Oberstar	Rush	Taylor (NC)
Obey	Sabo	Tejeda
Olver	Salmon	Thomas
Ortiz	Sanders	Thompson
Orton	Sanford	Thornberry
Owens	Sawyer	Thornton
Oxley	Saxton	Thurman
Packard	Scarborough	Tiahrt
Pallone	Schaefer	Torkildsen
Parker	Schiff	Torres
Pastor	Schroeder	Torricelli
Paxon	Schumer	Towns
Payne (NJ)	Scott	Traficant
Payne (VA)	Seastrand	Upton
Pelosi	Sensenbrenner	Velazquez
Peterson (FL)	Serrano	Vento
Peterson (MN)	Shadegg	Visclosky
Petri	Shaw	Volkmer
Pickett	Shays	Vucanovich
Pombo	Shuster	Walker
Pomeroy	Sisisky	Walsh
Porter	Skaggs	Wamp
Portman	Skeen	Ward
Poshard	Skelton	Waters
Pryce	Slaughter	Watt (NC)
Quillen	Smith (MI)	Watts (OK)
Quinn	Smith (NJ)	Waxman
Radanovich	Smith (TX)	Weldon (FL)
Rahall	Smith (WA)	Weldon (PA)
Ramstad	Solomon	Weller
Rangel	Souder	White
Reed	Spence	Whitfield
Regula	Spratt	Wicker
Richardson	Stark	Williams
Riggs	Stearns	Wilson
Rivers	Stenholm	Wise
Roberts	Stockman	Wolf
Roemer	Stokes	Woolsey
Rogers	Studds	Wynn
Rohrabacher	Stump	Yates
Ros-Lehtinen	Stupak	Young (AK)
Rose	Talent	Young (FL)
Roth	Tanner	Zeliff
Roukema	Tate	Zimmer
Roybal-Allard	Tauzin	
Royce	Taylor (MS)	

NOT VOTING—11

Berman	Ewing	McNulty
Bryant (TX)	Goss	Molinari
Clay	Kaptur	Myers
Danner	McCarthy	

☐ 1526

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. McCARTHY. Mr. Speaker, during rollcall vote No. 142 on House Resolution 419 I was unavoidably detained. Had I been present, I would have voted "yes".

PERSONAL EXPLANATION

Mr. WATT of North Carolina. Mr. Speaker, on Tuesday, April 30, I was unavoidably detained and missed rollcall vote No. 138. Had I been present, I would have voted ''yes'' on rollcall vote No. 138.

☐ 1530

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2796

Mr. GORDON. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 2796.

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

There was no objection.

ANNOUNCEMENT OF PROCEDURES AND DEADLINE FOR PRINTING OF AMENDMENTS ON H.R. 3230, DEFENSE AUTHORIZATION BILL

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

Mr. SOLOMON. Mr. Speaker, the Committee on Rules is planning to meet on Thursday, May 9 to hear testimony on Friday, May 10 to grant a rule which may restrict amendments for consideration of H.R. 3230, the fiscal 1997 defense authorization bill.

The important part is, any Member contemplating an amendment to this bill should submit 55 copies of the amendment and a brief explanation to the Rules Committee in room 312 in the Capitol no later than 12 noon on Wednesday, May 8.

OCEAN SHIPPING REFORM ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 419 and rule XXIII, 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. 2149.

☐ 1531

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. 2149) to reduce regulation, promote efficiencies, and encourage competition in the international ocean transportation system of the United States, to eliminate the Federal Maritime Commission, and for other purposes, with Mr. REGULA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Minnesota [Mr. OBERSTAR] each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is not often that we can bring to the floor a piece of legislation that can boost the entire United States economy but this legislation, the Ocean Shipping Reform Act, can do just that.

Mr. Chairman, while it is true that by abolishing the Federal Maritime Commission, which this bill does, we can save about $20 million a year in the Federal expenditures, that really does not tell the story. The real story here is that by abolishing the Federal Maritime Commission, by eliminating the tariff filings, we can stimulate this segment of American transportation to the point that we can save for America close to $2 billion a year in increased productivity through increased competition.

