There are some other problems with this amendment. For one thing, this amendment incorporated in the motion to recommit could allow the court to require that the winning party's legal fees be paid by the losing party's attorney.

This is a very wrongheaded concept in American justice. You should not ever drive a wedge between anybody and their lawyer who has all kinds of ethical responsibilities in the representation of their client.

Ms. HARMAN. Mr. Chairman, will the gentleman yield just for one question?

Mr. MOORHEAD. I yield to the gentlewoman from California.

Ms. HARMAN. Is this not the precise language that will be offered in the next bill we take up, the securities litigation bill, that was drafted by the gentleman from California [Mr. COX], including the possibility that attorneys could pay the fee awards?

Mr. GOODLATTE. I have to say I am not on the committee who produced that bill, so I do not know. You may be correct. If so, I will attempt to change that language in that bill.

But the point is here that if we take away the mechanism that has been set up in this bill, we will have eliminated all of the incentives we created to settle cases, all of the incentives we have created to not bring frivolous, fraudulent, or nonmeritorious lawsuits in U.S. district court. The compromise that we have come up with as changed from the original bill is a very, very good effort to control the overload of lawsuits in our courts without having to go back to a system now where there is no pressure on some individuals not to be responsible when they decide to bring an action in court.

I strongly urge the defeat of this motion to recommit.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

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

The motion to recommit was rejected.

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.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 193, not voting 10, as follows:

[Roll No. 207]

AYES—232

Allard	Ballenger	Bass
Archer	Barcia	Bereuter
Armey	Barr	Bilbray
Bachus	Barrett (NE)	Bilirakis
Baker (CA)	Bartlett	Bliley
Baker (LA)	Barton	Blute
Boehlert	Graham	Paxon
Boehner	Greenwood	Payne (VA)
Bonilla	Gunderson	Peterson (MN)
Bono	Gutknecht	Petri
Brewster	Hall (TX)	Pombo
Brownback	Hancock	Porter
Bryant (TN)	Hansen	Portman
Bunn	Hastert	Pryce
Bunning	Hastings (WA)	Quillen
Burr	Hayworth	Quinn
Burton	Hefley	Radanovich
Callahan	Heineman	Ramstad
Calvert	Herger	Regula
Camp	Hilleary	Riggs
Canady	Hobson	Roberts
Castle	Hoekstra	Rogers
Chabot	Hoke	Rohrabacher
Chambliss	Horn	Roukema
Chenoweth	Hostettler	Royce
Christensen	Houghton	Salmon
Chrysler	Hunter	Sanford
Clinger	Hutchinson	Saxton
Coble	Hyde	Scarborough
Coburn	Inglis	Schaefer
Collins (GA)	Istook	Schiff
Combest	Johnson, Sam	Seastrand
Cooley	Jones	Sensenbrenner
Cox	Kasich	Shadegg
Crane	Kelly	Shaw
Crapo	Kim	Shays
Cremeans	Kingston	Shuster
Cubin	Klug	Skeen
Cunningham	Knollenberg	Smith (MI)
Davis	Kolbe	Smith (NJ)
de la Garza	LaHood	Smith (TX)
Deal	Largent	Smith (WA)
DeLay	Latham	Solomon
Dickey	Leach	Souder
Doolittle	Lewis (CA)	Spence
Dornan	Lewis (KY)	Stearns
Dreier	Lightfoot	Stenholm
Duncan	Linder	Stockman
Dunn	Livingston	Stump
Ehlers	LoBiondo	Talent
Emerson	Lucas	Tate
English	Manzullo	Tauzin
Ensign	McCollum	Taylor (MS)
Everett	McCrery	Taylor (NC)
Ewing	McHugh	Thomas
Fawell	McInnis	Thornberry
Fields (TX)	McIntosh	Tiahrt
Flanagan	McKeon	Torkildsen
Foley	McNulty	Upton
Forbes	Metcalf	Vucanovich
Fowler	Meyers	Waldholtz
Fox	Mica	Walker
Franks (CT)	Miller (FL)	Walsh
Franks (NJ)	Minge	Wamp
Frelinghuysen	Molinari	Watts (OK)
Frisa	Montgomery	Weldon (FL)
Funderburk	Moorhead	Weldon (PA)
Gallegly	Morella	Weller
Ganske	Myers	White
Gekas	Myrick	Whitfield
Geren	Neumann	Wicker
Gilchrest	Ney	Wolf
Gillmor	Norwood	Young (AK)
Gilman	Nussle	Young (FL)
Gingrich	Ortiz	Zeliff
Goodlatte	Oxley	Zimmer
Goodling	Packard	
Goss	Parker	

NOES—193

Abercrombie	Clayton	Engel
Ackerman	Clement	Eshoo
Andrews	Clyburn	Evans
Baesler	Coleman	Farr
Baldacci	Collins (IL)	Fattah
Barrett (WI)	Collins (MI)	Fazio
Bateman	Conyers	Fields (LA)
Becerra	Costello	Filner
Beilenson	Coyne	Foglietta
Bentsen	Cramer	Ford
Berman	Danner	Frank (MA)
Bevill	DeFazio	Frost
Bishop	DeLauro	Furse
Bonior	Dellums	Gejdenson
Borski	Deutsch	Gephardt
Boucher	Diaz-Balart	Gonzalez
Browder	Dicks	Gordon
Brown (CA)	Dingell	Green
Brown (FL)	Dixon	Gutierrez
Brown (OH)	Doggett	Hall (OH)
Bryant (TX)	Dooley	Hamilton
Buyer	Doyle	Harman
Cardin	Durbin	Hastings (FL)
Chapman	Edwards	Hayes
Clay	Ehrlich	Hefner
Hilliard	McHale	Schroeder
Hinchey	Meehan	Schumer
Holden	Menendez	Scott
Hoyer	Mfume	Serrano
Jackson-Lee	Miller (CA)	Sisisky
Jacobs	Mineta	Skaggs
Johnson (SD)	Mink	Skelton
Johnson, E. B.	Moakley	Slaughter
Johnston	Mollohan	Spratt
Kanjorski	Moran	Stark
Kaptur	Murtha	Stokes
Kennedy (MA)	Nadler	Studds
Kennedy (RI)	Neal	Stupak
Kennelly	Nethercutt	Tanner
Kildee	Oberstar	Tejeda
King	Obey	Thompson
Kleczka	Olver	Thornton
Klink	Orton	Thurman
LaFalce	Owens	Torres
Lantos	Pallone	Torricelli
LaTourette	Pastor	Towns
Laughlin	Payne (NJ)	Traficant
Lazio	Pelosi	Tucker
Levin	Peterson (FL)	Velazquez
Lewis (GA)	Pickett	Vento
Lincoln	Pomeroy	Visclosky
Lipinski	Poshard	Volkmer
Lofgren	Rahall	Ward
Longley	Reed	Waters
Lowey	Reynolds	Watt (NC)
Luther	Richardson	Waxman
Maloney	Rivers	Williams
Manton	Roemer	Wilson
Markey	Ros-Lehtinen	Wise
Martinez	Rose	Woolsey
Martini	Roybal-Allard	Wyden
Mascara	Rush	Wynn
Matsui	Sabo	Yates
McCarthy	Sanders	
McDermott	Sawyer	

NOT VOTING—10

Condit	Johnson (CT)	Rangel
Flake	McDade	Roth
Gibbons	McKinney	
Jefferson	Meek	

□ 1450

The Clerk announced the following pairs:

On this vote:

Mrs. Johnson of Connecticut for, with Mr. Flake against.

Mr. Roth for, with Mr. Jefferson against.

Mr. CHAPMAN changed his vote from ''aye'' to ''no.''

Mr. BACHUS and Mr. SHAYS changed their vote from ''no'' to ''aye.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 988, the bill just passed.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1058, SECURITIES LITIGATION REFORM ACT

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1058 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 105

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1058) to reform Federal securities litigation, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Commerce. After general debate the bill shall be considered for amendment under the five-minute rule for a period not to exceed eight hours. The bill shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. Points of order under clause 7 of rule XVI against the amendments printed in the report of the Committee on Rules accompanying this resolution 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.

SEC. 2. H. Res. 103 is laid on the table.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I might consume. All time yielded will be for debate purposes only.

(Mr. DREIER asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. DREIER. Mr. Speaker, this is a modified open rule providing for consideration of H.R. 1058, the Securities Litigation Reform Act, with 1 hour of general debate. Following general debate, the bill will be open for amendment under the 5-minute rule for a period not to exceed 8 hours.

While there is no requirement that amendments be printed in the RECORD prior to their consideration, priority in recognition can be accorded by the Chair to Members who have had their amendments preprinted.

