasoline prices; and

(2) business cost increases caused by such speculation.

(b) REPORT.—Not later than the end of the 60-year period beginning on the date of the enactment of this Act, and annually thereafter, the Securities and Exchange Commission shall issue a report to the Congress containing all findings and determinations made in carrying out the study required under subsection (a).

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Virginia (Mr. CONNOLLY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia.

Mr. CONNOLLY of Virginia. Mr. Chairman, this important amendment will help small and emerging growth businesses address a significant cost they incur—the rising price of gasoline. According to the National Federation of Independent Businesses, 10 percent of businesses say energy costs are their single largest cost, and 25 percent cite it as the second or third largest.

Although some argue for increased domestic drilling, at best it will take 5 years before new supplies are brought to market and have any effect on the current price of gasoline. Meanwhile, oil companies are producing more oil in America right now than at any point in the last 8 years; but since they're also exporting more oil, consumers aren't realizing the benefits of that production. Approving the Keystone XL pipeline, as some have proposed, actually would make gas prices even worse. The oil company TransCanada said in its pipeline application that Keystone will raise American oil prices by $3 a barrel. The price of a gallon of gasoline has risen 30 cents per gallon in the last month, and we need to drive down prices, not allow them to increase.

There are a number of factors involved in the rapidly increasing price of gasoline; however, one of the significant causes is the proliferation of financial market speculation on oil and gas products. During the last gas price spike, Goldman Sachs estimated that speculation added $27 to the price of a barrel of oil. Just last week, oil State Senator TOM COBURN of Oklahoma told the House Oversight and Government Reform Committee, on which I sit, the speculation is adding 13 to 15 percent to the price of a barrel of oil right now. And citing Goldman Sachs data, a recent Forbes news report said that excessive speculation leads to a 56-cent premium per gallon at the pump.

□ 1740

We cannot have financial institutions bidding up the price of oil solely to further line their own pockets and needlessly drive up cost to consumers. Domestic demand for oil is at its lowest point in the last 15 years, but the price of gasoline is hitting new highs.

The Commodity Futures Trading Commission is working to address oil and gas speculation, but they need to be more aggressive. I joined 44 Members of this House and 23 Senators in sending a letter to the CFTC to exercise its full authority to eliminate excessive speculation, as directed under the recently passed Dodd-Frank Act. This amendment will provide valuable information on how such speculation affects the ability of emerging growth companies to raise capital.

Access to capital remains a challenge for most entrepreneurs, and uncertain and often rising energy costs represent a potential impediment for start-up companies trying to convince prospective investors that they have in fact a competitive business model.

My simple amendment requires the Securities and Exchange Commission, in consultation with the CFTC, to study the effects of oil and gas speculation in financial markets on the ability of emerging growth companies to access capital. This will enable the CFTC to better address such speculation and to better protect the ability of American entrepreneurs to raise the capital necessary to innovate and succeed in the competitive global market.

I urge my colleagues to join me in the simple effort to study the excessive speculation and hopefully reduce energy costs for American innovators and consumers.

With that, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I rise to claim the time in opposition.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Mr. Chairman, I have some good news for the gentleman from Virginia. The very issue that he cares to study has already been studied. In January of 2011, Democrat CFTC Commissioner Michael Dunn said:

> To date, CFTC staff has been unable to find any reliable economic analysis to support either the contention that excessive speculation is affecting the markets we regulate or that position limits will prevent excessive speculation. With such a lack of concrete economic evidence, my fear is that, at best, position limits are a cure for a disease that does not exist or at worst a placebo for one that does.

A similar study has been conducted by the Federal Trade Commission.

Mr. Chairman, if we're going to be in the business of conducting studies, perhaps we should study why this administration has had over 3 years to study the Keystone pipeline and still refuses to allow more energy to come to America for Americans. Now, apparently, in a reversal, the President has decided that if the energy can hitchhike from

Canada successfully to the Red River, the northern border of Texas, he'll allow it to get to the refineries on the gulf coast. Otherwise, no energy.

Shouldn't, on the road to American energy independence, we ought to at least go through the road of North American energy independence. These are 20,000 shovel-ready jobs—and I know the administration gets confused at what is a shovel-ready job—but 20,000 shovel ready jobs, and yet it's rejected by this administration. Why? Well, because this is an administration that has essentially declared war on carbon-based industry, thus is trying to increase prices of energy for small businesses, for struggling American families, for hardworking taxpayers. Please don't take my word for it; take the word of the Secretary of Energy, Steven Chu: ''Somehow we have to figure out how to boost the price of gasoline to the levels of Europe.''

Well, again, I've got good news for the administration: they're doing a wonderful job. They have us on the road to increasing energy levels to the price of Europe, and the consequent unemployment that goes with it, and the consequence of having the fewest business start-ups in almost two complete decades. So, the matter that the gentleman cares to study has already been studied. It has already been studied.

I also recall a time when these people were called investors, and we actually welcomed them into the market. I suspect that it is fear of this administration's energy policies that is causing these prices to skyrocket even further. As bad as they are today, people know they're going to be even worse.

So I would urge a rejection of this amendment that takes this bill in the complete opposite direction that it needs to be going.

I reserve the balance of my time.

Mr. CONNOLLY of Virginia. I would inquire of the Chair how much time is left on our side.

The Acting CHAIR. The gentleman has 1½ minutes remaining.

Mr. CONNOLLY of Virginia. Well, I'm saddened, but of course not surprised, that my friend on the other side would not want a simple amendment to study the effect of oil speculation on the price of oil because it doesn't fit the political narrative. So while we're trying to have a very narrow narrative that somehow it's the responsibility of a particular administration in terms of the rise in the price of oil, I think the American consumer and American innovators and American start-up companies and entrepreneurs are actually entitled to know what percentage of the increase in a barrel of oil and at the pump is in fact due to oil speculators and financial institutions that the other side of this House wants to protect.

With respect to the Keystone pipeline—with all due respect to my colleague—it's 5,000 jobs, not 20,000 shovel-ready jobs. The Washington Post did an exhaustive study of the number of jobs that would be created, and they were all temporary. At most, 50 to 60 permanent jobs would be created.

The other thing my friends on the other side of the aisle don't want to talk about about Keystone is that almost all of that oil is going to go to Port Arthur, Texas, for export, not for domestic consumption. If my friends on the other side of the aisle want to contend otherwise, then let's support an amendment right here and now that says that pipeline can be produced and built so long as all of that oil is for domestic consumption.

With that, I yield back the balance of my time, Mr. Chairman.

Mr. HENSARLING. Mr. Chairman, how much time do I have remaining?

The Acting CHAIR. The gentleman from Texas has 1½ minutes remaining.

Mr. HENSARLING. In that case, I yield 1 minute to the gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. I thank the gentleman from Texas.

It seems like the gentleman's amendment is trying to confuse the recent sharp rise in gas prices with the purpose of this bill, which is to provide emerging growth companies with a temporary break from costly compliance burdens.

It's true that gas prices have been going up, but emerging growth companies are not to blame. I introduced this bill, along with my colleague, Mr. CARNEY, to encourage small business to go public, to have access to more capital, and create more jobs. Job creation is the purpose of this bill, not gas prices.

Rising gas prices is a critical issue, and we would be glad to have the debate some other day. But today we're talking about job creation in the private sector. This is a very important piece of legislation that the President supports. So let's give the power back to the people.

Mr. HENSARLING. Mr. Chairman, I yield myself the balance of my time.

Regrettably, the ranking member is not here because he chose to violate House rules, and his speaking privileges were denied for the rest of the day. But during our committee markup, he said:

> First of all, studies are not done for free by the SEC. Given the current decision to restrict SEC funding, I will be much more careful about burdening them with studies which will inevitably come at the expense of more important duties.

One more reason to oppose the gentleman's amendment.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Virginia (Mr. CONNOLLY).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. CONNOLLY of Virginia. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia will be postponed.

AMENDMENT NO. 10 OFFERED BY MR. MCCARTHY OF CALIFORNIA

The Acting CHAIR. It is now in order to consider amendment No. 10 printed in House Report 112–409.

Mr. MCCARTHY of California. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Page 19, beginning on line 6, strike ''(a) REMOVAL OF RESTRICTION.—'' and all that follows through line 11 and insert the following:
>
> (a) MODIFICATION OF RULES.—
>
> (1) Not later than 90
>
> Page 19, line 23, insert after the period the following: ''Section 230.506 of title 17, Code of Federal Regulations, as revised pursuant to this section, shall continue to be treated as a regulation issued under section 4(2) of the Securities Act of 1933 (15 U.S.C. 77d(2)).''
>
> Page 19, after line 23, insert the following:
>
> (2) Not later than 90 days after the date of enactment of this Act, the Securities and Exchange Commission shall revise subsection (d)(1) of section 230.144A of title 17, Code of Federal Regulations, to provide that securities sold under such revised exemption may be offered to persons other than qualified institutional buyers, including by means of general solicitation or general advertising, provided that securities are sold only to persons that the seller and any person acting on behalf of the seller reasonably believe is a qualified institutional buyer.
>
> (c) CONSISTENCY IN INTERPRETATION.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended—
>
> (1) by striking ''The provisions of section 5'' and inserting ''(a) The provisions of section 5''; and
>
> (2) by adding at the end the following:
>
> ''(b) Offers and sales exempt under section 230.506 of title 17, Code of Federal Regulations (as revised pursuant to section 201 of the Jumpstart Our Business Startups Act) shall not be deemed public offerings under the Federal securities laws as a result of general advertising or general solicitation.''.

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from California (Mr. MCCARTHY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Mr. MCCARTHY of California. Mr. Chairman, this amendment is designed to make several small changes to make sure the regulation D, rule 506 provision in this bill meets its original intent.

In consultation with the Securities and Exchange Commission and our friends on the other side of the aisle, we identified several areas where the language in the bill could have had some unintended consequences that may have limited the effectiveness of the provision or expanded its reach beyond what we originally intended.

□ 1750

This amendment does three things:

Clarifies that general advertising provision should only apply to Regulation D, rule 506 of the securities offerings;

Protects investors by allowing for general advertising in the secondary sale of these securities, so long as only qualified institutional buyers purchase the securities;

Provides consistency in the interpretation for regulators that general advertising should not cause these private offerings to be considered public offerings.

Our goal with this amendment is to ensure that more small businesses have the opportunity to find the investors they need while preserving investor protections.

Mr. Chairman, as many people know on this floor, I created my first business at age 20. I was fortunate enough to be successful enough to pay my way through college.

Mr. Chairman, if I look today, I don't know if I could start that same small business. Entrance to market is great, access to capital. What our goal to do it in this bill and amendment is to expand that. And as we measure across America, the greatest growth we have is small business.

Mr. Chairman, I was reading the other day, if you looked at the challenge that we have, this current administration and their policies hampering our ability to grow, you look back to the end of the last recession, 2001, you look at the beginning of this recession in 2007, a lot of people in America say that was a time of growth in America, from 2001 to 2007.

Well, if you ever measured who created those jobs, small businesses. Companies under 500 employees added 7 million jobs, and 70 percent of those new 7 million jobs came from companies 5 years old or younger.

But, Mr. Chairman, under this new administration, we're at an all-time low of new start-ups. So we're hopeful, with this new legislation, that that will all change, that the future will be brighter, small businesses will continue to grow, and we'll put America back on the right path.

I reserve the balance of my time.

Mr. CARNEY. I rise to claim time in opposition, though I'm not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from Delaware is recognized for 5 minutes.