Yes, this abolishes the Federal Maritime Commission. Yes, it eliminates tariff filings, although it requires that such filings be made public. But it also provides for private contracts. This is at the heart of the bill, because if we are going to retain antitrust immunity, which this bill does, and which the shippers were very much opposed to but in the spirit of compromise agreed to, if we are going to retain antitrust immunity, then it is crucial that the carriers and the shippers be able to enter into private contracts.

This is not a new idea. This is an idea which has been proven, and it has been proven through the Staggers Act, which was the Rail Reform Act. The railroads have the ability with their shippers to enter into private contracts, and we all know the great success story of the revitalization of the railroad industry. The trucking industry has the ability to enter into private contracts with shippers and carriers. The aviation industry has the ability to enter into private contracts with shippers and carriers.

Indeed, every mode of transportation in America, freight transportation, has the ability to enter into these private contracts except for ocean carriage, and that is one of the fundamental reforms that we make today. We say that as all the other modes may do, now shippers and the carriers in ocean shipping can also enter into private carriage. It is a critical, fundamental part of the compromise of this legislation.

Beyond that, we are told by the U.S. Department of Agriculture that the shipping cartels fix prices and that is what we have had up to this point in ocean shipping, cartels fixing prices enforced by the Federal Maritime Commission. We are told by the Department of Agriculture that that price-fixing amounted to an 18-percent surcharge on the total ocean transportation cost of agricultural products.

And so indeed by injecting this competition, we are going to be able to make agriculture more productive. Indeed, we are going to be able to make virtually all modes that rely on ocean shipping more productive.

It is important to emphasize, Mr. Chairman, the United States is the only country in the world that maintains an agency to regulate and enforce Government ocean shipping controls. The time has come to eliminate the Federal Maritime Commission.

There are several points that served as a basis for the delicate compromise on this legislation, a compromise which had strong bipartisan support, indeed was passed out of committee by voice vote with nary a negative expression against this legislation. Republicans and Democrats alike cosponsored this legislation and passed it overwhelmingly, if not unanimously, out of the committee by voice vote.

The agreement was very simple. The shippers agreed that the ocean carriers

and the ports would retain their antitrust immunity. That is what the carriers and the ports got in this compromise, including the authority to set their prices with antitrust immunity and publish those prices.

In exchange for this fundamental concession by the shippers, the carriers agreed to accept reforms to instill greater competition among the carriers. These reforms are the elimination of tariff and contract filings and enforcement, and the authority for shippers and carriers to enter into the private contractual arrangements which every other mode of transportation has. Let me emphasize, seagoing labor, the Seafarers, the part of organized labor most directly affected by this legislation, agreed to this compromise. Indeed, we bring this balance to the floor today.

Let me also emphasize, Mr. Speaker, that originally the bureaucratic ocean and shipping regime, including tariff filings and compulsory publication of contract terms, originally was designed to protect American businesses. But today, however, the ocean transportation system works against U.S. exporters and importers, and it benefits those very foreign competitors of U.S. business and foreign flag owners who dominate the price-fixing cartels. Indeed, these foreign vessel owners control nearly 85 percent of the regulated ocean shipping.

So we bring to the floor today legislation which is good for America, legislation which had the strong, strong support, bipartisan support of virtually every member on the committee. I would urge my colleagues to support this legislation, this compromise, without amendment, because if we undo the compromise, then we undo the reforms and the benefits which are so crucial and critical to the future of American productivity.

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

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, many writers and historians have described the United States as an ''Island Nation''. The oceans that have protected us from foreign invasion are also the highways over which most of this country's imports and exports must travel to market.

While most people recognize that the coastal cities in our country grew up around ports, today, every congressional district in the United States is touched by this linkage to the world market—whether it be iron ranges in my district, or wheat fields in Kansas. That's why we must all be concerned about how international shipping is regulated.

The bill now before us would take major steps in shifting the regulation of international shipping from the Government to the marketplace. In general, I support this approach. The market can do a much better job than the Government in promoting efficiencies and low prices for consumers. That was proved with the successful deregulation of the domestic airlines, trucking, bus, and railroad industries.