Mr. Speaker, the rule waives clause 7 of rule XVI relating to germaneness for two amendments. One is the amendment offered by my friend from the other side of the aisle, the gentleman from Oregon [Mr. WYDEN], which establishes audit procedures to detect financial fraud in securities matters. The second amendment is offered by a Member of the majority, the gentleman from California [Mr. COX], to exempt securities fraud from the RICO statute.

Upon completion of the consideration of all amendments to the bill the rule provides for one motion to recommit to the minority.

Mr. Speaker, this is a fair rule, providing for an open amendment process. While there is a cap on total time for amendments, the minority is able to give priority consideration to whatever germane amendments their leadership considers most important. Let me repeat: that they are able to give priority consideration to whatever germane amendments they consider most important.

The Committee on Rules majority is not shutting particular amendments out of the process. Securities litigations reform is a critical step in our effort to help create more high-quality private-sector jobs right here at home.

Private securities legislation is undertaken today in a system that encourages meritless cases, destroys thousands of jobs, undercuts economic growth, and raises the prices that American families pay for goods and services.

Mr. Speaker, the defenders of the status quo in the minority have said on issue after issue this year: ''If it ain't broke, don't fix it.'' Well, this is one time there is no doubt that the current system is broke, and we are very fortunate that the bill being reported forward from the committee will fix it.

H.R. 1058 creates a system that swiftly finds and punishes real fraud and allows the victims of fraud to be fully compensated for their losses. At the same time it will free innocent parties from wasteful and baseless litigation designed to enrich litigators alone. While Chairman BLILEY of the Commerce Committee and Chairman FIELDS of the Subcommittee on Telecommunications and Finance have done tremendous work in bringing this bill to the floor, I would like to note the tireless efforts of my friend from Newport Beach, CA [Mr. COX].

Mr. COX is a former securities lawyer and has been involved in securities litigations reform since his days at Harvard Law School. He has pushed this important reform effort throughout his 6 years in the House, and was ready to move forward when the new majority in the Congress made real reform possible. His hard work and leadership has been critical to this effort.

Mr. Speaker, presenting this modified open rule to the House reminds me of a report that I heard last week on National Public Radio's Morning Edition. It was about a graduate school course offered by American University here in Washington, DC. The subject of the course was lobbying. As I listened to the trials and tribulations faced by those in the lobbying community with all of the changes occurring here in Congress, I was very proud to hear that the professional lobbyists under the new majority's policy of open rules find the issue of dealing with open rules extraordinarily difficult.

In the words of the lobbyist that has taught the course for years, and I quote:

A position of more open rules is a detrimental thing to a lot of lobbying interests. One of the lobbyist's commandments is ''keep it off the floor.'' If you can get something done in committee and have it sealed and come out with a closed rule, then you're safe. If everything is amendable on the floor, that makes the job of the lobbyist that much harder because then you're dealing with 218 folks instead of just 22 or 23.

Mr. Speaker, lobbyists know that the new Committee on Rules has brought a new openness to the House, and they do not like it. The new majority on the Committee on Rules and the many Members of Congress that are supporting the more open rules are doing right by the American people.

House Resolution 105, this rule, is no exception. It is another in a growing series of rules that do not pick and choose amendments to stifle debate. I urge my colleagues to support this very fair, balanced, modified open rule as we proceed with debate on the Securities Litigations Reform Act.

Mr. Speaker, I include for the RECORD material on the amendment process under special rules reported by the Rules Committee, 103d Congress versus the 104th Congress.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of March 7, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	18	86
Modified Closed[3]	49	47	3	14
Closed[4]	9	9	0	0
Totals:	104	100	21	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of March 2, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/10/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: v.v. (2/2?/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/1/95).
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 105 (3/6/95)	MO			

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; PQ-previous question vote.

Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mr. Speaker, I reserve the balance of my time.

□ 1500

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

Mr. Speaker, I must rise in opposition to this rule. Legislation of this complexity and which may ultimately have an enormous impact on securities markets and investor transactions in this country deserves informed and considered debate. H.R. 1058 was not thoroughly examined in the Commerce Committee, and now, this rule does not give the House an opportunity to thoroughly consider this legislation. In fact, Mr. Speaker, there is ample proof that in the haste to send this legislation, along with the other pieces of H.R. 10, to the full House, a significant issue was left out, or perhaps forgotten.

That issue, relating RICO to securities transactions only came to the attention of the Rules Committee yesterday afternoon—2 days after the original rule, H.R. 103, had been reported to the House. In order to provide for the consideration of the RICO issue, it was necessary for the Rules Committee to meet and report yet another rule on H.R. 1058. Yet, in spite of the fact that another issue was added to the debate on H.R. 1058, the Rules Committee did not see fit to allow the House any more time to debate these important issues through the amendment process.

Mr. Speaker, House resolution limits consideration of all amendments to H.R. 1058 to 8 hours. That 8 hours includes time for voting—which, in effect, places strict limits on the consideration of amendments. I opposed this limit during the debate on this rule in the Committee on Rules last Friday and last night and I bring my opposition to the floor today. Limiting the time to consider amendments ultimately limits the debate and the number of amendments which may be offered. This limitation is contrary to the stated objectives of the Republican majority to open the House to free and unfettered debate. Considering the complexity of this legislation and the potential impact it may have on our economy, I question whether 8 hours is really an adequate amount of time to debate this matter in a free and unfettered manner.

In fact, Mr. Speaker, the gentleman from Michigan [Mr. DINGELL] originally requested 12 hours for consideration of amendments on this bill. The majority has asked that the Democrats on the Rules Committee confer with our leadership to determine the number of hours that we feel would be adequate to cover the anticipated amendments to legislation scheduled for the floor. The Democratic members of the Rules Committee made a responsible request last Friday: that request was based on our best estimates of the time needed to thoroughly debate this legislation. Our request was based on our discussions with the ranking minority member of the Commerce Committee after his consultations with his members.

Last week, the majority of the Rules Committee saw fit to only grant 66 percent of the requested time. And, last night when an additional issue, some say a major issue, was added to the issues to be considered by the House, the majority refused to grant any additional time for consideration of amendments to H.R. 1058. Mr. Speaker, it is for this reason that I must oppose this rule. Last week we made a good faith offer under the terms articulated by Chairman SOLOMON and last night we reiterated our position.

Mr. Speaker, the Democratic members of the Rules Committee believe the 8-hour time limit is inadequate for the consideration of this legislation because of the enormity of the issue, as well as the addition of the RICO amendment. We support efforts to deter those who abuse the judicial system by filing meritless lawsuits. We support efforts to provide substantive sanctions on those who engage in these activities. The desire to make corrections in the process is indeed bipartisan—the only question is how to accomplish those corrections. Members need time to consider all the options.

Democratic members have made a good faith effort to participate in the deliberations on the rule for this bill, but again our efforts have been rebuffed. In spite of bipartisan desires to end frivolous lawsuits while protecting average investors and honesty in the securities market, this is not a bipartisan rule. For this reason, I urge defeat of the rule.

AMOUNT OF TIME SPENT ON VOTING UNDER THE RESTRICTIVE TIME CAP PROCEDURE IN THE 104TH CONGRESS

Bill No.	Bill title	Roll-calls	Time spent	Time on amends
H.R. 667	Violent Criminal Incarceration Act.	8	2 hrs. 40 min.	7 hrs. 20 min.
H.R. 728	Block Grants	7	2 hrs. 20 min.	7 hrs. 40 min.
H.R. 7	National Security Revitalization.	11	3 hrs. 40 min.	6 hrs. 20 min.
H.R. 450	Regulatory Moratorium	13	3 hrs. 30 min.	6 hrs. 30 min.
H.R. 1022	Risk Assessment	6	2 hrs	8 hrs.
H.R. 925	Takings	8	2 hrs. 40 min.	9 hrs. 20 min.
H.R. 988	Attorney.			

MEMBERS SHUT OUT BY A TIME CAP—104TH CONGRESS

This is a list of Members who were not allowed to offer amendments to major legislation because the 10 hour time cap on amendments had expired. These amendments were also pre-printed in the Congressional Record. This list is not an exhaustive one. It contains only Members who had pre-printed their amendments; others may have wished to offer amendments but would have been prevented from doing so because the time for amendment had expired.

H.R. 728—Law Enforcement Block Grants: 10 Members.

Mr. Bereuter, Mr. Kasich, Ms. Jackson-Lee, Mr. Stupak, Mr. Serrano, Mr. Watt, Ms. Waters, Mr. Wise, Ms. Furse, Mr. Fields.

H.R. 7—National Security Revitalization Act: 8 Members.