There was no objection.

Mr. CARNEY. Mr. Chairman, I'd like to first thank the gentleman from California for his amendment and for working with the minority party and the ranking member on the provisions of the amendment. I understand there's support for the amendment on this side of the aisle as well.

I would like to take a minute, if I could, or a couple of minutes, to talk about the Waters amendment, which was discussed a few minutes ago, just to clarify a few points, if I may. Congresswoman WATERS, in committee, raised the concerns about the way information was used during the dot-com boom in the early 2000s, and there were obviously some problems with that.

But I think the RECORD needs to be clear that under our bill, all analyst research for emerging growth companies will remain subject to certain provisions. They will be subject to the Global Research Analyst Settlement, which was a court settlement that resulted from the problems in the early 2000s. This settlement established a comprehensive set of rules that severed the link between investment banking and research activities at large banks.

They will be subject to section 501 of Sarbanes-Oxley, which requires research analysts and broker dealers to disclose all potential conflicts of interest in research reports; they will be subject to Regulation AC, which requires research analysts to personally certify that the views expressed in research reports accurately reflect the research analysts' personal views about the securities, and to disclose whether research analysts were compensated in connection with specific recommendations; and, they would still be subject to stock exchange listing standards.

The point is that the protections against these conflicts that the gentlelady from California is concerned about are preserved under our bill, and we would argue that the amendment is not necessary. In fact, what the amendment would do is it would take away what we think is an advantage to our legislation, which is research that would be available on small emerging growth companies which are not covered currently by certain of these regulations.

So I'd like to just ask my colleagues on both sides of the aisle—obviously, the amendment failed on a voice vote, and I would ask, as the amendment goes to a recorded vote, that my colleagues keep in mind that these protections still exist for investors.

With that, I yield back the balance of my time.

Mr. MCCARTHY of California. Mr. Chairman, I urge adoption of the amendment and yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from California (Mr. MCCARTHY).

The amendment was agreed to.

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 112–409 on which further proceedings were postponed, in the following order:

Amendment No. 3 by Mr. HIMES of Connecticut.

Amendment No. 5 by Mr. ELLISON of Minnesota.

Amendment No. 6 by Ms. WATERS of California.

Amendment No. 9 by Mr. CONNOLLY of Virginia.

The Chair will reduce to 2 minutes the minimum time for any electronic vote after the first vote in this series.

AMENDMENT NO. 3 OFFERED BY MR. HIMES

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Connecticut (Mr. HIMES) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 164, noes 245, not voting 23, as follows:

[Roll No. 103]

AYES—164

Ackerman
Altmire
Andrews
Baca
Baldwin
Barrow
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boswell
Brady (PA)
Brown (FL)
Butterfield
Capps
Capuano
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Connolly (VA)
Conyers
Cooper
Costello
Courtney
Critz
Cuellar
Cummings
Davis (CA)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Frank (MA)
Fudge
Garamendi
Gibson
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Himes
Hinchey
Hirono
Hochul
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Kaptur
Keating
Kildee
Kind
Kissell
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Owens
Pallone
Pascrell
Pastor (AZ)
Perlmutter
Peterson
Pingree (ME)
Price (NC)
Quigley
Rahall
Reyes
Richardson
Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Scott (VA)
Scott, David
Serrano
Sherman
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Watt
Waxman
Wilson (FL)
Yarmuth

NOES—245

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Barletta
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Cardoza
Carney
Carson (IN)
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Costa
Cravaack
Crawford

Crenshaw
Crowley
Culberson
Davis (KY)
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Kucinich
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Palazzo
Paulsen
Pearce
Pence
Peters
Petri
Pitts
Platts
Poe (TX)
Polis
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Ross (AR)
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schock
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
Welch
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NOT VOTING—23

Bachus
Braley (IA)
Burton (IN)
Carnahan
Cohen
Davis (IL)
Filner
Hinojosa
Kelly
Labrador
Markey
Moore
Paul
Pelosi
Rangel
Roskam
Schmidt
Schrader
Schwartz
Sewell
Tiberi
Visclosky
Woolsey

□ 1822

Messrs. POLIS, BUCSHON, GUINTA and ROKITA changed their vote from ''aye'' to ''no.''

Messrs. HINCHEY and GUTIERREZ changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FILNER. Mr. Chair, on rollcall 103, I was away from the Capitol due to prior commitments to my constituents. Had I been present, I would have voted "aye."

Mr. BRALEY of Iowa. Mr. Chair, during rollcall vote number 103 on Himes amdt. H.R. 3606, I was unavoidably detained. Had I been present, I would have voted "aye."

Stated against:

Mr. KELLY. Mr. Chair, on rollcall No. 103, my voting card would not register. Had I been able to vote, I would have voted "no."

AMENDMENT NO. 5 OFFERED BY MR. ELLISON

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Minnesota (Mr. ELLISON) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 169, noes 244, not voting 19, as follows:

[Roll No. 104]

AYES—169

Ackerman
Altmire
Andrews
Baca
Baldwin
Barrow
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boswell
Brady (PA)
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Carnahan
Carson (IN)
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Conyers
Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Davis (CA)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Duncan (TN)
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Frank (MA)
Fudge
Garamendi
Gonzalez
Green, Al
Green, Gene
Grijalva
Hahn
Hanabusa
Hanna
Hastings (FL)
Heinrich
Higgins
Hinchey
Hirono
Hochul
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Jones
Kaptur
Keating
Kildee
Kissell
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Pallone
Pascrell
Pastor (AZ)
Perlmutter
Peters
Peterson
Pingree (ME)
Polis
Price (NC)
Quigley
Rahall
Reyes
Richardson
Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Sires
Slaughter
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Watt
Waxman
Welch
Wilson (FL)
Yarmuth

NOES—244

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Cardoza
Carney
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Cooper
Costa
Cravaack
Crawford
Crenshaw
Culberson
Davis (KY)
Dent
DesJarlais
Diaz-Balart
Dold
Dreier
Duffy
Duncan (SC)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Himes
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jordan
Kelly
Kind
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Owens
Palazzo
Paulsen
Pearce
Pence
Petri
Pitts
Platts
Poe (TX)
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuler
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NOT VOTING—19

Cohen
Davis (IL)
Denham
Filner
Gutierrez
Hinojosa
Labrador
Moore
Paul
Pelosi
Rangel
Rush
Schmidt
Schock
Schrader
Schwartz
Shuster
Visclosky
Woolsey

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There is 1 minute remaining.

□ 1826

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FILNER. Mr. Chair, on rollcall 104, I was away from the Capitol due to prior commitments to my constituents. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Ms. SCHWARTZ. Mr. Chair, during rollcall vote number 103 and 104 on Himes and Ellison amendments, I was unavoidably detained. Had I been present, I would have voted "aye."

AMENDMENT NO. 6 OFFERED BY MS. WATERS

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. WATERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 161, noes 259, not voting 12, as follows:

[Roll No. 105]

AYES—161

Ackerman
Andrews
Baca
Baldwin
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boswell
Brady (PA)
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Carnahan
Carson (IN)
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Conyers
Costello
Courtney
Critz
Cummings
Davis (CA)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Frank (MA)
Fudge
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Himes
Hinchey
Hirono
Hochul
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Kaptur
Keating
Kildee
Kucinich
Langevin
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matsui
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Pallone
Pascrell
Pastor (AZ)
Pelosi
Perlmutter
Peters
Pingree (ME)
Price (NC)
Quigley
Rahall
Reyes
Richardson
Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Sires
Slaughter
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Watt
Waxman
Welch
Wilson (FL)
Yarmuth

NOES—259

Adams
Aderholt
Akin
Alexander
Altmire
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Barrow
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Cardoza
Carney
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Cooper
Costa
Cravaack
Crawford
Crenshaw
Crowley
Cuellar
Culberson
Davis (KY)
Dent
DesJarlais
Diaz-Balart
Dold
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garamendi
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
Kelly
Kind
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Lamborn
Lance
Landry
Lankford
Larsen (WA)
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Owens
Palazzo
Paulsen
Pearce
Pence
Peterson
Petri
Pitts
Platts
Poe (TX)
Polis
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schock
Schrader
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NOT VOTING—12

Davis (IL)
Denham
Filner
Hinojosa
Kissell
Labrador
Moore
Paul
Rangel
Schmidt
Visclosky
Woolsey

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There is 1 minute remaining.

□ 1833

Mr. CROWLEY changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FILNER. Mr. Chair, on rollcall 105, I was away from the Capitol due to prior commitments to my constituents. Had I been present, I would have voted "aye."

AMENDMENT NO. 9 OFFERED BY MR. CONNOLLY OF VIRGINIA

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. CONNOLLY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 185, noes 236, not voting 11, as follows:

[Roll No. 106]

AYES—185

Ackerman
Altmire
Andrews
Baca
Baldwin
Barrow
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boswell
Brady (PA)
Braley (IA)
Brown (FL)
Burgess
Butterfield
Capps
Capuano
Carnahan
Carson (IN)
Castor (FL)
Chandler
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Costello
Courtney
Critz
Crowley
Cummings
Davis (CA)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Fitzpatrick
Fortenberry
Frank (MA)
Fudge
Garamendi
Gerlach
Gibson
Gonzalez
Green, Al
Green, Gene
Griffith (VA)
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Hinchey
Hirono
Hochul
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson (OH)
Johnson, E. B.
Jones
Kaptur
Keating
Kildee
Kind
Kissell
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Pelosi
Perlmutter
Peters
Pingree (ME)
Platts
Polis
Price (NC)
Quigley
Rahall
Reyes
Richardson

Richmond
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Sensenbrenner
Serrano
Sewell
Sherman
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman Schultz
Waters
Watt
Waxman
Welch
Wilson (FL)
Yarmuth
Young (FL)

NOES—236

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggert
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Cardoza
Carney
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Cooper
Costa
Cravaack
Crawford
Crenshaw
Cuellar
Culberson
Davis (KY)
Dent
DesJarlais
Diaz-Balart
Dold
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Flake
Fleischmann
Fleming
Flores
Forbes
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gibbs
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Himes
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jordan
Kelly
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Palazzo
Pearce
Pence
Peterson
Petri
Pitts
Poe (TX)
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schock
Schweikert
Scott (SC)
Scott, Austin
Sessions
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (IN)

NOT VOTING—11

Davis (IL)
Denham
Filner
Hinojosa
Labrador
Moore
Paul
Rangel
Schmidt
Visclosky
Woolsey

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There is 1 minute remaining.

□ 1837

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FILNER. Mr. Chair, on rollcall 106, I was away from the Capitol due to prior commitments to my constituents. Had I been present, I would have voted "aye."

Mr. HENSARLING. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. FLEISCHMANN) having assumed the chair, Mr. BISHOP of Utah, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, had come to no resolution thereon.

HOUR OF MEETING ON TOMORROW

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. tomorrow.

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

There was no objection.

□ 1840

ARKANSAS CHILDREN'S HOSPITAL: 100 YEARS OF CARE AND SERVICE TO THE COMMUNITY

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

Mr. GRIFFIN of Arkansas. Mr. Speaker, I rise today in honor of Arkansas Children's Hospital, which is celebrating 100 years of service to Arkansas' children and families. Since it was founded in 1912 as an orphanage, Children's has grown to become one of the largest pediatric hospitals in the Nation. Children's is the only Level 1 pediatric trauma center in Arkansas, and they provide care to all 75 counties. For the past 3 years, it has been included in Fortune's 100 Best Companies to Work For.