I also support most of the provisions of H.R. 2149, including the provisions which eliminate the Federal Maritime Commission; prohibit ocean carrier conferences from restricting the rights of individual carriers to make contracts with shippers; and eliminate the requirement that tariffs must be filed with a governmental agency.

However, I believe that the bill goes too far in one important respect. By combining continued antitrust immunity for conferences of carriers with a right of these carriers to make secret agreements with individual shippers, the bill is likely to lead to less competition and higher rates. Later, I plan to offer an amendment to prevent these unfortunate consequences by banning secret agreements.

In evaluating the problems with secret agreements, we must be aware of some basic economic facts about ocean shipping today.

At the end of World War II, the United States had the greatest commercial fleet in the world to carry this commerce. Today, less than 4 percent of our commerce is transported on U.S.-flag vessels. More than ever before, we are dependent on foreign vessels owned by foreign citizens to transport the lifeblood of our Nation. Foreign carriers do not necessarily have the best interest of United States' citizens at heart. Foreign carriers can be motivated by their own nationalism, their business interests, or the interests of their government. Foreign carriers can operate as an instrument of their country's corporate or governmental policy. To further these policies, foreign carriers can set rates which increase the costs of our exporters and lower the shipping costs of their country's corporations which export to the United States. Thereby, foreign carriers can place U.S. manufacturers, even those only serving domestic markets, at a disadvantage in competing against foreign manufactured goods.

The ability of foreign carriers to create unfair advantages for their country's exporters will be greatly enhanced if the foreign carriers are allowed to enter secret agreements with these exporters, with discriminatory terms. Our shippers will be unaware of these agreements and have less leverage to obtain comparable agreements.

Secret agreements will also accelerate current trends toward industry concentration. In this regard, I would like to take a moment to read to you the views of one of the biggest supporters of H.R. 2140, John Clancy, the president and CEO of Sea-Land Services, Inc. According to an interview he granted with World Wide Shipping in September, Mr. Clancy believe that:

A few giant shipping consortia with global reach and the freedom to function like contract carriers will dominate the world's sealanes before the end of the century. He painted a picture of a maritime environment where a few super-consortia will control 85–90% of the world's containerships. The by-product, he says, is the demise of the niche carrier, the feeder line and the north-south lines with no other links in the shipping chain.

The controlling factor in this, according to Mr. Clancy, is the pending legislation to deregulate the U.S. shipping industry.

I thought the purpose of deregulation legislation was to increase competition, not to eliminate it. That's the fundamental flaw in H.R. 2149. It lacks balance. Everyone is looking at the quick, short-term impact—everyone; that is, except Mr. Clancy. He has his eye on the ball—a short-term cut in rates resulting from secret contracts under deregulation will drive his competitors into bankruptcy and he and the other super consortia members will have the market to themselves, with unlimited ability to control the price of international shipping—whether it be household goods, food and grain, raw materials, automobile parts, or clothing.

Secret agreements will be a major weapon enabling Mr. Clancy to achieve his goals. It will permit large companies to offer lower rates to larger shippers. If smaller shippers and carriers are unaware of these deals they will find it difficult to compete. The end result is likely to be exactly what Mr. Clancy predicts. The demise of the niche carrier, the feeder line and the north-south lines.

I served on the House Committee on Merchant Marine and Fisheries when the Shipping Act of 1984 was written. One of the fundamental purposes of the 1984 act was to counterbalance the legalization of international cartels that have anti-trust immunity by requiring public disclosure of the agreements between the carriers in the cartel, and the essential terms of the contracts between the carriers and the shippers. This way the Government and public will know that ports and manufacturers in the United States are not being discriminated against. By allowing secret contracts, this bill eliminates this balance and undermines the concept of common carriage.