Ms. Lofgren, Mr. Bereuter, Mr. Bonior, Mr. Meehan, Mr. Sanders (2), Mr. Schiff, Mrs. Schroeder, Ms. Waters.

H.R. 450—Regulatory Moratorium: 15 Members.

Messrs. Towns, Bentsen, Volkmer, Markey, Moran, Fields, Abercrombie, Richardson, Traficant, Mfume, Collins, Cooley, Hansen, Radanovich, Schiff.

H.R. 1022—Risk Assessment: 3 Members (at least three other Members had amendments

prepared but were not allowed to offer them: Mr. Doggett, Mr. Mica, Mr. Markey).

Mr. Cooley (2), Mr. Fields, Mr. Vento.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield 4 minutes to my friend and classmate, the gentleman from Humboldt, TX [Mr. FIELDS], the distinguished chairman of the Telecommunications Subcommittee.

(Mr. FIELDS of Texas asked and was given permission to revise and extend his remarks.)

Mr. FIELDS of Texas. Mr. Speaker, I rise in support of the rule on H.R. 1058, the Securities Litigation Reform Act.

Today's votes will bring to an end the debate on one of the least understood and potentially most important legal reforms the Congress will address this year. The arcane subject of securities litigation reform concerns a great many more people than just the nine law firms that dominate this practice. It concerns more than the handful of law school professors who seem intent on examining the individual trees and missing the forest. It concerns more than the accountants and the brokers and the lawyers.

H.R. 1058 concerns desperately needed reforms that focus on the need to protect the employers of American workers from being abused by a handful of lawyers. It concerns protecting American shareholders who invest their savings and use them to provide for their own welfare, the education of their children, and to insure they have a secure retirement. American investors are entitled to see us protect them from watching their hopes and confidence disappear when the companies in which they invest their savings are victimized by those who file abusive and frivolous lawsuits.

Perhaps the greatest contribution to the debate on this subject has been to help people understand there are shareholders on both sides of these cases, and that in most cases they all lose. Even SEC Chairman, Arthur Levitt, has noted:

> there is a sense in which class action lawsuits simply transfer wealth from one group of shareholders, those who are not members of the plaintiff class, to another group of shareholders. Large transaction costs accompany this transfer, as the total amount paid to attorneys on both sides may equal or even exceed the net amount paid to the plaintiff class.

Something is very wrong with a civil litigation system in which only the lawyers win.

H.R. 1058 is about Congress removing the incentives that exist in the current system for lawyers to sue a company because the price of its stock has dropped. It is about protecting the corporations that play so large a role in this country's economy from having to divert resources that are used to run and expand their businesses into defending frivolous lawsuits. This legislation is sorely needed, it is not an academic exercise. Witnesses have testified before the Commerce Committee for the last two Congresses that abusive litigation costs have led their companies to contract their business, to cancel research and development, and to be less forthcoming with financial information to their shareholders.

This is an open and fair rule, that allows consideration of all legitimate amendments. Let us cure this sickness, Mr. Speaker, and restore the health of America's employers. I urge my colleagues to support the rule.

Mr. FROST. Mr. Speaker, for the purposes of debate only, I yield 6 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 8 minutes.

Mr. MOAKLEY. Mr. Speaker, I thank the gentlemen for yielding.

Mr. Speaker, the rule we are considering today adds another Republican broken promise to that ever growing heap. The Republicans promised to let the American people have their say in Government by granting 70 percent open rules. They are breaking that promise.

Republicans promised to consider every single contract item under an open rule. Mr. Speaker, they are breaking that promise also.

I guess, Mr. Speaker, legislating is not as easy as it looks. In their hurry to finish the contract and begin the April recess, the Republicans forgot to put the civil RICO amendment offered by the gentleman from California [Mr. COX] in H.R. 10. They also made a series of mistakes in the committee report which would have opened all sorts of points of order.

But they decided to throw away the old bill and come up with a new one that has never seen the inside of a congressional committee room. That way they protect the bill from all types of points of order.

Once again, the Republicans sang the praises of a deliberative democracy. Where is that chorus now, Mr. Speaker? It certainly was not in committee. In fact, the amendment this rule adds was not even considered by a congressional committee. It had no hearing, and it was never reported out.

How is that for sunshine? Mr. Speaker, this restrictive rule will keep the people's representatives from improving this bill by capping the time allowed for amendments. Democrats asked for 12 hours for amendments, and the Republicans said they had time only for 8 hours, because they did not want anything to interfere with their April 8 recess.

Well, I cannot help it, Mr. Speaker, if the Republicans put themselves on schedules, but we at least, if we are not part of the schedule, we should not have to abide by all of the schedules.

Then they added the controversial rewrite of the civil RICO laws, and they still refused to increase that 8 hours to 10 or 12 hours.

I would add, Mr. Speaker, that Republican time caps are even worse than they look, and all the time caps that we had issued in the last couple of Congresses, not one person was ever frozen out of bringing their amendment forward.

Under the Republican time caps, they include actually the voting time. That means an 8-hour rule or an 8-hour debate time is only about 6 hours, and once again, they have broken their promises.

Mr. Speaker, just so I can show you what they mean by moderate open rules, H.R. 728, law enforcement block grants, shouted to the rafters, ''This is an open rule, this is a moderate open rule,'' they froze out 10 Members with their amendments.

Let me tell you, the Members frozen out were the gentleman from Nebraska [Mr. BEREUTER], the gentleman from Ohio [Mr. KASICH], the gentlewoman from Texas [Ms. JACKSON-LEE], the gentleman from Michigan [Mr. STUPAK], the gentleman from New York [Mr. SERRANO]; at least this is an equal opportunity freezing out of all kinds of Members.

On H.R. 7, the National Security Revitalization Act, moderate open rule, ''This is what we promised you,'' eight Members, and their amendments died on the altar down there.

The Regulatory Moratorium Act, H.R. 450, 15 members were not able to bring their amendments forward; 1022, H.R. 1022, risk assessment, three Members, and at least three other Members had amendments prepared but were not allowed to offer them. And even the Attorney Accountability Act, four Members were frozen out, the gentlewoman from California [Ms. HARMAN], the gentleman from Michigan [Mr. SMITH], the gentleman from Mississippi [Mr. PARKER], and the gentleman from Ohio [Mr. LATOURETTE]. ''These are open rules.''

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I am happy to yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my friend from south Boston, the former chairman of the Committee on Rules, for yielding.

The reason I underscore the fact he is the former chairman of the Committee on Rules, Mr. Speaker, is that it is so apparent the disparity that one must look at between the 103d Congress and the 104th Congress.

The gentleman from Massachusetts [Mr. MOAKLEY], Mr. Speaker, has just said that these Members were knocked out, prevented from having the opportunity to offer these amendments. The Committee on Rules did not have a single thing to do with that, Mr. Speaker. The Committee on Rules said that we will provide a process that is open and accountable. We made it very clear this is a modified open rule. This is a modified open rule.

Mr. MOAKLEY. Reclaiming my time, the Committee on Rules had everything to do with this, because the Committee on Rules could have given more time in order that those Members who struggled to get those amendments in proper form could have brought them forward.

Mr. DREIER. If the gentleman would yield further, the point is very clear, and that is the Committee on Rules did not make the decision which amendments could and could not be offered, as has been the case in past Congresses. It is up to the leadership of each party to establish their priorities.

We are not trying to say that an idea cannot be considered here on the House floor. What we are saying is that with this outside time constraint of 8 or 10 or 12 hours, which we have had, what we have said is you all establish your priorities and then bring them to the House floor and have an up-or-down vote on them.

Mr. MOAKLEY. It is really up to the Committee on Rules to offer the amendments, to offer the time to bring these amendments to the floor, and I do not care how my friend cuts it and talks about leadership. Being on the Committee on Rules, you can make a bill, if it is a germane bill, or you waive points of order, and you bring it to the floor, if you give it time, it can be heard.

☐ 1515

Last year we had time caps on half a dozen bills. Not one person was frozen out from the debates. Under their time caps, there is not a bill that goes by that people are not frozen out.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from California.

Mr. DREIER. I thank the gentleman for yielding.

Mr. Speaker, not one person was frozen out in debate. What happened in the 103d Congress was that Members were frozen out from the third floor, frozen out because they were told their amendments could not even be offered because we had so many closed rules.

Down here we are saying any amendment that is germane can be offered. We have an outside limit of sometimes 8 to 12 hours.

Mr. MOAKLEY. Mr. Speaker, reclaiming my time——

The SPEAKER pro tempore. (Mr. DICKEY). The gentleman from Massachusetts has 5 seconds remaining.

Mr. MOAKLEY. Five seconds? Well, thank you.