Medical breakthroughs, intense treatments, unique surgical procedures, and forward thinking have led to Children's international reputation. This is due to Children's more than 4,000 employees.

I congratulate Arkansas Children's Hospital on their contribution to the health and well-being of our children and families, and to Arkansas' economy.

GAS PRICES

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

Mr. MURPHY of Connecticut. Mr. Speaker, as we do here in Congress every time that gas prices rise, Members from both sides of the aisle are quick to blame each other. The reasons we find ourselves with high gas prices today aren't simple, and we should be wary of anyone who's offering an overly simple, one-stop solution to this crisis. We can take some steps to try to calm these prices today, but the real fixes are going to take years—and a willingness to lower the partisan rhetoric around this issue is going to be part of the equation.

One thing we can do now in the short term is to make sure that our commodities markets are functioning rationally. That means empowering Federal regulators to ensure that oil prices can't be driven simply by financial speculation. We need the Commodities Futures Trading Commission to enforce strong trading limits to police speculation in energy markets, and we here in Congress have to give them the resources they need to do that. The problem we face today isn't one of supply and demand. Demand is at its lowest in 17 years. Supply is at its highest in 3 years. This is a question of making sure that speculation isn't running the price up too fast and too quickly. It's our job to put some speed bumps along the road.

GAS PRICES

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

Mr. CRAWFORD. Mr. Speaker, as of today, the price for a gallon of regular gasoline in my hometown of Jonesboro, Arkansas, is $3.55. Just a year ago, that same gallon of regular gasoline would have cost $2.96. We've all heard the news reports that gas could hit a record of $5 a gallon this summer. The rising cost of gas not only affects my constituents at the pump, it will also drive up the cost of good and services.

Congress can lower gas prices. We can require approval of the Keystone XL pipeline within 30 days. President Obama's rejection of the Keystone project will hit working families at the pump this summer. The American West is primed for oil shale development to provide oil and natural gas. The U.S. Geological Survey estimates we have the equivalent of more than 1.5 trillion barrels of oil in Colorado, Utah, and Wyoming. That's enough to provide the United States with energy for 200 years.

The Obama administration recently announced plans to restrict offshore drilling. After the BP oil spill, strict regulations were put in place to allow

for safe, responsible drilling. Now we need the Obama administration to lift the ban on drilling.

We are blessed to live in a land with abundant natural resources. We need a Federal Government that will get out of the way so that we can develop those resources. Not only will these projects help American families meet our energy needs, they will also help create thousands of jobs in the process.

HONORING CAPTAIN ROBERT C. GRANT

(Ms. WASSERMAN SCHULTZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I rise today to honor the achievements of Captain Robert C. Grant, who has dedicated his life to serving our Nation and protecting the residents of south Florida. Captain Grant is retiring after a distinguished career with the United States Coast Guard Reserve, where he served as the deputy chief of staff of the Seventh Coast Guard District.

His selfless work has included providing support to Operation Desert Shield and Desert Storm, assisting in relief efforts after the devastating 2010 earthquake in Haiti, and building strong bonds between the Coast Guard and the Cuban and Haitian communities of south Florida through dedicated public outreach.

In his capacity as a congressional liaison, he was instrumental in this body's work on combating maritime smuggling and other threats. He has received numerous military awards and unit citations, and is capping a career that has also included service in the United States Air Force Reserve and the United States Treasury Department.

On a personal note, I can't thank Captain Grant enough for his friendship over the years. I know I speak for my staff as well as the greater south Florida community when I say, Captain Grant, we are all so proud of your career and your accomplishments, and you will be sorely missed. Thank you for your service.

INCOME TAX REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Texas (Mr. BURGESS) is recognized for 60 minutes as the designee of the majority leader.

Mr. BURGESS. Mr. Speaker, here we are 5 weeks from the time that we all have to file our income taxes—April 17 this year. It's 99 years since this House enacted the progressive income tax that we now all know by its familiar names that we all use for it. I thought it might be appropriate to spend some time this evening talking about our Tax Code and talking about what might be possible in fundamental reform of the Tax Code.

I have long been a proponent of what is known as a flat tax. I think that is something that is worthy of this House taking up and debating. There is legislation that has been introduced, H.R. 1040 for people who are keeping score at home, and I think this would be a rational approach for people who want to be treated fairly by the Tax Code—our President does talk about fairness in the Tax Code—and for people who are wanting to get out of the tyranny of having to live with a shoe box full of receipts every spring, because I know this weekend when I go home, I'm going to be spending some time with that shoe box of receipts.

The flat tax is an idea that was promulgated by my predecessor here in this House, the former majority leader, Dick Armey. He wrote a book about the flat tax in 1995. I've read it, I embraced it, and I thought it was some of the smartest economic policy I had ever read because I had just lived through what I described as the Clinton paradox.

In 1993, President Bill Clinton, in his first year of office, earned almost an identical amount of money that I earned in my medical practice back in Texas. Now, when the taxes were filed and the reports were given on how much Mr. Clinton had paid that year, he returned about 20 percent of his income in the taxes that he paid. We had earned an identical amount. When I did the same calculation on myself, it was 32 percent. Why should two people who had an identical earning level pay vastly different amounts on their income tax?

The fundamental unfairness of the system as it existed—better accountant, just simply differences in math, why should it account for that type of discrepancy?

So this is a concept that I came to Congress and wanted to push. I have been anxious for this Congress to enter into the debate on fundamental tax reform. I am somewhat encouraged during the Presidential debates that we've heard over the past several months that Presidential candidates have been talking about fundamental tax reform, and the President himself has mentioned creating increased fairness in the Tax Code.

□ 1850

I'm all for that. I think that this is one way that this House could entertain at least having the debate and perhaps provide a way forward for a more sensible structuring of the payment of income taxes in this country.

I'm so very happy tonight to be joined by another Member. ALLEN WEST of Florida has agreed to speak with us during this hour and share with us his thoughts on fundamental tax reform.

I yield to the gentleman from Florida (Mr. WEST).

Mr. WEST. Well, thank you, my dear colleague, Dr. BURGESS of Texas, for allowing me to be here and talk about the reform of our Tax Code.

When you sit back and you look at the progressive Tax Code system that we have here in the United States of America, we hear a lot of talk today about fairness and fair share and economic equality and shared sacrifice. But one of the things we have to come to understand is, when you look at the top 1 percent of wage earners in the United States of America, they're paying close to 40 percent of the Federal income taxes. When you consider the top 5 percent of wage earners in the United States of America, they're paying close to 58 percent of those Federal income taxes. The top 25 percent of wage earners in the United States of America pay 86 percent of the Federal income taxes.

But of course now we're coming to understand that you have a large percentage of Americans—some say it's between 47 to 49 percent—that are paying absolutely nothing in Federal income taxes. It kind of reminds me, my dear colleague, of that movie, ''Ben-Hur,'' when Judah Ben-Hur was sent off to be on the Roman galleys. Of course the commander came down and he said very simply, ''Row well and live, 41.'' Of course we remember that beating.

Well, what happens on that Roman galley if only 25 percent is rowing? That's the situation that we have here in the United States of America. We will never get to ramming speed. We will never fully recover this economy so that we can have the capital that is necessary out there, so that Americans can be able to pay for these exorbitant gas prices, so that small business owners can expand their business.

So I think that now is the time to do exactly what you are talking about: Look at fundamental Tax Code reform so that we can eliminate things such as the death tax; we can eliminate things such as the dividends tax, which a lot of the seniors that I represent down in south Florida and pre-seniors, they depend upon those dividends. Why are we having these exorbitant taxes upon tax?

So I think that this is a great opportunity to have this conversation. I am so honored that you allowed me to stand here and spend some time with you this evening.

Mr. BURGESS. Well, very good. I hope the gentleman will stick around. I've got a few points I want to make, but at any point you feel like you want to expand upon something, please feel free to join back in.

We often hear the saying that there's nothing in this world that's certain except death and taxes; they're both unavoidable. I will tell you, as a practicing physician for 25 years back in Texas, sometimes death seems a little less complicated than our Tax Code.

But again, I draw your attention to H.R. 1040. This is an optional flat tax bill that I have introduced this year—and really for several Congresses now. It does have a number of cosponsors. We are yet to get to ramming speed, as the gentleman pointed out, but I think

with the additional emphasis that has been placed on fundamental tax reform by the Simpson-Bowles Commission, by the Republican Presidential debates, I think this is a debate in which the American people are anxious to participate.

Here's an interesting quote, and it's so interesting that I had a poster made of it. The tax system is so complicated that even IRS Commissioner Doug Shulman has said, ''I find the Tax Code complex, so I use a preparer.'' Wow, the very guy who's in charge of the whole shindig cannot do his own taxes, so he has to hire it out.

So if this learned individual, who is the IRS Commissioner, cannot figure out how to do his own income taxes without a preparer, how in the world is the average Joe supposed to be able to figure this out? I ask that question because I've used this quote for a couple of years. Then last weekend, in The Dallas Morning News, I was struck by this quote, an article where just a regular small business woman was interviewed about how she could possibly file her income taxes, which she didn't understand. She told The Dallas Morning News reporter:

> I don't care what the IRS says, it's complicated. It's much more confusing than I understand. We don't know what we're going to do.

Now, I don't know what this says to you, but it certainly says to me: Time for a change.

I yield to the gentleman.

Mr. WEST. You bring up a great point, Representative BURGESS. When you look at the fact that we have a Tax Code that is some 67,000 pages—as a matter of fact, the American people know that even some of our colleagues up here on Capitol Hill in this very body, the House of Representatives, have had some issues with the Tax Code, also to include our own Secretary of the Treasury has seemingly had some issues with the Tax Code and the confusing nature of which it exists. So, you're right, I think it's an absolutely important time that we go back and we examine this Tax Code, maybe move away from this progressive Tax Code system and simplify it for the American people.

As you know, if we can bring those rates down, if we can lower the deductions, if we can get rid of a lot of the loopholes on the personal income tax side and also the corporate tax side, think about what we can do for generating economic growth here in America.

Mr. BURGESS. I think the result would be absolutely outstanding. One of my wishes is that I live long enough to see that glorious day when the chains are taken off the American economy, the chains imposed by the Tax Code.

I actually wasn't going to bring up some of our esteemed heads of Federal agencies, even the esteemed heads of congressional committees last year charged with writing the laws that govern what other Americans are having to pay in their taxes. These individuals simply could not comply because it was too complicated. The very individual who was in charge of the committee with writing the tax laws found himself afoul of those same laws. The very head of the U.S. Department of the Treasury found himself afoul of some of the Tax Code because, again, he alleged the complexity in the system.

So the Tax Code has grown by so much since it was introduced some 99 years ago. When it was first created that infamous year, the Tax Code comprised a total of 400 pages. As the gentleman from Florida just mentioned, it has grown to almost 70,000 pages.

Remember, one of the fundamental tenets of the American legal system, including the tax system, is that ''ignorance of the law is no excuse.'' Therefore, theoretically, every single American who is merely trying to comply with the law and get their taxes filed by April 17 this year is required to be familiar with 70,000 pages of tax rules.

Now, I don't do my own taxes. I don't trust myself to do my own taxes. I know I'm not smart enough. With four college degrees, I couldn't possibly handle this. But I doubt that even the tax attorney that I employ at great expense is familiar with all 70,000 pages, let alone the single mom back in Dallas, Texas, that I referenced.