I reiterate that there are good provisions in the Ocean Shipping Reform Act. There should be less governmental interference in the marketplace. The Federal Maritime Commission should be eliminated. The marketplace is a better regulator than the Government. But for the market to work, there must be daylight in the market. Carriers, conferences, consortia, and shippers shouldn't be allowed to enter into secret deals that can harm our ports, manufacturers, and consumers. It's one thing to allow for confidential contracting in our domestic commerce where the Department of Justice or the investigating agency can easily obtain evidence by subpoena. But this isn't the domestic commerce. These contracts are being made and executed in

cities around the globe—Hong Kong, Singapore, Tokyo, London, Rio de Janiero, and Rotterdam. Many foreign governments have blocking statutes to prevent discovery of evidence by U.S. investigators. It will be virtually impossible to obtain information about the content of these secret deals before the harm is done to U.S. ports, manufacturers, and consumers. Was it good for the U.S. consumer and manufacturers when OPEC got together to control the world price of oil?

At the appropriate time I will offer an amendment to require that essential terms of these confidential contracts be made publicly available and to transfer the residual functions of the FMC to the Surface Transportation Board that currently regulates ocean shipping between the continental United States and Hawaii, Puerto Rico, Alaska, and Guam. I believe that my amendment will not gut or kill this bill but will restore the proper balance to this legislation and allow market forces to regulate this industry instead of the Federal Government.

Now you have already heard from the other side that this amendment will gut the bill. There's nothing further from the truth. The fact is my amendment would still allow for private contracts between shippers and carriers. My amendment would not disturb the important provision in the bill that conferences may not prevent individual carriers from making separate contracts. All my amendment would do is require that certain essential terms of these contracts be made public so that there would be an equal playing field in terms of competition. In addition, my amendment would also allow for the transfer of FMC's remaining functions to the Secretary of Transportation with the minor modification that the Secretary then delegate those responsibilities to the Surface Transportation Board.

Hardly ''killer'' changes, I submit.

Lastly, you have also heard that this bill received bipartisan support in the committee and that even though no hearings were held on it there was opportunity for comment and reaction.

That's true. But unfortunately as is often the case, when a bill lays around for 8 months after markup as this bill did, new issues and new interested parties emerge.

While some may charge that particular groups came late in the game, the real issue is not ''when'' but ''what.'' In this case, the issues that have been raised are legitimate public policy issues which must be addressed. My amendment addresses these issues, while at the same time preserving the basic structure of deregulation established by the bill.

If my amendment is adopted, I will support final passage of the bill. Without the amendment, I believe that the bill is highly anticompetitive and I will urge a ''no'' vote on final passage.

□ 1545

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

Mr. SHUSTER. Mr. Chairman, I am pleased to yield 7 minutes to the gentleman from North Carolina [Mr. COBLE], the distinguished chairman of the Subcommittee on Coast Guard and Maritime Transportation.

Mr. COBLE. Mr. Chairman, I thank the gentleman from Pennsylvania, the chairman of the full committee, for yielding me time.

Mr. Chairman, at the outset I want to comment to the gentleman from Minnesota, I think he took umbrage with my earlier statement when I used the words ''political intimidation.'' Well, I use those words again, but I certainly meant nothing personal about that, I will say to the gentleman from Minnesota.

Folks, is there anybody in this great hall who would dare think that political intimidation is not an ingredient that we see every day up here? All of us, nobody is immune to it. Sure, political intimidation is kicked around. I did not mean anything personally by that at all. But I do stand by my choice of words. I do think political intimidation is involved here.

I have heard it said, Mr. Chairman, that oftentimes the lyrics of music sometimes can bring things together. So I heard a song not long ago, and I am going to try to connect it, Mr. Chairman, to what we are about today.

The song was written by Tom T. Hall, the country balladeer, country story teller, who was reared I think in Congressman ROGERS' district in Kentucky, and it is entitled ''The Ballad of $40''. The lyrics depict a fellow who died and he was indebted to a friend in the amount of forty bucks.

The creditor friend goes to the funeral, and the lyrics depict him standing alongside the church there viewing the activity. And as he sees the survivors of the deceased, his debtor, walk by, he says, ''That must be the widow in the car, and would you take a look at that; My, what a pretty dress, you know some women do look good in black. He ain't even in the ground, they tell me that his truck is up for sale. They say she took it pretty hard, but you can't tell too much behind a veil.''

Well, many people up here obviously have been wearing veils. Veils conceal the eyes, and observers therefore are unable to determine the sincerity of the voices behind the veils, because the veils conceal eyes and faces. The observer is, therefore, at a disadvantage.