Mr. DREIER. Mr. Speaker, I yield an additional 5 seconds to the gentleman from Massachusetts.

Mr. MOAKLEY. I am overwhelmed. I want to make the point that the Republican Party came down and said, ''What happened in the 103d Congress will never happen again. We are going to give out open rules.'' Well, where are they?

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to my friend and classmate, the gentleman from Findlay, OH [Mr. OXLEY], Chairman of the Subcommittee on Commerce and Trade.

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

Mr. OXLEY. I thank the gentleman for yielding this time to me, and I rise in support of the rule as well as H.R. 1058.

Our committee has worked long and hard on providing for a reasonable set of rules that these kinds of debates can take place. I think we have achieved that.

I want to pay particular tribute to the gentleman from Texas, the chairman of the Subcommittee on Telecommunications and Securities, and also to the gentleman from California [Mr. COX], and my friend from Louisiana, who has really been the godfather of this provision for a number of years. We appreciate his ability to work with the majority in crafting what I think is a very effective bill that will start to get some common sense back into our legal process and at the same time permit people who are truly aggrieved to pursue their claims in court.

I thought the debate in the committee was lively, informative, and I suspect the same thing will occur on the floor during general debate and the amending process.

Securities litigation reform is a bill whose time has come. It is a provision that will allow for, I think, some dealing with securities litigation that is long overdue. Numerous groups throughout the country support this effort. We think that those companies that are just starting out, entrepreneurial companies particularly, are highly vulnerable to these kinds of strike lawsuits. That is exactly what this bill tries to mitigate and to change.

I think the gentleman is correct, the rule is proper, and the bill is a good step in the right direction and true commonsense legal reform.

Mr. Speaker, today I rise in strong support of H.R. 1058, The Securities Litigation Reform Act.

Is there a person in this Congress or in this country who honestly believes that our current system of securities fraud litigation does not require serious and immediate reform?

H.R. 1058 is the answer.

As we speak, a strike suit plague is devastating our Nation and crippling American competitiveness.

Unprincipled lawyers are spreading this plague at an alarming rate. One firm in particular files a strike suit every 4.2 business days, and 1 of every 8 companies listed on the New York Stock Exchange has been crippled by strike suits.

While these lawyers claim to sue in the name of the investor, a number of recent studies show otherwise. For example, the National Economic Research Association has concluded that investors recover just 7 cents on every dollar lost.

Their actual recovery is even lower. Plaintiffs' lawyers usually take one-third of all the settlement proceeds.

The strike suit plague is forcing our companies to squander resources rather than devoting them to productivity and job creation. It stifles innovation and adds tens of millions of dollars to the cost of doing business. It is time we rid our countryside of this disease and cure our Nation's economy.

Strike suits are devastating our Nation. A study by the Rand Institute of Civil Justice says excessive litigation—largely designed to coerce settlements from successful defendants—may cost our economy as much as $36 billion each year.

All Americans pay a hidden litigation tax to subsidize the massive cost of strike suits. Some pay with their jobs, as workers are laid off in the wake of extorted settlements. Scores of other able-bodied Americans are never hired in the first place. Research and development and other investments that spur economic growth are slashed. Consumers pay higher prices for their goods and services. All of us pay the price for strike suits as the lawyers quietly walk away with fortunes in extorted settlements.

It is time to rid our Nation of this strike suit epidemic. It is time for a litigation tax cut.

I urge you all to support H.R. 1058 in the name of the fiscal health of all Americans.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL].

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

Mr. DINGELL. Mr. Speaker, make no mistake of it, H.R. 1058 will encourage securities fraud. It is a bad bill. Milken, Boesky, people like that would have been delighted to have functioned under the provisions of this legislation.

The rule is a bad rule; it is unfair, and it does not give sufficient time for the matters involved in this legislation to be properly addressed. Both should be rejected by the House.

Now, I am no water or spear carrier for trial lawyers. I began pushing product liability over 10 years ago. Two weeks ago I voted for legislation to reform product liability laws. I have long felt there was a real need for reforming medical malpractice and for dealing with securities litigation, which does happen to constitute a problem.

But this legislation goes well beyond meeting needs. It does what the old Chinese story tells about: It burns down the barn to cook the pig.

H.R. 1058, in its zeal to eliminate abuses, goes too far. It creates shelters, it creates loopholes, and it creates incentives for securities fraud. It will impair the transparency, the fairness of our marketplace, and it will make it more difficult for the SEC to deal with problems of securities fraud, and it will raise real questions about whether Americans can continue to trust and to believe that their securities markets are the best and fairest and most open in the world.

This legislation is opposed by a large number of people and agencies that should be listened to carefully.

It is opposed by the Securities and Exchange Commission, the State securities regulators, Attorney General of the United States, the U.S. Conference of Mayors, the Government Finance Officers Association, individual investors and all major consumers groups—all opposed.

The American Association of Retired Persons, the Gray Panthers, Consumers Union, Consumer Federation of America—all oppose it.

Citizen Action, Public Citizen, and the U.S. Public Interest Research Group all oppose this legislation.

Why? Because it is bad legislation, because it does not adequately protect the interests of the honest, innocent and small investors, and because it threatens the trust of the American people in the American securities market.

I need to remind my colleagues on the Republican side of the aisle that one of the reasons the United States is regarded as the wonders of the world in terms of our securities markets and capital-raising system is the fact that our system is known to be fair and people know they can trust it. This is a peculiarity not found elsewhere in the world.

The bill suffers from multitudes of defects, and these reveal the extreme goals of the supporters, goals like ''losers pays,'' establishing a defense against recklessness that allows a miscreant to get off by the simple statement of, ''Ooops, I forgot the law,'' and imposing harsh pleading requirements that are impossible to meet for real-life plaintiffs with good cases.

I would observe that under the requirements for Scienter in the pleadings in this legislation a person who has been wronged by securities fraud will need not only a layer but he will need a psychiatrist and a psychic to tell him what was going on inside the mind and head of the wrongdoer who skinned him and thousands of other Americans of their hard-won and thousands of other Americans of their hard-won and hard-earned savings.

The process? The process was intolerable. Neither I nor the ranking member of the relevant subcommittee were included in the discussions on the bipartisan compromise.

Members and staff received markup documents the night before markup. That is insufficient time to review and prepare amendments and statements. We were then presented with totally different documents and totally different legislation the next day, without time to review or to understand the changes.

Debate was inexplicably and unfairly shut down at 2:30 p.m. on Thursday, February 16, in a markup which had already been shortened by prolonged recesses for negotiations and by a process which permitted neither adequate hearings nor opportunity to amend or to ask questions or witnesses.

This was dictated by the Republican leadership because of scheduling the bill on the floor. Originally, it was not even intended for the SEC to be heard. The SEC came forward and said that the bill, as originally drafted, would even foreclose their anti-fraud actions at the Securities and Exchange Commission.

This legislation still has significant defects. It ought to be recommitted, it ought to be defeated, it ought to be amended, but it should not be passed.

Mr. DREIER. Mr. Speaker, I am happy to yield 3 minutes to the distinguished gentleman from east Petersburg, PA [Mr. WALKER], chairman of the Committee on Science.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I have been fascinated by the series of speeches that have been made on this rule and several others that seem to basically complain about the fact that things are actually getting done in the U.S. Congress these days.

Now, they are not things that the Democrats want to have done, so they bleed and bray out here on the House floor about the nature of the process.

But the fact is that we are moving legislation they do not happen to agree with, and particularly a lot of the left-wing special-interest groups they are beholden to do not agree with, several of whom were named by the gentleman from Michigan.

It is true those groups probably do not agree with what we are doing, but then they always were for big-government solutions to virtually everything that comes down the pike.

But I am particularly fascinated by the discussions that we have had on the floor today about the process by which we are passing legislation and particularly the concept of open rules.

I have consistently come to this floor over a period of years and talked about need for open rules. I made those points within the leadership of the House of Representatives. I would prefer things come out here under an open rule. But I must say that I was somewhat disappointed in the earliest days of this process when apparently the Democrat leadership decided to sabotage open rules and were part of a process that called adjournment votes and a variety of other things in order to try to undermine that process, simply so they could come to the floor now and complain about the fact that the rules are not open as they would like.

I think that is a nice tactic, it makes for good legislation. It makes, though, for a very difficult process to defend.

I would also say that I think the complaints about the fact that it is done under a period of time is also a rather interesting argument. The period of time, of course, forces the Democrat leadership to actually pick amongst their Members who have amendments to bring forward, or to refuse to pick among them, which is what they are really doing now, in an act of total ineffectual leadership they are refusing to pick among their Members.