The complexity of the Tax Code is a consequence of countless deductions and exemptions aimed at steering a social agenda. That might surprise some people. The Tax Code is used to steer a social agenda. But it's supposed to be a Tax Code.

So what does that mean?

It means that the special interests are running rampant in the Code. Any time Congress wants to punish or reward—we call it incent behavior—we add either a credit or a tax to the IRS code. An example of this would be the, say, 23 new taxes that were included in the Affordable Care Act.

Let me pause for just a minute. I get a lot of criticism from people who say: You're a doctor. You should have been for health care reform. But the bill that was signed by the President 2 years ago this March was not a health care bill; it was a tax bill.

Now, how do I know that?

I know that because, of course, the House passed its own bill on health reform, but when the Senate passed a bill on health reform, it wasn't the bill the House had worked on. It was not H.R. 3200. H.R. 3200 passed in this house November 9, 2009, and it immediately went to the dustbin of history. The bill that ultimately became the Affordable Care Act was called H.R. 3590, and it passed the Senate famously on Christmas Eve.

Oh, wait a minute. It was the Senate. Why was it a House bill number? Interestingly, H.R. 3590 started life as a housing bill, a bill to deal with veterans housing. It passed this House in July of 2009. I think I voted against it. I honestly don't remember. But H.R. 3590 had not one word about health care; it had not one word about taxes.

□ 1900

It goes over to the Senate, sits in the hopper, gets picked up by the Senate majority leader when he needed a vehicle to put a health care bill through the House. But he knew that it was fundamentally a tax bill and not a health care bill, so it had to originate in the House of Representatives.

So here's a convenient bill number, H.R. 3590. Amend it, strip all the housing language out of it, and then you start putting the health care language in it. That's how we get a health care bill that is really a tax bill passed initially by the Senate and then subsequently ratified by the House in March of 2010.

It was a dreadful process; and for anyone who remembers those days, it was certainly some pretty dark dealing from the bottom of the deck, and that's why the health care bill has been so unpopular. It was unpopular when it passed, and it stays unpopular to this day. And I hope that we are going to be able to get something done about it, if not this year, then next.

But back to the Tax Code. Twenty-three new taxes in the Affordable Care Act because, again, Congress wants to punish their enemies or reward their friends.

Well, how do you figure special interests like ethanol and the special treatment they get in the Tax Code?

The results of these actions is a compilation of laws fraught with opportunities for, yes, avoiding taxes, but also perhaps just simply making a mistake or not understanding all of the loopholes. And all of this, then, comes down to the expense of fellow Americans.

Now, everyone's familiar with the problems of the Tax Code. We all criticize it. It's almost like an American pastime to do that. But here are some interesting facts that further demonstrate why we need fundamental tax reform.

Mr. WEST. And if I can, my colleague.

Mr. BURGESS. I yield to the gentleman from Florida.

Mr. WEST. I'd like to talk about one of the things you just mentioned, how we are using the Tax Code as a weapon for behavior modification. You just brought up exactly one of the things we have to be very concerned about is all of the new taxes that will kick in in the Patient Protection and Affordable Care Act from January 2013 out to January of 2018. One of those taxes even includes a real estate transaction tax.

Now, why would we tax people for going out and selling homes and purchasing homes?

Those are the types of hidden things that you find in that bill, and that's why we need to come back and simplify

this Tax Code so that we don't have politicians using it for a certain ideological agenda.

But there's another unintended consequence that I see occurring down in our district because of this very complicated Tax Code. Now, you have many different shady typed of operators out there that are talking about how they will help prepare that Tax Code.

You know, when you drive by and you see the person spinning the arrow, or dressed up like the Liberty Bell, or something of that nature. And now we're finding that many of these places are rampant with tax fraud, that people are not getting their tax returns back.

Now think about, just as you have recommended, a simplified Tax Code. Think about what is happening with tax fraud that is targeting our seniors so that now you have people that are going trying to file their tax form and they are finding out that someone has already done it under their presumed identity. If we could simplify this, a lot of those unintended consequences would not be happening.

Mr. BURGESS. That's absolutely correct.

Here's a few fun facts that I've compiled over the years on the income tax code. Each year, America spends 6.1 billion hours preparing their tax form. It turns out that's 254 million days. Who knew?

The cost of compliance for Federal taxpayers filling out their returns and related chores was $163 billion in 2008. That's 11 percent of all income tax receipts. Think about that just for a moment. We could have an 11 percent increase in revenue to the Federal Treasury if these costs were not incurred.

The Tax Code has grown so long that it's become challenging even to figure out how long it is. A search of the Tax Code in 2010 turned up 3.8 million words. A 2001 study published by the Joint Commission on Taxation put the number at 1.3 million words. A 2005 report put the number of words had almost tripled since 1975. Such is the pace, the rate, at which new regulations are being added.

A study done in 1998, when the forms were even less complicated, was surveyed by 46 tax experts. They kind of ran some hypothetical numbers on a hypothetical earning, and each expert came up with 46 different answers from 46 tax experts when determining tax liability. The calculations ranged from a low of $34,000 to a high of $68,000. The one who directed the test even stated that his computation is not the only possible correct answer. And yet we are asking our fellow Americans, our fellow citizens, to make this same type of leap of faith every year when they fill out these forms.

They don't want to be non-tax compliant. They don't want to be perhaps afoul of the law. But the problem is it is so complicated that they literally have no choice.

Mr. WEST. One of the pieces of legislation that we are currently considering is how do we spur on capital for our small businesses. Now, think about what you are recommending, Dr. BURGESS, where you look at the personal income tax rate. And right now we have this progressive Tax Code system. What if we were to flat tax that out? One single rate?

Think what that would do for small businesses who operate from that personal income tax rate, subchapter S and LLCs. Think about the fact of how they go from being at the top end, maybe 35, 38 percent of that bracket. Now we bring it down a little bit lower, like you suggest in 1040.

What happens with that capital now we've put back in their pockets? What can they do with those small businesses? What can they do with providing the right types of benefits for their employees? What can they do to expand that business?

That's why what you're bringing up is one of the critical things we have to look at if we are truly going to turn around the economic situation here in America.

Mr. BURGESS. Well, they might spend it on goods and services produced by other Americans, which would help their businesses; or they might reinvest it in their own business and perhaps hire a new person, even with the threat of the health care act hanging over their heads.

The Tax Foundation estimated in 2007 that the average person spends 79 days working to pay their Federal taxes, another 41 days for their State and local taxes. To pay the Federal taxes is more than people pay in health care, housing, and transportation.

You can kind of see the return on investment for those other areas, but I'm not quite sure that people see the return on investment as they're forced to pay their Federal income taxes. We all complain about paying taxes; but the fact is, if the system was fair and simple, it would be easier to take.

Now, Americans don't mind paying for roads. They don't mind paying for a strong defense or for health care. But if the family who lives next door is paying a smaller share of the tax burden than you, living right next door, are forced to pay at a higher rate just because they have a better accountant, that simply doesn't make sense to people.

The Declaration of Independence states that all men are created equal, and I believe that should apply to our Tax Code.

Time is precious. All of us don't have enough time to do all of the things that are in our daily living. We've got to earn a living, raise our family, discipline our kids, spend time with friends.

And then the dollars-and-cents side of the equation, where time is money, valuable resources are squandered navigating the tax laws instead of growing the economy and instead of creating jobs.

Taken together, this is a strong prescription for real change in our Tax Code. And the good news is we know it works. We've seen it before. We caught a glimpse of it in 1986 when Ronald Reagan cut the Code in half. As a result of that reform, the economy grew, revenues increased, jobs were created.

I can't think of a better prescription for our economy than replicating the reform of the Tax Code on an even greater scale.

So what to do? To me, the prescription is very simple. Flatten the tax, broaden the base, shift the burden away from families and small businesses. Simplify the Tax Code and make it easier for businesses and families to use.

Now, even the National Taxpayer Advocate, Nina Olson, repeatedly states simplification of the Tax Code as one of her recommendations to her annual report to Congress. In 2009 she was quoted as saying, the complexity of the Code leads to perverse results. On one hand, taxpayers who honestly seek to comply with the law can make inadvertent errors, causing them to either overpay their tax, or to become the subject of an IRS enforcement action for mistaken payments of tax. On the other hand, sophisticated taxpayers often find loopholes that enable them to reduce or eliminate their tax liability.

Now, look, this is the National Taxpayer Advocate, and she thinks it's best for our constituents if we simplify the system. So it makes sense for Members of Congress to take up that sentiment and work toward that goal.

Mr. WEST, I can assure you your constituents and my constituents already know that.

Mr. WEST. You're absolutely right. Our constituents back in south Florida—and of course we get a lot of email from all across the country, and, hopefully, we'll get some of that email tomorrow after this Special Order—but they understand a single flat rate.

All flat tax proposals have a single rate, and usually that single rate is less than 20 percent. That low flat rate solves the problem of a high marginal tax rate by reducing those penalties against productive behavior such as work and risk-taking and entrepreneurship.

□ 1910

Also, you eliminate a lot of those special preferences because flat tax proposals would eliminate provisions of the Tax Code that bestow preferential tax treatment on certain behaviors and activities. Guess what? It reduces that influence of lobbyists up here that you already talked about.

When you get rid of deductions or lower those deductions, credits, exemptions, and other loopholes, that also helps to solve the problems of complexity, allowing taxpayers to file their tax returns on that one simple form. That's why H.R. 1040 is a great step forward.

Mr. BURGESS. Just a few years ago, a group called American Solutions conducted a nationwide poll on different topics relating to the Tax Code and on taxes and jobs. They crossed gender, ethnicity, economic, and party lines and discovered the following interesting facts about America:

The majority of people in America, 69 percent to 27, think the American tax system is unfair;

A majority believe that the death tax should be abolished, 65 percent;

A majority favor tax incentives for companies who keep their headquarters in the United States of America, 70 to 26;

Taxpayers should be given the option of a single income tax rate of 17 percent;

Taxpayers would still have the option of filing their taxes in the current system if they chose to do so. That was a 61 percent favorable;

The option of a single-rate system should give taxpayers the convenience of filing their taxes on a single sheet of paper. Guess what. That one was 82 percent of our constituents believe, our fellow Americans, believe they should be able to file their Federal income taxes on a single sheet of paper.

America has spoken. The evidence is clear, and we need real change in our tax system. The encouraging news is that we do have a practical and effective blueprint for making this change across the board. The blueprint, of course, is the flat tax.

In 1981, Robert Hall proposed a new and radically simple structure that would transform the Internal Revenue Service and our economy by creating a single rate of taxation for all Americans. Today, several States with their State income taxes have implemented single-rate tax structures for their State income taxes. From Utah to Massachusetts, citizens are seeing the benefit. In Colorado, a single tax rate generated so much income that the revenue—that lawmakers were actually able to reduce rates. In Indiana, the economy boomed after a single rate went into effect in 2003, and the following 3 years the corporate tax receipts rose by 250 percent.

Here in Congress, there is no shortage of champions who've worked on the problem. I've been involved in this for a number of years, but prior to my coming here, Congressman DAVID DREIER of California, the chairman of the Rules Committee, has spent a number of years working on this concept. PAUL RYAN, our budget chairman, PAUL RYAN of Wisconsin, chairman of the Budget Committee, has worked on this problem for a long time. MIKE PENCE of Indiana, who was our conference chair last term, of course my friend ALLEN WEST of Florida, all working to establish a simple tax rate structure for our country.