We were assured by our Democrat friends that they were supportive of this legislation. And as the gentleman from Pennsylvania, Chairman SHUSTER, said earlier, we worked hard, Democrats and Republicans alike, to strike a delicate, yet well-oiled balance.

Strategy sessions were conducted and staffers attended these sessions representing Democrats and Republicans alike. A man said to me yesterday who represents one of the groups supportive of this bill in its present form, he said, ''I feel violated. I went to those strategy sessions and shared information that was very personal to my group, thinking people there were supportive of this legislation. Now I find out they were spying.'' Those were his words, not mine. He felt violated, he said.

All was well, Mr.. Chairman, until the Transportation Trades Department of the AFL-CIO weighed in and told many of my friends on the other side it was time for them to withdraw their support, withdraw their support, despite past assurances that they were in fact supportive.

Have we come to the point in this body where one's word, one's promise, has no significance, has no meaning?

Permit me, Mr. Chairman, to elaborate about the 11th hour involvement of the labor unions. Now, I am not being critical of rank and file, card-carrying union members. My complaint is with union bosses. Union members are rather flexible politically. They vote Republican, Democrat, Liberal, Conservative. Union bosses, on the other hand, with rare exceptions, vote straight Democrat, because I assume big government, sometimes intrusive government, has appeal to these people. Well, these bosses yell ''jump'', and many respond ''how high must I jump?''

Recently some of my colleagues charged that the NRA had too much clout with this Congress. Well, I wonder if these same people believe the AFL–CIO has too much clout? Oh, I guess it is perfectly permissible for the AFL–CIO to dictate the course of legislation, but highly improper for the NRA and other groups to do likewise. The imposition of a double standard, I ask, Mr. Chairman? Perhaps. Perhaps indeed.

A sea change has occurred on this bill. As recently as last week, I say to my friend from Pennsylvania, I say to my friend from Minnesota, the bill was on its way to inevitable passage because of bipartisan support. Then came the AFL–CIO with their marching orders. Now those who previously supported the bill have jumped ship.

A man's word was at one time his bond, but obviously not this day. Too many people, Mr. Chairman, are wearing veils, enabling them to say one thing and do another, and yet often times get away untouched, unpunished, with this elusive approach.

This is a good piece of legislation in its present form, and America, as I said in my remarks during the debate on the rule, will benefit. The gentleman from Pennsylvania, Chairman SHUSTER, just mentioned how much money will be realized by Americans if this bill is enacted. I urge my friends to support it.

Mr. OBERSTAR. Mr. Chairman, I yield 5½ minutes to the gentleman from New Jersey [Mr. MENENDEZ].

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

Mr. MENENDEZ. Mr. Chairman, I thank the ranking member for yielding me time.

Mr. Chairman, I rise in strong opposition to this legislation. Last August, I raised questions about the wisdom of this piece of legislation. Here is why I am concerned about this bill: $571 billion of economic activity move through our Nation's ports; 15 million jobs are generated in those ports. That is one in every seven jobs in the country. Oceangoing vessels move over 95 percent of the U.S. overseas trade by weight and 75 percent by value. This generates an estimated $15 billion in U.S. customs duty revenue. These are truly staggering numbers and the bill today jeopardizes all of them. Listen my colleagues, if you have a small or medium sized port and you support H.R. 2149, you can kiss your port goodbye.

I want to cite a September 1995 article in World Wide Shipping which discusses ocean shipping deregulation. It states that a few giant shipping consortia with global reach will dominate the world sealanes before the end of the century, four short years away. One of the prime supporters of today's bill outlined the scenario where maritime container commerce would be 85 to 90 percent controlled by a few conglomerated super-companies and that is the driving factor in today's move to deregulate the U.S. shipping industry and carrier operating alliances. The Republican revolution is putting deregulation into the fast forward mode. At what cost? The byproduct will be the demise of the niche carrier, the feeder lines and the north-south lines with no other links in the shipping chain. One can almost hear the long knives sharpening as these huge combinations prepare to carve up the commerce of the United States.