So, against what you give them a full day to debate, 8 hours, 10 hours, 12 hours, and so on, and they cannot manage their time well enough to figure out how to get various amendments to the floor, which leaves them then in the position of being able to go to the floor and say, ''This Member, somehow during a 10-hour period, was unable to work his amendment in.''

I would suggest that at the very least what we are doing is debating these issues under a 5-minute rule and having a free and open debate about the issues, a debate which is much better than the system the Democrat leadership would like to go to, which picks the members in the Rules Committee.

You see, what the Democrat leadership would really like to have done is they would like to go up to the Rules Committee and have the Republicans choose the Democrat who will be able to offer amendments. That gets them off the hook. Then they get a chance to complain about the fact that this Member was knocked out and it was the terrible Republicans who did not allow this Member to have his amendment.

Well, actually I think it is a better system to allow Members to come to the floor freely and offer their amendment and debate them under the 5-minute rule. And if the Democrats want to do the job of picking and choosing amongst their Members, they can certainly do that. But the system is far better than the closed system operated by the Democrats for all too many years.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, I rise in opposition to this rule for one very simple reason: It is not going to allow us enough time to debate a very complex and important issue that will potentially affect every single American.

At the subcommittee level we debated only from 1 until 7, with many rollcalls on the floor during that markup. At full committee we started in the morning, but it was the day we were breaking for Jefferson/Jackson weekend. As a result, with many rollcalls on the floor, we only had, again, a couple of hours to debate these very important issues.

We went before the Committee on Rules and we asked, quite reasonably, I think, for an open rule with unlimited time so we could bring these issues out on the floor.

The problem now, as we know, is that the majority is limited by their Contract With America in allocating any time to any of these very important issues. So, as a result, despite the fact we are given 8 hours here on the floor, 1 hour is on the rule, 1 hour is on general debate, 6 hours are left over. And

to add insult to injury, the Republicans on the Rules Committee have now reported out a second rule allowing for a nongermane amendment to be made by the gentleman from California [Mr. COX], and that will also come out of the time of the consideration of this legislation.

Let me say quite simply that there are four good reasons to oppose the legislation substantively as well. One, an English rule which the very conservative——

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MARKEY. I would be happy to yield on the gentleman's time.

□ 1530

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. MARKEY].

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from Massachusetts has an additional minute.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I simply wanted to inquire of my friend, the gentleman from Massachusetts; did he say that the 1 hour that the rule is being considered is out of the 8 hours that is considered for the amendment process?

Mr. MARKEY. Mr. Speaker, I have been informed that that is, in fact, accurate, and I thank the gentleman from California for his clarification.

Mr. DREIER. And the 1 hour of general debate is also——

Mr. MARKEY. Mr. Speaker——

Mr. DREIER. Eight hours is an amendment process——

Mr. MARKEY. The staff of the Committee on Rules has just informed me of that.

Mr. DREIER. I want my friend to enjoy his entire additional 30 seconds.

Mr. MARKEY. I thank the gentleman very much, but at the same time we have to note that all the rollcall time does come out of that 8 hours, and the time for the additional amendment that the Committee on Rules has put in order to allow a nongermane amendment is also coming out of the time of our ability to consider this legislation.

A English rule is built into this law which puts the burden on the loser in any lawsuit. It makes it almost onerously impossible for anyone to bring a lawsuit against a large financial institution in this country. It, second, imposes an I-forgot defense. That is, if any of the people who are engaging in any of this fraud say, ''Well, I forgot,'' then they are protected.

Remember the old Saturday Night Live skit where Steve Martin would stand up at the end and say, ''Well, I've got a sure-fire, guaranteed defense.''

I say to my colleagues, ''Anytime you're stymied for an answer to any charge which is being made against you, just say, 'I forgot,'" and that is our defense here today.

Mr. Speaker, we are going to allow that as a defense in these important cases, and, third, we have the depleting requirements which require a specific pleading at the get-go of any of this legislation requiring any plaintiff to be Carnac in terms of their ability to know what was going on in the intent of the defendant's mind at that time, although they know with some certainty that some fraud has been perpetrated, and finally the fraud on the market——

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. MARKEY] has expired.

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

Mr. Speaker, I think it is important to clarify that we have 8 hours of time on amendments, an hour of general debate, and an hour on this rule, a total of 10 hours.

Mr. Speaker, I yield 2 minutes to my friend and another classmate from Richmond, VA, the gentleman from Virginia [Mr. BLILEY], the chairman of the Committee on Commerce.

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

Mr. BLILEY. Mr. Speaker, I rise in support of this rule to provide for consideration of H.R. 1058, the Securities Litigation Reform Act. This bill is title II of H.R. 10, the Common Sense Legal Reforms Act, as reported by the Commerce Committee. It is ground breaking legislation, part of the original Contract With America.

As we said in the contract, America has become too litigious a society. We sue each other too often, too easily, and regrettably, too well. The burden on the Federal courts is enormous. The number of lawsuits filed each year has almost tripled in the last 30 years. President Bush's Council on Competitiveness concluded the American litigation explosion carries high costs for the American economy. We see it everyday as manufacturers withdraw products from the market, or discontinue product research, reduce their work forces, and raise their prices.

There is a problem even more insidious than an increase in the number of lawsuits filed. It is the realization that an increasing number should never have been filed in the first place. The Congress has been petitioned repeatedly over the last few years by executives of some of America's fastest growing high tech companies, as well as the accounting and securities professions, who believe the civil liability system is broken. In case after real case, they can show from their experiences that the system no longer recovers damages for investors who are actually wronged and it unfairly focuses the enormous costs of litigation on reputable public companies and not upon those who engage in fraud.

The subject of litigation reform has been before our committee under both Democrat and Republican control. Late in the 103d Congress the committee held two hearings on the subject, and early in the 104th we held two more. Empirical studies show that virtually all claims in 10b–5 class actions, meritorious and frivolous, are settled. Unfortunately, the settlement amounts bear no relationship to the underlying damages, but instead are related principally to the amount claimed, or the defendants' insurance coverage.

Much of H.R. 1058 is no longer controversial, despite the continuing cries of the plaintiffs' bar and their supporters in the State securities commissions. Most Members of Congress now understand and agree with us that lawyers should not pay referral fees to brokers who send them clients, or that named plaintiffs should be barred from receiving bounty payments. Most Members are appalled that the current system is a race to the courthouse which rewards the first to file, regardless of how little merit the case has. Only the most strident supporters of plaintiff lawyers disagree with the provisions of H.R. 1058 that require disclosure to class members of settlement terms or that private plaintiffs legal fees should not be paid out of SEC disgorgment pools.

H.R. 1058 will not cure all the ills of a litigious society that looks to the courts to solve its problems. But it will help to restore some balance between plaintiffs and defendants and to constrain that small group of plaintiff securities lawyers who have gamed the procedure and turned our judicial system into a weapon against American businesses, workers, and shareholders.

This rule is drafted to provide for an open and constructive debate of the problems and the solutions proposed in H.R. 1058. I urge my colleagues to support the rule.

Mr. FROST. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN].

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Speaker, this is a bad rule for a good bill, a bill I will probably support.

We have just concluded a frustrating debate on the Legal Reform Act under a bad rule, and many ideas that could have perfected that bill could not be considered. I, for one, had hoped to change the fee shifting mechanism in that bill to make it identical to the fee shifting provisions in this bill. A bipartisan group wanted to make the change, but the inadequate time for debate elapsed before we could offer our substitute. Had the substitute been considered, I believe it would have passed, and this Member and many others would have supported that bill.

H.R. 1058, to which this rule pertains, includes important and meritorious steps to reform securities litigations to

reduce the costs and distractions of unwanted litigation. Several amendments to be offered by the gentlewoman from California [Ms. ESHOO] and the gentleman from California [Mr. MINETA] will further ensure that high technology companies, which are essential to U.S. competitiveness, are reasonably and properly protected by its provisions.

In true bipartisan style, Mr. Speaker, I would like to commend the gentleman from California [Mr. COX], my friend and colleague, for his leadership on this issue. He described himself yesterday as a recovering corporate attorney. Not only did he and I attend the same law school, but I suffer from the same affliction. I, too, am a recovering corporate attorney.

Securities litigation needs reform. This is a good bill. It is a shame debate will be so truncated.

Mr. Speaker, the future of our Nation's future competitive advantage lies in our ability to develop products and services that are on the leading edge of technology and research. The business ventures which undertake such activities are among the fastest growing sectors of our economy. Indeed, they are the pride of our economy.