Other Members are working on this in the Senate as well. And let's be honest: This is a time where Congress is not held in high regard, and this would be a tremendous deliverable for the House and the Senate to work together on simplifying the Tax Code and actually returning not just dollars to the American people, but giving them back their time that we rob from them every year when we enforce compliance with the Tax Code.

Not everyone may agree on precisely where the flat tax rate should be. Seventeen percent, no deductions, is something that's been talked about for some time. I think that is certainly a system that is worthy of study. But if someone else wants to talk about a system with two or three rates or if they want to maintain deductions, we should be able to have that debate. We should have it civilly. It shouldn't be something that we clobber each other over the head about.

But every American should bear this burden equally at the lowest rate possible, and everyone should be able to do their taxes without the help of a professional. People should be confident that when you earn the same income as the person across the street, you pay the same income taxes at the end of that year.

Just by way of comparison, according to the Internal Revenue Service, there are 1.2 million tax professionals preparing taxes during the tax season, which is roughly equal to the population of the State of Hawaii.

There are 950,000 doctors in the United States. Now, as a physician, I think this number is off; it's askew. Healers should not be outnumbered by tax preparers. It makes no sense. More people should go into medicine and less into tax preparation, and it will provide them the simplicity in the Tax Code. Perhaps that can happen.

But let's also be honest. The accountants who do your taxes would much rather be talking to you about your long-term life planning, your planning for your retirement, your planning for covering expenses if you become disabled; they would much rather talk to you about life planning than they would talk to you about how they disrupt your life with the Tax Code.

I yield to the gentleman from Florida.

Mr. WEST. Thank you once again, dear colleague. You bring up a great point when you talk about your after years, your retirement years.

But I think another thing we need to be considering is: How do we spur on investment in the United States of America? How can we spur on innovation and ingenuity? When you look at the flat tax, then you can get rid of double taxation of savings and investment, because flat tax proposals would eliminate the Tax Code bias against capital formation by ending the double taxation of income that is saved and invested.

This means that we get rid of the death tax. We can get rid of capital gains tax. Definitely, we can reduce it. Most importantly, we get rid of the double tax on dividends.

By taxing income only one time, a flat tax is far easier to enforce and more conducive to the one thing that we need in the United States of America right now: job creation and capital formation. It's all about having the right type of tax policies that emanate out of this body, the House of Representatives, and that's why we have to get behind your proposal.

Mr. BURGESS. According to H&R Block, which is one of the major preparers of income taxes in this country, now 60 percent of Americans use some type of preparer for their income tax return, and quite likely that number is going to increase. In 1960, less than a fifth of taxpayers used tax preparers. In 2011, H&R Block garnered $3 billion in tax preparation revenue, up from $1.5 billion, so they doubled in the previous 10 years.

I've got nothing against this company. I think they do a good job. I've got nothing against my own accountant. But it's an indictment of our system when a tax preparer has seen their revenues increase so much, and it really is a shame.

The United States Congress has it within their power to change this, to transform this, and they simply will not do it, and instead they continue to create a system that is so complicated that more than half of the public feel the need to pay someone else just what they owe at the end of the year to Uncle Sam.

I will tell you, it just simply does not have to be this complicated. Let me show you what is possible if we were to transform the system into a simple, single-rate tax.

Here is the form. This is not the long form. It's not the short form. It is simply the tax form. Maybe someone at home should time me, But here you go:

Write in your name, a little bit of identification data, your income, a line for personal exemptions, calculate your deductions from your personal exemptions, your taxable income, and calculate your tax by multiplying by a flat rate, subtract the taxes already withheld, and you're done.

So what did that take? Thirty seconds, a minute if you write slow?

This is not a complicated formula. This is not a complicated scheme, and most people would be able to do this themselves without a lot of outside work or outside preparation. So no more tax preparation bills, no more tax attorney bills. Gone are the hours of stressful research trying to figure out things like how your marital status will affect your return or how many children affect your return. No more headaches in trying to determine where the estimated tax payments go. No more Congress picking one group over another just because they've got a clever lobbyist to advocate on their behalf. Instead, we just deliver a simple system to the American people.

Now, as you have said, a single-rate structure would eliminate the taxes on capital gains, taxes on dividends, taxes

on savings. Those things should only be taxed one time. Personal savings would increase.

□ 1920

I will never forget the time during the prior recession in this country—the savings and loan debacle, the meltdown. I was in solo practice in Texas, and I got worried at one point that I was not going to be able to meet my obligations. As we emerged from that and as cash flow picked up a little bit, I thought, you know, I am going to keep money in certificates of deposit, enough to cover 3 months of operating expenses so that I'll never again have to worry about the dire wolf being at the door. So I did that, and I kept that money there for a couple of years.

What I found out by doing that maneuver is that when that money eventually returned to the partnership and was distributed to the partners, we had paid corporate taxes on it at 38 percent, and then we had paid personal income taxes at 39.6 percent because we were all doing pretty well by that time. Needless to say, my partners were not amused by the fact that I had conjured up a scheme that I had thought would save us from ruin but that, in fact, exposed us to double taxation under the IRS code.

Mr. WEST. You're absolutely right.

When you think about last year, our GDP growth over the four quarters of about .4 percent, 1.0 percent, 1.3 percent, and the revised number in the last quarter of 3 percent, that's why, once again, economists will tell you that the two principal arguments for a flat tax are growth and fairness, which you just brought out.

They are attracted to this idea because the current tax system, with exorbitantly high rates and discriminatory taxation on savings and investment, reduces growth; it destroys jobs and it lowers incomes. A flat tax would not eliminate the damaging impact of taxes altogether; but by dramatically lowering rates and by ending the Tax Code's bias against savings and investment, it would boost our economy's performance, especially when we compare it to the present Tax Code.

I think, Dr. BURGESS, my dear colleague, if you look at where flat taxes have been instituted, you've seen GDP growth in those countries. So what holds us back from doing something that is just common sense?

Mr. BURGESS. The country of Estonia was a case in point a few years ago when they reported on their experience with the flat tax.

I think this is a good system, but do you know what? I am willing to admit to you that I do not know the best for every family in America. Some people would criticize this system by saying, Well, wait a minute. I need that income tax deduction for my home mortgage. I need that income tax deduction for charitable donations. That may be right; but I do know this, that you should have the option of saying, I accept a single flat-rate tax, and I am going to give up those other deductions.

It should be your option. It should not be the United States Congress that is dictating to each and every American what they shall and shall not do. If you have constructed your life by living around the IRS code, then you should be able to continue doing that. If that is the reason by which you've made economic decisions in your life, you should be able to live by those decisions. Congress should not be disruptive in this process.

I, personally, would give up all of the itemized deductions that I keep in order to get rid of having to keep up with those itemized deductions. Would I still give money to charity? Absolutely. Would I still turn stuff over to the Salvation Army and to Goodwill? Absolutely. It's no fun keeping up with those things and then having to report them to my accountant, and I always worry that I've left something off and that I'm not getting all that's owed to me off of my income tax return.

I would so much rather have a system that was simple and with which, within a few hours every spring, I could be done. The United States gets its money. I get the satisfaction of knowing I've done it correctly, that I'm not going to jail for some perceived misconstruction on the Tax Code, and that no others have gotten a better deal than I have because they were more clever about how they declared those charitable deductions, for example.

Let me give you an example of the mortgage tax deduction, because I do have a lot of friends who are in the real estate business, and they're concerned about losing that home mortgage deduction. It's one of the bedrocks on which the economy has been built over the years:

If you have invested in a starter castle in California and if your house payments are largely of interest and not much of principal, you probably don't want to do this because that number is likely very high; but if you live in Fort Worth or San Antonio, Texas, where the average home mortgage is much, much smaller, if you do the numbers, if you run the numbers, you'll find that the amount of money you actually get to keep from that mortgage income tax deduction is actually fairly modest.

I would give that up in a heartbeat to be out from under the tyranny of the shoebox full of receipts, but I fully understand how some families have made the decision. A home is a pretty important investment. After all, I get to write off the cost of the mortgage home deduction, so I will make this investment in this size of a home. It would be wrong for the United States Congress to say, as of next year, you don't get to do that anymore. The real estate market has already suffered, and it would suffer worse if Congress were to make a sudden decision like that.

So make it optional. You can either stay in the Code and keep doing what you've been doing, or you can evolve and come into the promised land of a flat tax and give up that shoebox full of receipts. The important thing here is it's your choice; it's your option.

Now, I will say that once you opt into the flat tax, you can't go back and forth into the Code and out of the Code depending upon what kind of year you have and what kind of investments you make. Once you make the decision to go into the flat tax, there you'll stay. I fully believe that, even though some people might not do as well under a flat tax system, because it is so much simpler and because it returns time to their lives, they will opt for this; and as a consequence, we will see the number of people participating in the IRS Code dwindle down to an ever-smaller number until, one day, it just vanishes under its own weight and the country is completely freed from the tyranny of the IRS Code.

Mr. WEST. You're absolutely right.

I think the most important thing we have to come to understand is that this time belongs to the American people. The money, the resources, belongs to the American people. Let's give them the option to do what is best for them in their lives—the option of going to a flat tax or staying in the current progressive Tax Code system with the options of the mortgage interest tax deduction, the child tax credit, charitable contributions, as we reduce those deductions.

But let's start treating the American people as adults. The key thing that has to accompany this is we have to reduce the size and scope of government as well because, as we start to focus more so on Main Street, as we start to focus more so on the hardworking American taxpayers and what's best for them, then we can have that investment at their level. We can have the growth at their level.

One of the things that really does trouble me is that when you drive around Washington, DC, you see a lot of construction cranes. Business is good up here, which means that there are fewer pockets of the hardworking American workers, that there are fewer pockets of the small business owners; and this is the means by which we unlock that entrepreneurial spirit that will grow this economy.

So that's why I hope that, in this Congress, which is one of the reasons I came here, we do those big reforms that show the American people that we're serious about turning this economy around and that we're serious about creating the right type of policies that set the conditions for job creation.

Mr. BURGESS. Our time here has almost concluded.

The gentleman is exactly right. All of the improvements in the Tax Code really become meaningless if we don't reduce the size and scope and the footprint of the Federal Government. You're right about the cranes that are all over town. But after those buildings

are built, let's be honest in that the money invested in the Federal Government doesn't really produce all that much, does it? We don't make things here during the day other than laws and regulations that interfere with other people's lives. We need to have this government smaller and more manageable.

We talk a lot about transparency, and I think transparency is good. The problem is you have something that is so complex, like the IRS Code, that even though you may have the ability to look inside it, you won't know what you're finding when you get there. If you have a system that's as simple as this, people are able to know what their government is costing them and what they are getting from that bond with the government.

If they didn't like that equation, they could change. They could change their Members of Congress; they could change their Senators; they could change their President. That's the beauty of living in the representational Republic that we all know and love here in the United States of America, and it is the thing that, arguably, has made us great—government with the consent of the governed. Wouldn't it be great if that governed knew just exactly what it was costing them, and then perhaps they could find out where those dollars were going.

I mentioned earlier that Budget Committee Chairman PAUL RYAN has called for broadening the base and lowering the rates. Obviously, I want to work together with him. Ways and Means Chairman DAVID CAMP has promoted the simplification of the Tax Code. The President, himself, through the Bowles-Simpson Commission, talked about it. Whatever the tax proposals are that we look to in the future, we need to remember that a flat-tax system could be less costly, saving the taxpayer over $160 billion a year, reducing tax compliance costs by over 90 percent, with a resulting increase in personal savings.