You will be told that this is the wave of the future. This is the key to international competition. We were told the same things before the current downsizing craze and the merger and acquisition craze of the 1980's. Tell this lame economics to the workers who have been laid off and the port workers who will lose their jobs. See if they believe you.

I want to quote a former Republican colleague of ours from Maryland who has stood foresquare in opposition to this legislation, Helen Bentley, recognized as an expert on maritime commerce. Ms. Bentley is unequivocal: she says that this legislation will result in the reduction of U.S. ports to as few as four. There are now over 100 public ports serving this country. From 100 ports to 4, now that's downsizing any corporate pirate can be proud of.

This bill is simple. Big shippers and big carriers have gotten together and put the screws to the nations' commerce. Ask your local port authority. They oppose this legislation and have been threatened and punished for it. Right now, port-critical language in the Water Resources Development Act is being threatened with reprisal.

There has never been even a single hearing in the House on this bill. One hearing was held last February 1995 on maritime issues. Last week, there was even a hearing on the Federal Maritime Administration authorization but this legislation was not even mentioned. If you read the February 1995 testimony, only one, single witness favored the position taken in this bill. There was strong opposition from every other sector of the maritime community against wholesale deregulation. Then something mysterious happened. Let me now quote page 10 of the committee report:

> It should be noted that during the Spring and Summer of 1995 numerous, in depth meetings and discussions were held under the committee's auspices to forge a bill that could enjoy wide support among all segments of the ocean shipping industry to the greatest extent possible.

I note that the use of the phrase ''forge a bill'' could be construed in the same sense one could forge a check because this bill is drawn on an insufficient basis. A bill was introduced one day before the markup in August, yet it took until November to file the report. There is something very fishy about this bill and it smells of backroom, closed door, special interest at the expense of everyone else. I say let the sunshine in.

If this legislation enjoys widespread support in the ocean shipping community, why are responsible parties expressing concern about this bill being subjected to bullying, threats, and intimidation? Why were all the discussions conducted behind closed doors? I know that responsible parties with legitimate interests like the port authorities and labor have been repeatedly threatened because they have voiced concerns about what this legislation means.

Here are a few of the concerns that have been raised about this bill.

H.R. 2149 would allow large carriers and large shippers to discriminate against ports in favor of super-hub ports without public notice or public recourse.

H.R. 2149 would effectively impose higher rates on small and medium sized shippers to subsidize secret deals made between large carriers and large shippers. Many shippers would simply go out of business.

H.R. 2149 would result in massive job dislocation in port communities. Wages and benefits would be pushed downward as ports compete against ports and exporters compete against exporters.

H.R. 2149 is not deregulation. It is cartelling. H.R. 2149 will not result in an ocean transportation industry governed by market principles or competition. It will result in a system of cartels which will operate with legal impunity. The United States has never before recognized a cartel of this type.

H.R. 2149 threatens billions of dollars in taxpayer investment in public ports and facilities.

I think that these are issues of consequence. I think that a radical change in $571 billion in commerce merits at least a single hearing in an open and free atmosphere.

Here is the bottomline: H.R. 2149 smells of the bad old days of monopoly power. It reeks of secret contracts, immunity from antitrust laws and no Government safeguards to act as a referee. If you like secret deals, monopolies, unemployment, and recession, while billions of dollars get funnelled directly into the pockets of the cartels, then you should vote for H.R. 2149. If you care about the Nation, the economy or government conducted in the sunshine, you will oppose this bill.

□ 1600

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume to emphasize that the private contracts which pejoratively are called secret contracts, these private contracts are not different from the contracts that exist in Staggers, in rail, they are no different from the contracts that exist in trucking, in aviation, and every other mode. So for that reason we should simply bring ocean shipping into what is going to become the twenty-first century.

Mr. Chairman, I yield 5½ minutes to the gentleman from Illinois [Mr. HYDE], the distinguished chairman of the Committee on the Judiciary.

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

Mr. HYDE. Mr. Chairman, I thank my friend for yielding me this time.

Mr. Chairman, I rise in support of H.R. 2149, the Ocean Shipping Reform Act, and in opposition to the Oberstar amendment.