Regrettably, many of these business ventures are saddled by the costs and distractions of unwarranted and meritless lawsuits, filed when stock prices fluctuate for reasons often beyond the control of business management. The consequences of these abusive suits are settlements and costly legal proceedings unconnected to the merits of the underlying case. Despite the absence of wrongdoing by managers, corporations are essentially forced to pay large sums to avoid even larger expenses associated with legal defense. Advocates of litigation reform cite empirical studies that show virtually all claims in 10b–5 class actions, meritorious or not, are settled.

Let me share an example from the world's leading manufacturer of computer workstations, Sun Microsystems.

Founded in 1982, the company now has annual revenues in excess of $4 billion with over 13,000 employees world-wide, including many in my district.

Since it's initial public offering in March 1986, the company has been profitable every quarter except June 1989. In that quarter, as the result of the introduction of new technology and the switch-over to a new internal management system, the company reported a loss.

When it issued a special public advisory it was hit with three securities class actions within days.

And, when the company actually announced its earnings results, two more class actions quickly followed. The five suits were consolidated into a single suit seeking over $100 million.

In September 1990, despite the fact that Sun Microsystems had a profitable quarter, two more suits followed the company's announcement that earnings were about 10 cents per share less than what analysts expected. These two suits were consolidated into a suit seeking over $200 million.

Mr. Speaker, these suits have drained a staggering amount of money from Sun Microsystems—money that could have been devoted to product development, research, even a return on earnings. In the period from June 1989 to January 1993, Sun Microsystems spent over $2.5 million on attorney's fees and expenses. And this does not include the value of the time lost by management.

Because of the possible exposure of $300 million, and with only $35 million covered by insurance, the company agreed to settle the first suit for $25 million and the second suit for $5 million.

Amazingly, after these settlements were announced, Sun was hit with an unprecedented derivative action in State court alleging that the settlements were too generous. These actions were also settled, with Sun paying plaintiff's attorney $1.45 million and its own attorneys $500,000.

Mr. Speaker, what did shareholders get because of these suits? Nothing more than minor changes to Sun's internal policies.

Mr. Speaker, the record is replete with such examples. Examples like Silicon Graphics, Inc. of Mountain View, CA and Rykoff-Sexton, Inc. of Los Angeles. Examples that do not even begin to measure the huge waste in resources spent defending as well as prosecuting such suits.

These are resources which companies, like small high-technology and emerging growth companies, can better devote to research, and product development and promotion.

The bill, and the improvements that will be offered through the amendments, will reform securities litigation, end abusive lawsuits, and lift the unwarranted burden placed on companies that provide the competitive edge of America's economy.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Newport Beach, CA [Mr. COX], the foremost congressional authority on securities litigation.

Mr. COX of California. Mr. Speaker, I will reserve for general debate most comments on the substance of the legislation, but I would like to speak a little bit about the process by which this bill came through subcommitte, came through committee, after two hearings and is coming to the floor.

I found, when I first was elected to Congress, that the House and the Senate were in the business, rather routinely, of producing thousand-page epics that nobody read. The S&L bailout bill comes to mind. Nineteen hundred and eighty-nine it came up here, drafted by the administration. Nobody in the House or Senate read it. We know that because it was not printed in the RECORD until after the vote took place. It happened that when we did the 6-year transportation reauthorization bill, even though I was on the Subcommittee for Surface Transportation, we did not get a markup for the 6-year transportation reauthorization, not in subcommittee, and in committee we got the whole bill the first time, and for the record my hands are probably a foot or so apart. The whole bill got plunked down on our desks the very day of the markup, and that was the first time we saw that bill, and then, when it went to conference, it was changed so dramatically that nobody knew what was going on. It was produced, I think, about three in the morning, or something, and we voted on this huge bill without anybody having read it or understood it. This has become rather routine.

Contrast with the way the Congress used to run what we have been doing with securities litigation reform. We had two hearings, this Congress. We have had hearings in prior Congresses as well. The bill was bottled up in committee, and, after those hearings, we went to subcommittee markup, and we had a very long subcommittee markup that was so long that we were arguing about adjectival modifiers of words in particular lines. The bill itself is not very long, and of course everyone has read it. Then we went to full committee, and we made still more amendments. There was some criticism in full committee because amendments were allowed, that we were changing the bill in committee, although that is what markups are supposed to be all about, and here we are on the floor with a rule that is so open that just about everybody who wants to offer amendments is able to do so.

Nonetheless, I understand how the ranking member might be upset because the bill came out of committee with only 10 Democrat votes. It was produced 33 to 10, a huge bipartisan majority for a very, very sound bill. If it did anything like what we have been hearing here on the floor today, of course those Democrats and all of the Republicans would not have voted for it, but it protects investors. It protects investors by providing a guardian ad litem or a steering committee that their class-action lawyer will now deal with to make sure that the clients get represented. It prevents bonus payments to favored plaintiffs in a class action so all the class is treated equally. It says that in the future the lawyers are going to have to pay attention to their clients when they file these kinds of lawsuits, and they are going to have to know that they have a case first so that the investors in a company that might be extorted from will also be protected.

Finally I should point out that some of this I-forgot business relates to the fact that this is a fraud statute, it is not a negligence statute, and we do not have negligence in the securities laws now, nor will we have it after this bill.

Mr. FROST. Mr. Speaker, for the purposes of debate only, I yield 2 minutes to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Speaker, I thank the gentleman from Texas [Mr. FROST] of the Committee on Rules for according me this time, and I rise on this rule to point out with strong vehemence my opposition to this last minimum effort to completely undercut the jurisdiction of the Committee on the Judiciary and allow the majority to offer an amendment to H.R. 1058 that would end civil RICO lawsuits for securities fraud.

The Racketeer Influence and Corrupt Organizations legislation would now be brought to an end with one sentence that has never been examined in either the former Committee on Commerce, the present Committee on the Judiciary, in any subcommittees or full committees. As a matter of fact, it was not even on this rule. It was through a remeeting that this rule even allowed it to be joined, and this is one of the great protections against fraud that exists in our law today.

It is absolutely incredible that the RICO amendment that is included in here is broader than any RICO amendment that Congress has ever considered before. The previous attempts at this legislation have failed, and those attempts do not ever go as far as this sweeping amendment that we are considering with such a short amount of time.

We need more time. We could use the whole time for this bill on RICO alone, and it is with great regret that I have to make these points about a very important part of this rule.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Westbury, NY [Mr. FRISA], a new member of the Committee on Commerce.

Mr. FRISA. Mr. Speaker, I thank the gentleman from California [Mr. DREIER], my friend, for yielding this time to me.

Mr. Speaker I am happy to rise in support of the rule which will provide more than ample time for careful, thoughtful, deliberate consideration of this much needed measure which will finally bring about reforms to our legal system.

□ 1545

Mr. Speaker, the American people want our system to work, and we know that right now it has not been working. I find it rather amazing that my good friends on the Democrat side, who have not been able to do anything about these reforms for 40 years, are now complaining that we are moving toward reform too quickly.

Well, I think the American people spoke last November 8, Mr. Speaker, and they have sided with the Republican majority in saying it is long past time to act, to use some common sense, to enact some changes to our system.

Let us roll up our sleeves and get down to work. Mr. Speaker, constituents in my district, hard-working, taxpayers, put in an 8-hour day, and they can get the job done. I do not know why the Democrats in Congress cannot get the job done in 8 hours to amend this legislation.

Mr. Speaker, I urge all of my colleagues to rise in support of this rule so we can get to debate on the bill itself, and then for a full 8 hours, a full day's work, to amend the legislation, pass it, move it to the Senate, so finally we will have those legal reforms.

Mr. FROST. Mr. Speaker, for the purpose of debate only, I yield 1 minute to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, I will shortly offer an amendment that stipulates that if there is a major fraud that corporate managers refuse to remedy, the corporate auditor would have to report the fraud to Government regulators.

I want to thank Chairman SOLOMAN and Mr. HALL from the Committee on Rules for their effort to support it, and would like to note that the gentleman from Louisiana [Mr. TAUZIN] joins me as a cosponsor in offering this amendment.

This amendment has passed the House twice, it has the support of the Securities and Exchange Commission and the accounting profession. I would like to note that if this amendment had been the law of the land in the Keating case, the auditor, instead of slinking away when the auditor saw the wrongdoing, the auditor would have been required to bring that to the attention of Government regulators and taxpayers would have been spared considerable liability.

Mr. Speaker, I urge my colleagues to support this amendment. The last time it came before the Committee on Commerce it passed unanimously with the support of every member of the committee.

Mr. FROST. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana.

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from Louisiana [Mr. TAUZIN] is recognized for 3 minutes.

Mr. TAUZIN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have great sympathy for those who believe this bill is moving too fast this session, but I remind my colleagues that I offered this bill two Congresses ago. I crafted this bill two Congresses ago with the hopes we could have hearings two Congresses ago. We got no hearings.