Here you go. How about a debt-free stimulus package, a gift to the American people, that could have an immediate effect on the American economy. American Solutions looked into this question in 2009: 80 percent of Americans favor an optional one-page tax form with a single rate. Who could complain about making something easier? And we've got 70,000 pages of the Tax Code and more on the way this December when we get through with the so-called ''lame duck session.'' I don't know about you, Mr. WEST, but it scares me half to death to think about what's coming at the end of this year. The current process comes at a cost that's way too high for the American people and that costs way too much time.

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Mr. WEST. Thank you so much to my colleague from Texas, Dr. BURGESS, and I think the seminal argument is this: We're talking about economic freedom for the American people, as opposed to economic dependency upon government. This incredible, exorbitant system that we have, it is complex to the point where it is causing more pain for the American people and causing them to have the freedom that they deserve.

Mr. BURGESS. Mr. Speaker, of course, I know I must direct my comments to you. April 17 is coming up. It's rapidly approaching. I know people are focusing and will begin to focus more and more on this issue for what remains of the month of March and the first couple of weeks of April, because they'll be having to arrange their own taxes, deal with their own shoe boxes full of receipts.

This is the time to make the point that it is time to return time and money to the American people. Let's get behind the flat tax.

I yield back the balance of my time.

SPEAK OUT FOR WOMEN ACROSS AMERICA

The SPEAKER pro tempore (Mr. FLORES). Under the Speaker's announced policy of January 5, 2011, the gentleman from Illinois (Mr. QUIGLEY) is recognized for 60 minutes as the designee of the minority leader.

Mr. QUIGLEY. Mr. Speaker, it's an honor to be here tonight to speak out for women across America who rely on contraception for their health and well-being. I want to emphasize the world ''health'' because at it's heart that's what this debate is all about.

There has been a great deal of discussion about religion in this debate, but we want to use tonight to remind policymakers and Americans everywhere what's really at stake when we talk about contraception, and that's the health and well-being of millions of women and their families.

Ninety-nine percent of sexually active women have used contraception, including 98 percent of sexually active Catholic women. More than half of women between the ages of 18 and 34 have struggled to afford contraception. It's also important to recognize 28 States already require contraception coverage, and 57 percent of Catholic voters support the new policy requiring contraception coverage.

But today we want to move beyond statistics and tell human stories, the stories of women all across America who rely on contraception for a variety of vital health needs. Tonight I just want to share one of many stories I have received from women in my district. The story I want to share is from a young woman in my district in Chicago named Annalisa. Annalisa was so moved by the story of the young woman from Georgetown who was denied contraception to treat her ovarian cyst, she wrote me this letter:

> I would like to applaud your decision to walk out of the one-sided talk about birth control coverage. I have a similar story to that of the rejected witness' friend.
>
> I had my right ovary removed shortly after I turned 18 due to a large cyst that not only threatened my fertility, but I was told if it grew any larger it could burst and also threaten my life. My left ovary also had multiple smaller cysts, but they were able to be removed while leaving the ovary intact.
>
> My doctor said I was one of the youngest with such a problem, and the cyst was so large it was sent to be researched. Before I was even sexually active I was prescribed birth control pills to preserve my remaining ovary and to take my fertility beyond the age of 18.
>
> It saddens me to no end that some people don't understand the many uses and life-saving abilities of birth control. I hope to be a mother someday, a darned good one, and I thank you for standing up for women like me.

Well, I want to thank Annalisa for her bravery and sharing her story with me and allowing me to share it tonight. But Annalisa is not alone. Her story is the story of thousands of women around the country whose health relies on contraception. We will hear more stories like Annalisa's tonight.

But I hope that the next time we engage in a debate about restricting access to contraception, we remember Annalisa and women like her, and we remember that for thousands of women, contraception is not a question of religion but a question of life and death.

In addition to non-contraception health benefits, the contraception benefits of birth control cannot be understated. The simple fact is millions of women use birth control to delay or avoid pregnancy.

According to the American College of Obstetricians and Gynecologists:

> A full array of family planning services is vital for women's health, especially for the two-thirds of American women of reproductive age who wish to avoid or postpone pregnancy.

Nearly half of all pregnancies in the U.S. are unintended, and unintended pregnancies can have serious health consequences for women. For example, for some women with serious medical conditions such as heart disease, diabetes, and high blood pressure, a pregnancy could be life threatening.

Children born from unintended pregnancies are also at greater risk of poor birth outcomes such as congenital defects, low birth weight, and prematurity. According to the National Commission to Prevent Infant Mortality, 10 percent of infant deaths could be prevented if all pregnancies were planned.

I want to share another story of a young woman named Katy from my home State of Illinois. Katy, like millions of women across the country, currently relies on contraception because she is pursuing her career and wants to do so without getting pregnant. Here's what Katy wrote:

> Birth control is important to me personally because I am a 23-year-old medical student who would be distraught if I became pregnant. Don't get me wrong, I love children and dream of the day that I can become

a mother. That time isn't when I have $81,000 in medical school debt after just 2 years of medical school. That time isn't when I study for most hours of the day. That time isn't when I have no job, and my only source of 'income' is the overpayment checks I receive for my financial aid.

Birth control is important to me because I can't be a mother right now but want to have the option in the future. Birth control gives me the option to retain a somewhat normal intimate life with my partner of 8 years while still protecting my dreams of a future in medicine. That future would be extremely hard to obtain with an infant to care for.

Contraception has transformed our society by allowing women like Katy to take their own health and their own future into their own hands. Women have the power to decide when and how many children to have, which has allowed them to pursue successful careers and enter the workforce like never before.

But in the end, this is not about work versus home life. This is about empowering women to decide for themselves. Birth control lets women choose their own life paths, and that's why it is vital that we protect it.

I also want to remind opponents of contraception coverage that contraception prevents abortion. Nearly half—49 percent—of pregnancies in the U.S. are unintended, and 42 percent of unintended pregnancies end in abortion. Although abortion and contraception are one degree removed, it is easy to see that increased use of contraception will reduce unintended pregnancies and, therefore, reduce abortion rates.

The data shore this up as well. According to a study published in the American Journal of Public Health, the recent decline in pregnancy rates amongst American teens ''appears to be following the patterns observed in other developed countries, where improved contraception use has been the primary determinant of declining rates.''

Teen pregnancy is at a 30-year low, due in large part to increased contraception use. Another recent study found that California's family-planning program averted nearly 300,000 unintended pregnancies, 100,000 abortions and 38,000 miscarriages.

Finally, a Guttmacher Institute study of nationwide family planning programs found similar reports. According to Guttmacher:

Publicly funded contraceptive services and supplies help women in the U.S. avoid nearly 2 million unintended pregnancies each year.

In the absence of such services—from family planning centers and from doctors serving Medicaid patients, estimated U.S. levels of unintended pregnancy, abortion and unintended birth would be nearly two-thirds higher among women overall, and nearly twice as high among poor women.

There can be no denying that contraception prevents abortion. This means abortion opponents should be bolstering contraception programs, not banning them.

We should be able to find common ground on the issue of contraception—a basic health service already utilized by the vast majority of American women.

I hope we can work together to expand important investments in family planning such as title X and Medicaid.

And I hope we can move forward with the important new rule requiring coverage of contraception, to empower women, improve health, save lives, and reduce abortions.

Mr. Speaker, I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DAVIS of Illinois (at the request of Ms. PELOSI) for today after 4 p.m. and the balance of the week.

Ms. MOORE (at the request of Ms. PELOSI) for today and the balance of the week on account of a family medical emergency.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1886. An act to prevent trafficking in counterfeit drugs, to the Committee on the Judiciary.

ENROLLED BILL SIGNED

Karen L. Haas, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4105. An act to apply the countervailing duty provisions of the Tariff Act of 1930 to nonmarket economy countries, and for other purposes.

ADJOURNMENT

Mr. QUIGLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 42 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, March 8, 2012, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

5196. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Indoxacarb; Pesticide Tolerances [EPA-HQ-OPP-2011-0578; FRL-9336-7] received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5197. A letter from the Secretary, Department of Defense, transmitting Report to Congress on the Review of Laws, Policies and Regulations Restricting the Service of Female Members in the U.S. Armed Forces; to the Committee on Armed Services.

5198. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting a letter regarding special account funds; to the Committee on Energy and Commerce.

5199. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Revisions to the California State Implementation Plan, Joaquin Valley Unified Air Pollution Control District [EPA-R09-OAR-2011-0761; FRL-9501-6] received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5200. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Air Quality Designations for the 2010 Primary Nitrogen Dioxide (NO2) National Ambient Air Quality Standards [EPA-HQ-OAR-2011-0572; FRL-9624-3] (RIN: 2060-AR06) received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5201. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Approval of Air Quality Implementation Plans; Maryland; Preconstruction Permitting Requirements for Electric Generating Stations in Maryland [EPA-R03-OAR-2011-0623; FRL-9628-7] received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5202. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Implementation Plans; Alabama, Georgia, and Tennessee: Chattanooga; Particulate Matter 2002 Base year Emissions Inventory [EPA-R04-OAR-2011-0084-201167(a); 9628-2] received February 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5203. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of State Plans for Designated Facilities and Pollutants; State of Florida; Control of Large Municipal Waste Combustor (LMWC) Emissions From Existing Facilities; Correction [EPA-R04-OAR-2010-0392(a); FRL-9628-6] received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5204. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Disapproval and Promulgation of Air Quality Implementation Plans; Montana; Revisions to the Administrative Rules of Montana — Air Quality, Subchapter 7, Exclusion for De Minimis Changes [EPA-R08-OAR-2011-0100; FRL-9495-9] received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5205. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Modification of Significant New Uses of Tris Carbamoyl Triazine [EPA-HQ-OPPT-2011-0108; FRL-9330-6] (RIN: 2070-AB27) received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5206. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Revisions to the California State Implementation Plan, California Air Resources Board — Consumer Products [EPA-R09-OAR-2011-0800; FRL-9609-7] received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5207. A letter from the Secretary, Department of the Treasury, transmitting as required by 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, 50 U.S.C. 1703(c), a six-month periodic report on the national emergency with respect to Lebanon that was declared in Executive Order 13441 of August 1, 2007; to the Committee on Foreign Affairs.

5208. A letter from the Corps of Engineers, Secretary, Mississippi River Commission, Department of Defense, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act covering the calendar year 2011, pursuant to 5 U.S.C. 552b(j); to the Committee on Oversight and Government Reform.

5209. A letter from the Chairman, Council of the District of Columbia, transmitting Transmittal of D.C. ACT 19-313, ''Streetscape Reconstruction Temporary Act of 2012''; to the Committee on Oversight and Government Reform.

5210. A letter from the Chairman, Council of the District of Columbia, transmitting Transmittal of D.C. ACT 19-314, ''Medical Marijuana Cultivation Center and Dispensary Locations Temporary Amendment Act of 2012''; to the Committee on Oversight and Government Reform.

5211. A letter from the Chairman, Council of the District of Columbia, transmitting Transmittal of D.C. ACT 19-315, ''Historic Property Improvement Notification Amendment Act of 2012''; to the Committee on Oversight and Government Reform.

5212. A letter from the Chairman, Council of the District of Columbia, transmitting Transmittal of D.C. ACT 19-318, ''Board of Ethics and Government Accountability Establishments and Comprehensive Ethics Reform Amendment Act of 2011''; to the Committee on Oversight and Government Reform.