I refiled it last year, 182 Members of the Congress last year cosponsored it; 67 Democrats. And we could get no hearings until the very last week or two of the session when it was too late for us to take any action on the bill.

There were 4 years for this Congress to move on this bill if we had wanted to take that time. But for 4 years, we could never even get this bill moving, except finally a series of hearings right at the end of the session.

We have had hearings again this year. We have had markups, subcommittee and the full committee. We will have a full and active debate the next day and a half, with 8 hours for folks to offer amendments under this modified open rule. And I am excited that we will finally get a chance to fix something that desperately needs fixing.

The old rule that ''If it ain't broke, do not fix it'' not only applies here, it applies in buckets. When 93 percent of these cases settle, most of them at 10 cents on a dollar, we have a system that is ultimately broke. We have a system made for the attorneys. When 8 cents on the dollar is all that is recouped for the stockholders, when most of the suits are brought to shake down companies, to shake them down any time their stock prices drop a couple points, when these suits are produced on Xerox machines, when the same plaintiff repeatedly appears in the suit time after time, one of them 35 times, you begin to see a picture of professional plaintiffs.

I ask the attorney who brought that suit for the same plaintiff 35 times if perhaps he did not have a professional plaintiff, or if maybe this was the most unlucky person in America.

It is time for us to put an end to that kind of a legal system. When a legal system preys upon our economy instead of trying to render justice, something is wrong. The bill we will present to you today had the support of eight Democrats on the Committee on Commerce, almost half of our membership. It will have the support of many Democrats and Republicans on the floor today and tomorrow. It will truly be a bipartisan effort to put an end to a terrible legal system and to replace it with one that works, one that corrects fraud, one that urges plaintiffs to bring good cases and take them to a conclusion, to prove fraud exists, and to make the guilty parties pay, and to end this business of frivolous shakedown lawsuits that is threatening to cripple many small businesses just trying to get going and discourage them to disclose more information to us, not keep it all secret because they are afraid of another lawsuit right around the corner.

Mr. Speaker, this is a day we have long waited for. This day and the next day ought to produce a good legal system instead of the rotten one we have. I look forward to it under this rule.

Mr. FROST. Mr. Speaker, for the propose of debate only, I yield the remaining time to the gentleman from West Virginia [Mr. WISE].

The SPEAKER pro tempore. The gentleman from West Virginia [Mr. WISE] is recognized for 4 minutes.

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

Mr. WISE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I think somewhere there has to be a middle ground between the previous Republican speaker who was ecstatic that we were going to be allowed 8 full hours of debate. Of course, that includes voting time, which, if you look at the chart of the last bills under this so-called open rule procedure, means about 25 percent of

that debate time is taken up. Somewhere between 8 hours that the Republican gentleman was excited about and the 200 years of common law in jurisprudence and getting into court, that threatens to be upset. So somewhere between 8 hours of debate time and 200 years, perhaps we could have a little more debate time.

I am delighted that the gentleman from Louisiana is happy. I am happy it is coming to the floor. But I think on something of this magnitude, dealing with the securities industry, one of the pillars of the economy in our country, that you need better than 8 hours of debate time, including the voting time.

Remember, the voting time takes a minimum of 17 minutes. Now, let us look at the chart in the past on voting time. To those who say that the problem is that the Democratic minority does not allocate its time wisely enough or manage it, I might point out on the H.R. 728, the Law Enforcement Block Grants, there were at least two Republicans, Mr. BEREUTER and Mr. KASICH, who joined a number of Democrats in being shut out from offering amendments. H.R. 7, the National Security Revitalization Act, Mr. BEREUTER and Mr. SCHIFF joined a number of Democrats in being shut out from being able to offer amendments. The regulatory moratorium, there were at least three Republicans shut out. Mr. MICA was shut out on the risk assessment bill. Just most recently, Ms. HARMAN, who has appeared here already, was shut out, and Mr. SMITH of Michigan, a Republican, was shut out as well.

Once again, we cannot even get in the Republicans to offer their amendments. Some might say if Republicans and Democrats are being shut out, what is the difference? The difference is on the Republican side, being in the majority, they get to craft the bill. Democrats do not. So the best bite we get at the apple is here on the floor.

Also, I might point out the only bite many of us get at the apple is on the floor, right here, and that is why this kind of rule is restrictive and not open, and I think violates the promise that the Republicans gave us of open rules on the contract items.

So picking right back up again, because this is the only time I get under this with the time limitations, I would just urge people to understand that on these very important contract items, when they say there is an open rule, there is no open rule; that indeed 25 percent of the time is being taken up alone on votes. Meritorious votes, some called by Republicans, some called by Democrats, some called by Members of both sides, interestingly enough, when it is clear that is an overwhelming majority. So you get a situation on the risk assessment bill, 10 hours of debate, with 2 hours taken up by rollcall votes alone.

Mr. Speaker, we can do business better than this, If you were in a courtroom, even under the legal reform being put forward this week, you would get a chance to make your arguments. You would get a chance to have a full and open hearing. You would get a chance for every point of view to be offered for all evidence, if you would, if you consider an amendment to be offered. You would get a chance to have that done. Not here. Not here.

Talk about a contract, there is a breach of contract, and that is that open rules will precede each of these items. There is no open rule in this. No matter how you dress it up or put it, it is a race to the clock. A race is what is involved in here. How quickly can you talk and can you get a vote and will there be time for the next person, Republican or Democrat, to be able to offer their amendment.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for six minutes.

Mr. DRIER. Mr. Speaker, this is not a so-called open rule. This is not a wide open rule. This is a modified open rule. What it means very simply is the Committee on Rules did not say what amendments are going to be made in order. The Committee on Rules said that any Member who has a germane amendment can stand up here on the floor and say ''Mr. Speaker, I have an amendment at the desk,'' and that amendment has to be considered.

The only constraint is the outside 8-hour limitation on debate, and that limitation simply means that we have to responsibly determine exactly what priorities there are and what they should be.

Now, there have been some arguments that have come forward from my friends on the other side of the aisle that somehow this is a rule which is closed and we are shutting out people. Well, we have heard from the gentleman from Louisiana, making this clearly a bipartisan modified open rule. The gentleman believes , as I am sure other Democrats do, along with Republicans, that this rule will allow for consideration of legislation that for years and years and years Democrats and Republicans have tried to bring up to deal with the question of securities litigation reform. Tragically, because of the recalcitrant leadership of the past, they were unable to do that.

This rule allows every single idea that is out there to be considered.

Mr. WISE. Mr. Speaker, will the gentleman yield?

Mr. DRIER. I yield to the gentleman from West Virginia.

Mr. WISE. I understand what the gentleman is saying in terms of anyone can bring any idea up. But do you not think it is a closed rule if any idea will not be able to be offered because of the clock, including Republicans' ideas, as precedence goes to members of the committee first.

Mr. DRIER. Reclaiming my time, the answer is a resounding no. This is a modified open rule, because what it says to my friend is if he has an amendment that he wants to offer, and one of his colleagues also has an amendment that he decides is equally as important, they should say let us take 10 minutes each so we can get the full membership of this House on record to vote up or down on this amendment.

So my point, Mr. Speaker, is that every idea, every single idea, can be considered if we can structure it in such a way that all of those proposals move forward.

Mr. WISE. If the gentleman will continue to yield, if that is the case, why did Mr. BEREUTER and Mr. KASICH, for instance, when they were protesting, particularly Mr. BEREUTER the other day on the law enforcement block grants, why did not Members of your party get together? The fact is this closes people out.

Mr. DRIER. Unfortunately, they did not get together. That was something that was not able to be worked out under that process. What we are saying to both leaderships is establish priorities, but under an open amendment process. Let us proceed with making this institution accountable.

In years past the Committee on Rules would kill ideas from the left or the right, not allowing them to even be considered here. Now every one of those ideas can come up under an 8-hour time limit.

Now, as I listen to the people whom I represent, they know that the Gettysburg Address was delivered in 3 minutes. They believe that we should, within an 8- or 10- or 12-hour period, we will be spending as Mr. MARKEY said, a total of 10 hours on this, with 1 hour for general debate, 1 hour of debate on the rule, and 8 hours for amendments, they believe within 10 hours we might be able to under an open amendment process consider these ideas.

Mr. WISE. If the gentleman will yield further, do they know how many days it took to prepare that 2-minute Gettysburg Address?

Mr. DREIER. I do not know, the 3-minute address.

Mr. WISE. The shorter it is, the longer is spent to prepare it.

Mr. DREIER. Reclaiming my time, I would say Mr. TAUZIN, who said that three Congresses ago he introduced this legislation, that totals 6 years that it took to prepare this, and I believe that Mr. TAUZIN and others who have been involved in this should have an opportunity to consider this, and it is going to be done under a fair and open process. I suspect the gentleman from south Boston would like me to yield.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. DREIER. I yield to the gentleman from Massachusetts.

□ 1600

Mr. MOAKLEY. Is it not true though that the gentleman's party promised

open rules, more open rules than they had the year before?

Mr. DREIER. The gentleman is absolutely right. That is exactly what we have provided, many more open rules than we had in the 103d Congress or the 102d Congress. What we have got is a structure where modified open and open rules are 82 percent, about 82 percent of the legislation that we have considered. I think that, as we listen to people like Cokie Roberts, who, when I was quoting National Public Radio earlier——

Mr. MOAKLEY. She erred, she was in error.

Mr. DREIER. Cokie Roberts erred by saying that we are doing this under an open process. Well, Cokie happens to have spent a great deal of time observing this institution. She also has, there have also been a lot of other people who have looked from the outside. And they have watched this on television and they have said, ''You all are doing it under an open process.'' Why? Because they see that a modified open rule, while it does have an outside time cap, does in fact give every Member the right to offer their amendment, have it considered, have it voted on.

Mr. MOAKLEY. The gentleman promised that the contract on America would be based on all open rules.

Mr. DREIER. I do not know about a contract on America. I know about a Contract With America.

Mr. MOAKLEY. Was it not true that the gentleman's people said that these would be all open rules?

Mr. DREIER. Well, my people said that we would consider——

Mr. MOAKLEY. Did not the Speaker say that?

Mr. DREIER. It was said that we would consider these proposals under an open amendment process. That is exactly what we are doing. We are doing it under a modified open rule.

Mr. MOAKLEY. The gentleman is changing it. He is going to consider them under an open process. It does not mean an open rule.

Mr. DREIER. Mr. Speaker, I suspect that it would be best for me to say that I urge an ''aye'' vote on this fair and responsible modified open rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution. The previous question was ordered.

The SPEAKER pro tempore (Mr. DICKEY). The question is on the resolution.

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

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 257, nays 155, answered ''present'' 1, not voting 21, as follows:

[Roll No. 208]

YEAS—257

Allard	Ganske	Nussle
Archer	Gekas	Oxley
Armey	Geren	Packard
Bachus	Gilchrest	Parker
Baker (CA)	Gillmor	Paxon
Baker (LA)	Gilman	Peterson (MN)
Ballenger	Gonzalez	Petri
Barr	Goodlatte	Pickett
Barrett (NE)	Goodling	Pombo
Bartlett	Gordon	Porter
Barton	Goss	Portman
Bass	Graham	Pryce
Bateman	Gunderson	Quillen
Bereuter	Gutknecht	Quinn
Bevill	Hall (TX)	Radanovich
Bilbray	Hancock	Rahall
Bilirakis	Hansen	Ramstad
Bishop	Hastert	Regula
Bliley	Hastings (WA)	Riggs
Blute	Hayworth	Roberts
Boehlert	Hefley	Rogers
Boehner	Heineman	Rohrabacher
Bonilla	Herger	Ros-Lehtinen
Brewster	Hilleary	Roukema
Browder	Hobson	Royce
Brownback	Hoekstra	Salmon
Bryant (TN)	Hoke	Sanford
Bunn	Horn	Saxton
Bunning	Hostettler	Scarborough
Burr	Houghton	Schaefer
Burton	Hoyer	Schiff
Buyer	Hunter	Schumer
Callahan	Hutchinson	Seastrand
Calvert	Hyde	Sensenbrenner
Camp	Inglis	Serrano
Canady	Istook	Shadegg
Castle	Jacobs	Shaw
Chabot	Johnson (CT)	Shays
Chambliss	Johnson, Sam	Shuster
Chenoweth	Jones	Sisisky
Christensen	Kasich	Skeen
Chrysler	Kelly	Skelton
Clinger	Kim	Smith (MI)
Coble	King	Smith (NJ)
Coburn	Kingston	Smith (TX)
Collins (GA)	Kleczka	Smith (WA)
Combest	Klug	Solomon
Cooley	Knollenberg	Souder
Cox	Kolbe	Spence
Cramer	LaHood	Stearns
Crane	Latham	Stenholm
Crapo	LaTourette	Stockman
Cremeans	Laughlin	Stump
Cubin	Lazio	Talent
Cunningham	Leach	Tate
Davis	Lewis (CA)	Tauzin
de la Garza	Lewis (KY)	Taylor (MS)
Deal	Lightfoot	Taylor (NC)
DeLay	Lincoln	Thomas
Diaz-Balart	Linder	Thornberry
Dickey	Lipinski	Thornton
Doolittle	LoBiondo	Tiahrt
Dornan	Longley	Torkildsen
Dreier	Lucas	Torres
Duncan	Manzullo	Torricelli
Dunn	Martini	Upton
Ehlers	McCollum	Vucanovich
Ehrlich	McHugh	Waldholtz
Emerson	McInnis	Walker
English	McIntosh	Walsh
Ensign	McKeon	Wamp
Everett	Meyers	Watts (OK)
Ewing	Mica	Weldon (FL)
Fawell	Miller (FL)	Weller
Fields (TX)	Mineta	White
Flanagan	Molinari	Whitfield
Foley	Montgomery	Wicker
Forbes	Moorhead	Williams
Fowler	Morella	Wilson
Fox	Murtha	Wolf
Franks (CT)	Myers	Wyden
Franks (NJ)	Myrick	Young (AK)
Frelinghuysen	Nethercutt	Young (FL)
Frisa	Neumann	Zeliff
Funderburk	Ney	Zimmer
Gallegly	Norwood	

NAYS—155

Abercrombie	Barcia	Berman
Ackerman	Barrett (WI)	Bonior
Andrews	Becerra	Borski
Baesler	Beilenson	Boucher
Baldacci	Bentsen	Brown (CA)
Brown (FL)	Hilliard	Pastor
Brown (OH)	Holden	Payne (NJ)
Bryant (TX)	Jackson-Lee	Payne (VA)
Cardin	Johnson (SD)	Pelosi
Clay	Johnson, E.B.	Peterson (FL)
Clayton	Johnston	Pomeroy
Clement	Kanjorski	Poshard
Clyburn	Kaptur	Reed
Coleman	Kennedy (MA)	Reynolds
Collins (IL)	Kennedy (RI)	Richardson
Collins (MI)	Kennelly	Rivers
Conyers	Kildee	Roemer
Costello	Klink	Rose
Coyne	LaFalce	Roybal-Allard
Danner	Lantos	Rush
DeFazio	Levin	Sabo
DeLauro	Lewis (GA)	Sanders
Dellums	Lofgren	Sawyer
Deutsch	Luther	Schroeder
Dingell	Maloney	Scott
Dixon	Manton	Skaggs
Doggett	Markey	Slaughter
Dooley	Martinez	Spratt
Doyle	Mascara	Stark
Edwards	Matsui	Stokes
Engel	McCarthy	Studds
Eshoo	McDermott	Stupak
Evans	McHale	Tanner
Farr	McNulty	Tejeda
Fattah	Meehan	Thompson
Fazio	Menendez	Thurman
Fields (LA)	Mfume	Towns
Filner	Miller (CA)	Traficant
Foglietta	Minge	Tucker
Ford	Mink	Velazquez
Frost	Moakley	Vento
Furse	Mollohan	Visclosky
Gejdenson	Moran	Volkmer
Gephardt	Nadler	Ward
Green	Neal	Waters
Gutierrez	Oberstar	Watt (NC)
Hall (OH)	Obey	Waxman
Hamilton	Olver	Wise
Harman	Ortiz	Woolsey
Hastings (FL)	Orton	Wynn
Hayes	Owens	Yates
Hefner	Pallone	

ANSWERED ''PRESENT''—1

Lowey

NOT VOTING—21

Bono	Gibbons	McDade
Chapman	Greenwood	McKinney
Condit	Hinchey	Meek
Dicks	Jefferson	Metcalf
Durbin	Largent	Rangel
Flake	Livingston	Roth
Frank (MA)	McCrery	Weldon (PA)

□ 1620

Mr. MOLLOHAN changed his vote from ''yea'' to ''nay.''

Mr. RAHALL changed his vote from ''nay'' to ''yea.''

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.

PERSONAL EXPLANATION

Mr. BONO. Mr. Speaker, I was unavoidably detained, and was not able to vote on rollcall vote 208.

Had I been here, I would have voted ''aye'' on rollcall 208, the rule on H.R. 1058, Securities Litigation Reform Act.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 481

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 481.

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

There was no objection.