5213. A letter from the HR Specialist, Office of Navajo and Hopi Indian Relocation, transmitting first annual report on the category rating system as required by 5 U.S.C., Section 3319(d); to the Committee on Oversight and Government Reform.

5214. A letter from the Secretary, Department of Transporation, transmitting the Department's report of obligations and unobligated balances of funds provided for Federal-aid highways and safety construction programs for Fiscal Year 2010 as of September 30, 2010; to the Committee on Transportation and Infrastructure.

5215. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Airplanes [Docket No.: FAA-2011-0717; Directorate Identifier 2010-NM-108-AD; Amendment 39-16869; AD 2011-24-05] (RIN: 2120-AA64) received February 16, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5216. A letter from the Assistant U.S. Trade Representative for WTO and Multilateral Affairs, Office of the United States Trade Representative, transmitting the Administration's Annual Report on Subsidies Enforcement, pursuant to the Statement of Administrative Action of the Uruguay Round Agreements Act; to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. SOUTHERLAND:

H.R. 4150. A bill to remove from the John H. Chafee Coastal Barrier Resources System the areas included in Indian Peninsula Unit FL-92 and Cape San Blas Unit P-30 in Florida; to the Committee on Natural Resources.

By Mr. SOUTHERLAND:

H.R. 4151. A bill to provide for the conveyance of a small parcel of Bureau of Prisons land in Leon County, Florida; to the Committee on the Judiciary.

By Mr. CUMMINGS (for himself, Mr. MORAN, Ms. NORTON, Mr. LYNCH, and Mr. CONNOLLY of Virginia):

H.R. 4152. A bill to amend the provisions of title 5, United States Code, which are commonly referred to as the ''Hatch Act'' to eliminate the provision preventing certain State and local employees from seeking elective office, clarify the application of certain provisions to the District of Columbia, and modify the penalties which may be imposed for certain violations under subchapter III of chapter 73 of that title; to the Committee on Oversight and Government Reform.

By Mr. GOODLATTE (for himself and Mr. HOLDEN):

H.R. 4153. A bill to support efforts to reduce pollution of the Chesapeake Bay watershed, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Agriculture, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOREN (for himself, Mr. COLE, Ms. MCCOLLUM, Mr. INSLEE, and Mr. KILDEE):

H.R. 4154. A bill to decrease the incidence of violent crimes against Indian women, to strengthen the capacity of Indian tribes to exercise the sovereign authority of Indian tribes to respond to violent crimes committed against Indian women, and to ensure that perpetrators of violent crimes committed against Indian women are held accountable for that criminal behavior, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DENHAM (for himself and Mr. WALZ of Minnesota):

H.R. 4155. A bill to direct the head of each Federal department and agency to treat relevant military training as sufficient to satisfy training or certification requirements for Federal licenses; to the Committee on Oversight and Government Reform.

By Mr. MARKEY (for himself, Mr. MARINO, and Mr. STEARNS):

H.R. 4156. A bill to amend the Federal Food, Drug, and Cosmetic Act to strengthen the ability of the Food and Drug Administration to seek advice from external experts regarding rare diseases, the burden of rare diseases, and the unmet medical needs of individuals with rare diseases; to the Committee on Energy and Commerce.

By Mr. LATHAM (for himself and Mr. BOREN):

H.R. 4157. A bill to prohibit the Secretary of Labor from finalizing a proposed rule under the Fair Labor Standards Act of 1938 relating to child labor; to the Committee on Education and the Workforce.

By Mr. HALL (for himself, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SMITH of Texas, Mr. SENSENBRENNER, Mr. LUCAS, Mr. ROHRABACHER, Mr. COSTELLO, Ms. FUDGE, Mr. ADERHOLT, Mr. PALAZZO, Mr. BROOKS, Mr. OLSON, Mr. HULTGREN, Mr. BENISHEK, Mr. LIPINSKI, Mrs. ADAMS, Mr. POSEY, Mr. RIGELL, and Mr. CLARKE of Michigan):

H.R. 4158. A bill to confirm full ownership rights for certain United States astronauts to artifacts from the astronauts' space missions; to the Committee on Science, Space, and Technology.

By Mr. DEFAZIO:

H.R. 4159. A bill to increase the employment of Americans by requiring State workforce agencies to certify that employers are actively recruiting Americans and that Americans are not qualified or available to fill the positions that the employer wants to fill with H-2B nonimmigrants; to the Committee on the Judiciary.

By Mr. ROKITA (for himself, Mr. HUELSKAMP, Mr. BROUN of Georgia, and Mr. JORDAN):

H.R. 4160. A bill to amend the Social Security Act to replace the Medicaid program and the Children's Health Insurance program with a block grant to the States, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and the Workforce, the Judiciary, Natural Resources, House Administration, Rules, and Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRIJALVA:

H.R. 4161. A bill to amend title 39, United States Code, to provide that the United States Postal Service may not close or consolidate any postal facility located in a ZIP code with a high rate of population growth, and for other purposes; to the Committee on Oversight and Government Reform.

By Mrs. MILLER of Michigan:

H.R. 4162. A bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to establish a Great Lakes basin initiative for agricultural nonpoint source pollution prevention; to the Committee on Agriculture.

By Mr. GARY G. MILLER of California (for himself and Mr. SHERMAN):

H.R. 4163. A bill to amend certain provisions of the Truth in Lending Act related to the compensation of mortgage originators, and for other purposes; to the Committee on Financial Services.

By Mr. YOUNG of Alaska (for himself and Mr. LOEBSACK):

H.R. 4164. A bill to amend title 10, United States Code, to authorize space-available travel on military aircraft for members of the reserve components, a member or former member of a reserve component who is eligible for retired pay but for age, widows and widowers of retired members, and dependents; to the Committee on Armed Services.

By Mr. JONES:

H. Con. Res. 107. Concurrent resolution expressing the sense of Congress that the use of offensive military force by a President without prior and clear authorization of an Act of Congress constitutes an impeachable high crime and misdemeanor under Article II, section 4 of the Constitution; to the Committee on the Judiciary.

By Mr. KILDEE (for himself, Ms. DELAURO, Ms. FUDGE, and Ms. WOOLSEY):

H. Res. 574. A resolution expressing support for designation of the week of March 12, 2012, through March 16, 2012, as National Young Audiences Week; to the Committee on Education and the Workforce.

By Mr. JONES:

H. Res. 575. A resolution amending the Rules of the House of Representatives to observe a moment of silence in the House on the first legislative day of each month for those killed or wounded in the United States engagement in Afghanistan; to the Committee on Rules.

By Mr. MCGOVERN (for himself, Mr. SMITH of New Jersey, Mr. ELLISON, Mr. WOLF, Mr. MORAN, and Mr. PITTS):

H. Res. 576. A resolution expressing the sense of the House of Representatives that the Government of the People's Republic of China has violated internationally recognized human rights by implementing severe restrictions on the rights of Uyghurs to freely associate and engage in religious and political speech, subjecting detained Uyghurs to torture and forced confessions, carrying out extrajudicial killings against Uyghur dissidents, and pressuring other governments to unlawfully return Uyghurs to China, where they face mistreatment and persecution; to the Committee on Foreign Affairs.

By Mr. UPTON:

H. Res. 577. A resolution recognizing the service of the Gold Star Dads of America, a nonprofit organization consisting of the fathers of members of the Armed Forces who make the ultimate sacrifice in defense of the United States; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII,

181. The SPEAKER presented a memorial of the House of Representatives of the State of South Carolina, relative to a Concurrent Resolution memorializing the Congress to designate in South Carolina the Southern Campaign of the Revolution as a National Heritage Area; to the Committee on Natural Resources.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 7 of rule XII of the Rules of the House of Representatives, the following statements are submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill or joint resolution.

By Mr. SOUTHERLAND:

H.R. 4150.

Congress has the power to enact this legislation pursuant to the following:

Article IV, section 3 of the Constitution of the United States grants Congress the authority to enact this bill.

(The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, or of any particular State.)

By Mr. SOUTHERLAND:

H.R. 4151.

Congress has the power to enact this legislation pursuant to the following:

Article IV, section 3 of the Constitution of the United States grants Congress the authority to enact this bill.

(The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, or of any particular State.

By Mr. CUMMINGS:

H.R. 4152.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18 of the Constitution of the United States grants the Congress the power to enact this law.

By Mr. GOODLATTE:

H.R. 4153.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3 of the Constitution of the United States. This clause allows Congress to regulate interstate commerce. In this case, this legislation is necessary to reduce burdens on interstate commerce.

By Mr. BOREN:

H.R. 4154.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8 of the Constitution.

By Mr. DENHAM:

H.R. 4155.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8 of the Constitution of the United States.

By Mr. MARKEY:

H.R. 4156.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8.

By Mr. LATHAM:

H.R. 4157.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 1; and Article I, Section 8 of the United States Constitution.

By Mr. HALL:

H.R. 4158.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18

By Mr. DEFAZIO:

H.R. 4159.

Congress has the power to enact this legislation pursuant to the following:

Article I Section 8. Clause 4. The Congress shall have Power * * * To establish an uniform Rule of Naturalization, and uniform Laws on the subject of Bankruptcies throughout the United States.

By Mr. ROKITA:

H.R. 4160.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 [the Spending Clause] of the United States Constitution states that 'The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay for Debts and provide for the common Defence and general Welfare of the United States.' This bill restores the proper balance of power between the federal and state governments as intended under the 10th Amendment to the Constitution by devolving the responsibility of providing health care assistance for low income citizens to the states. It reinforces the founding constitutional principle that state governments are properly situated with attending to their citizens' health, safety, and general welfare.''

By Mr. GRIJALVA:

H.R. 4161.

Congress has the power to enact this legislation pursuant to the following:

U.S. Const. art. I, §§1 and 8.

By Mrs. MILLER of Michigan:

H.R. 4162.

Congress has the power to enact this legislation pursuant to the following:

Clause 1 of Section 8 of Article I of the United States Constitution.

By Mr. GARY G. MILLER of California:

H.R. 4163.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3

By Mr. YOUNG of Alaska:

H.R. 4164.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 14

To make Rules for the Government and Regulation of the land and naval Forces.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mrs. CAPPS.

H.R. 104: Mr. LATTA and Ms. WASSERMAN SCHULTZ.

H.R. 324: Mr. GUTIERREZ and Mr. PLATTS.

H.R. 327: Mr. GUTIERREZ.

H.R. 329: Mr. BOREN.

H.R. 374: Mr. ROONEY.

H.R. 625: Mr. MCCAUL.

H.R. 683: Mr. SCOTT of Virginia.

H.R. 718: Mr. INSLEE, Mr. BISHOP of New York, and Mr. CRITZ.

H.R. 719: Mr. CHABOT, Mr. CARNEY, Mr. ROSS of Florida, Mr. BISHOP of Utah, Mr. MATHESON, Mr. PETERS, Mr. TURNER of New York, Mr. THOMPSON of Pennsylvania, Ms. EDWARDS, Mrs. CHRISTENSEN, Mr. NEAL, Mr. WOMACK, Ms. BONAMICI, Mr. COURTNEY, Mr. GRAVES of Missouri, Mr. PETRI, Mr. REYES, Mr. GERLACH, Mr. SIRES, Mr. PENCE, Mr. REED, Mr. KIND, Mr. JACKSON of Illinois, Mr. YOUNG of Florida, Mr. YOUNG of Indiana, Ms. WASSERMAN SCHULTZ, Mr. LATTA, Mrs. BLACKBURN, Mr. BASS of New Hampshire, and Mr. AMODEI.

H.R. 733: Ms. HAYWORTH.

H.R. 780: Mr. TONKO.

H.R. 807: Mr. HONDA.

H.R. 854: Ms. HAYWORTH and Ms. SPEIER.

H.R. 860: Mr. DAVIS of Kentucky.

H.R. 870: Mr. FATTAH, Mr. MCDERMOTT, and Mr. HOLT.

H.R. 885: Mr. HINOJOSA.

H.R. 891: Mr. SHIMKUS.

H.R. 931: Mr. AUSTIN SCOTT of Georgia, Mr. PALAZZO, Mr. UPTON, and Mr. GOWDY.

H.R. 941: Mr. MORAN, Mr. MCDERMOTT, Mr. BRALEY of Iowa, Ms. NORTON, Mr. BARTLETT, Mr. MCGOVERN, Mr. FITZPATRICK, and Mr. RAHALL.

H.R. 964: Mr. MICHAUD.

H.R. 1041: Mr. MCCOTTER.

H.R. 1112: Mr. LATTA.

H.R. 1179: Mr. BARROW.

H.R. 1193: Mr. COURTNEY.

H.R. 1208: Mr. CONNOLLY of Virginia.

H.R. 1236: Mr. AMODEI.

H.R. 1330: Mr. GRIJALVA.

H.R. 1340: Mr. ROHRABACHER and Mr. NUNNELEE.

H.R. 1360: Mr. COURTNEY, Mr. MCGOVERN, and Mr. PETERS.

H.R. 1370: Mr. HECK.

H.R. 1410: Mr. CONNOLLY of Virginia, Mr. SHERMAN, and Mr. BURTON of Indiana.

H.R. 1589: Mr. RANGEL.

H.R. 1612: Mr. CHANDLER and Ms. SPEIER.

H.R. 1639: Mr. GRIMM, Mr. LUETKEMEYER, and Mr. FARENTHOLD.

H.R. 1842: Mr. OLVER.

H.R. 1867: Mr. HULTGREN.

H.R. 1895: Ms. SPEIER.

H.R. 1955: Ms. ZOE LOFGREN of California.

H.R. 1960: Mr. KING of Iowa.

H.R. 2086: Mr. GUTIERREZ and Mr. PASCRELL.

H.R. 2102: Ms. ESHOO.

H.R. 2104: Mr. GUTIERREZ.

H.R. 2106: Mr. BERMAN and Mr. SMITH of New Jersey.

H.R. 2123: Mr. CRITZ.

H.R. 2124: Mr. GUTHRIE.

H.R. 2168: Mr. GRIJALVA.

H.R. 2195: Mr. LOEBSACK.

H.R. 2222: Mr. VISCLOSKY.

H.R. 2239: Ms. MOORE and Ms. HAYWORTH.

H.R. 2245: Mr. BUCSHON.

H.R. 2325: Mr. BRADY of Pennsylvania.

H.R. 2418: Mr. LATTA.

H.R. 2429: Mr. LATHAM.

H.R. 2485: Mr. TONKO.

H.R. 2543: Mr. PRICE of North Carolina.

H.R. 2595: Mr. ROSS of Arkansas.

H.R. 2600: Mr. ANDREWS and Mr. CRITZ.

H.R. 2649: Mr. BACA, Mr. CULBERSON, and Mr. QUIGLEY.
H.R. 2688: Ms. SCHAKOWSKY.
H.R. 2696: Mr. WITTMAN.
H.R. 2697: Mr. SCHWEIKERT and Mr. CARNAHAN.
H.R. 2828: Mr. RAHALL.
H.R. 2978: Mr. HERGER, Mr. WOMACK, and Mr. ROONEY.
H.R. 3032: Mr. MCCOTTER.
H.R. 3039: Mr. QUIGLEY.
H.R. 3059: Mrs. ADAMS.
H.R. 3086: Ms. PINGREE of Maine, Mr. MICHAUD, and Mr. COBLE.
H.R. 3145: Ms. EDWARDS.
H.R. 3167: Mr. FITZPATRICK and Mr. PLATTS.
H.R. 3187: Mrs. DAVIS of California, Mrs. BLACKBURN, Mr. BISHOP of Georgia, and Mr. THOMPSON of Pennsylvania.
H.R. 3264: Mr. RIBBLE and Mr. BURTON of Indiana.
H.R. 3339: Mr. TURNER of Ohio.
H.R. 3364: Mr. ROSS of Florida.
H.R. 3399: Mr. SCHRADER, Mr. BARROW, Mr. MICHAUD, Mr. CARDOZA, and Ms. LORETTA SANCHEZ of California.
H.R. 3418: Ms. LEE of California.
H.R. 3497: Mr. ROSKAM.
H.R. 3589: Mr. WOLF.
H.R. 3591: Mr. BLUMENAUER.
H.R. 3616: Mr. KLINE.
H.R. 3618: Mr. STARK.
H.R. 3635: Mr. OLVER and Mr. LEWIS of Georgia.
H.R. 3646: Mr. GRIJALVA.
H.R. 3681: Mr. CARNEY.
H.R. 3684: Ms. HAYWORTH.
H.R. 3783: Mr. SMITH of New Jersey.
H.R. 3803: Mr. GIBBS, Mr. BILIRAKIS, Mr. POSEY, Mr. SHIMKUS, Mrs. MCMORRIS RODGERS, Mrs. NOEM, Mr. MARINO, and Mr. UPTON.
H.R. 3808: Mr. POE of Texas.
H.R. 3839: Ms. BORDALLO, Ms. HAHN, Mr. OWENS, Mr. ROONEY, and Mr. BURTON of Indiana.
H.R. 3855: Mr. SMITH of Washington.
H.R. 3894: Mr. QUIGLEY, Ms. LEE of California, Mr. LIPINSKI, and Mr. RANGEL.
H.R. 3895: Mr. AMODEI, Mr. RANGEL, and Mr. RUNYAN.
H.R. 3980: Mr. TIPTON and Mrs. ELLMERS.
H.R. 3981: Mr. MILLER of Florida.
H.R. 3982: Mr. JONES.
H.R. 3985: Mr. HANNA and Mr. WEST.
H.R. 3993: Mr. MILLER of Florida.
H.R. 4018: Mr. POE of Texas.
H.R. 4032: Mr. RANGEL, Mr. ELLISON, and Mr. DENT.
H.R. 4036: Mr. LATOURETTE.
H.R. 4038: Ms. BROWN of Florida.
H.R. 4040: Mrs. BIGGERT, Mr. BUCSHON, Mr. BUTTERFIELD, Mrs. CAPITO, Mr. CLEAVER, Ms. DEGETTE, Mr. GIBSON, Mr. AL GREEN of Texas, Mr. GRIMM, Mr. HASTINGS of Washington, Ms. HAYWORTH, Mr. HENSARLING, Mr. HIGGINS, Mr. HIMES, Mr. SAM JOHNSON of Texas, Mr. KINGSTON, Mr. KINZINGER of Illinois, Mr. LUETKEMEYER, Mrs. LUMMIS, Mr. MATHESON, Mr. MCHENRY, Mr. MICHAUD, Mr. NEUGEBAUER, Mr. PAULSEN, Mr. PENCE, Mr. PETERS, Mr. PLATTS, Mr. POSEY, Mr. RENACCI, Ms. ROS-LEHTINEN, Mr. ROSS of Florida, Mr. SCALISE, Mr. DAVID SCOTT of Georgia, Mr. THOMPSON of California, Mr. WAXMAN, and Mr. WEBSTER.
H.R. 4063: Ms. MCCOLLUM.
H.R. 4070: Mr. NUGENT, Mr. MCCOTTER, and Mrs. BLACK.
H.R. 4077: Mr. POE of Texas.
H.R. 4080: Mr. MEEKS.
H.R. 4084: Mr. HONDA.
H.R. 4095: Mrs. BONO MACK, Mr. WHITFIELD, Mr. LANCE, Mrs. MYRICK, Mr. GRIFFITH of Virginia, Mr. KINZINGER of Illinois, and Mr. GINGREY of Georgia.
H.R. 4110: Mr. LONG.
H.R. 4126: Ms. LEE of California, Ms. BROWN of Florida, Ms. CLARKE of New York, and Mr. PETERS.
H.R. 4128: Mr. NUNNELEE.
H.R. 4133: Mr. COOPER, Mr. LANCE, Mr. GALLEGLY, Mr. BACA, Mr. BACHUS, Mr. HOLDEN, Mr. GOWDY, Mr. MCHENRY, Mr. NUGENT, Mr. SCHOCK, Mr. LOBIONDO, Mr. DOLD, Mr. LAMBORN, Mr. RIVERA, Mr. MATHESON, Mr. RANGEL, Mr. ACKERMAN, Ms. BERKLEY, Mr. BOREN, Mr. BRADY of Pennsylvania, Ms. BROWN of Florida, Mr. COSTA, Mr. DEUTCH, Ms. DEGETTE, Mr. GENE GREEN of Texas, Mr. HIGGINS, Mr. KEATING, Mr. KISSELL, Mr. LARSEN of Washington, Mr. LARSON of Connecticut, Mrs. MALONEY, Mr. NEAL, Ms. NORTON, Mr. PIERLUISI, Mr. POLIS, Mr. REYES, Mr. RYAN of Ohio, Mr. ROTHMAN of New Jersey, Mr. SARBANES, and Mr. TOWNS.
H.R. 4134: Mr. CROWLEY.
H.J. Res. 45: Mr. JONES.
H.J. Res. 103: Mrs. ADAMS, Mr. UPTON, and Mrs. NOEM.
H. Con. Res. 87: Ms. NORTON, Mr. JOHNSON of Ohio, Mr. NUGENT, and Mr. NEAL.
H. Res. 25: Mr. MCKEON, Mr. ROGERS of Michigan, and Ms. LINDA T. SÁNCHEZ of California.
H. Res. 271: Mr. CHABOT.
H. Res. 503: Mr. BILIRAKIS and Mr. AUSTIN SCOTT of Georgia.
H. Res. 560: Mr. BOSWELL, Mr. LEVIN, Mr. GRIJALVA, Mr. LANGEVIN, Ms. NORTON, Ms. MOORE, Mrs. MALONEY, Mr. CONYERS, Mr. GUTIERREZ, Mr. NEAL, and Mr. LEWIS of Georgia.
H. Res. 568: Mr. HARRIS, Mr. BISHOP of Utah, Mr. DIAZ-BALART, Mr. MATHESON, Ms. FOXX, Mr. KLINE, Mr. BRADY of Texas, Mr. SENSENBRENNER, Mr. ROE of Tennessee, Mr. KING of Iowa, Mr. UPTON, Mr. ROHRABACHER, Mr. KING of New York, Mr. CALVERT, Mr. RYAN of Ohio, Mr. CARDOZA, Mr. KILDEE, Ms. HAYWORTH, Mr. BOREN, Mr. LAMBORN, Mrs. LUMMIS, Mr. RANGEL, Ms. BASS of California, Mr. GOODLATTE, Mr. HERGER, and Mr. CRAWFORD.

PETITIONS, ETC.

Under clause 3 of rule XII,

37. The SPEAKER presented a petition of City of Fort Myers, Florida, relative to Resolution No. 2012–2 urging the Congress to support funding of the Community Development Block Grant Program; which was referred to the Committee on Financial Services.