This legislation would make significant reforms in the regulatory regime contained in the Shipping Act of 1984. H.R. 2149 represents the bipartisan compromise that would reform this outdated regime by deregulating ocean shipping, infusing new price competition into the industry, eliminating the need for the Federal Maritime Commission, and maintaining oversight of ocean shipping conferences. As chairman of the Judiciary Committee, I believe that H.R. 2149 moves this important industry towards full market competition and I fully support it.

Under the Shipping Act of 1984, ocean carriers—most of whom are foreign—are allowed to organize themselves into cartels, known as conferences, and collectively fix their prices, set sailing schedules, and make other business arrangements. In fact, the Shipping Act provides an antitrust exemption for international ocean carriers and their conferences, thereby sanctioning price fixing agreements. In contrast, H.R. 2149 would lessen the power of the conferences to fix prices by authorizing private contracts for ocean transportation, as provided in all other areas of transportation.

During the consideration of the Shipping Act in the 98th Congress, the majority of the Republicans on the Judiciary Committee, including me, pushed hard for the concept of independent action. Independent action means that an ocean carrier member of a cartel can act independently of the cartel in setting its prices. We were able to achieve that goal in a limited fashion. However, we did not feel that the 1984 legislation went far enough in ending price fixing.

Fortunately, H.R. 2149 takes another step away from Government-sanctioned price fixing by allowing shippers and carriers to enter into private contracts away from the prying eyes of cartel enforcers. My preference would be to end the antitrust immunity altogether for these cartels. However, I am realistic enough to understand that H.R. 2149 represents a delicate compromise among many competing interests. While it does not go as far as I would like, it is a vast improvement over current law.

Unfortunately, Congressman OBERSTAR's amendment would upset this delicate compromise by requiring prior publication of these private ocean shipping contracts. Without the ability to negotiate reasonable transportation rates in private, U.S. shippers—that is the tens of thousands of American businesses who use the services of carriers—would be at a competitive disadvantage with their foreign competitors who are not compelled to publicize their transportation costs. This amendment would undermine the pro-competitive thrust of H.R. 2149, and I strongly urge you to vote against it.

The biggest beneficiaries of the public contracts that the Oberstar amendment seeks to preserve would be the foreign-dominated shipping cartels who fix prices that they charge American businesses. Over 85 percent of U.S. goods are carried aboard foreign vessels, and this amendment allows foreign ship owners to avoid competition and maintain high profits at the expense of U.S. businesses and consumers.

Further, the Oberstar amendment would not help small shippers as its proponents claim. According to a recent article in the Journal of Commerce, getting the Government out of ocean shipping contracting may allow smaller shippers to get a better bargain than large shippers. Obviously, the thousands of small and medium shippers who support H.R. 2149 agree.

Finally, do not be fooled by the claim that the private nature of these contracts is bad for the shippers. On the contrary, privacy allows competition in rates. Publicizing prices only allows the foreign-dominated cartels to enforce the prices they have fixed. Without this mode of enforcement, competition will ultimately undermine the cartels.

The proponents of the amendment argue that the antitrust immunity provided by the Shipping Act somehow counsels against private contracts. However, the antitrust immunity applies only to agreements among the carriers themselves and with terminal operators. It does not apply to the private contracts between carriers and shippers that the amendment seeks to overturn. Thus, the continuation of antitrust immunity for the cartels is not an argument against private contracts between carriers and shippers.

Cast your vote for the free market, lower prices and actual competition in ocean shipping. Vote for H.R. 2149 and against the Oberstar amendment.

Mr. OBERSTAR. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I think those listening to the debate are perhaps becoming a bit confused. We have heard from the esteemed chairman of the Committee on the Judiciary how these secret agreements and the antitrust exemptions will lead to a freer market, more competition, benefit all shippers, particularly possibly maybe smaller shippers and others, and those who have been listening to the debate have heard the opposite from this side of the aisle.

I guess that is a good argument to basically withdraw this bill and go back to the committee of jurisdiction on which I sit and hold a hearing. It would be nice to hear from the broad interests that are going to be impacted by this bill in some detail how they believe this will affect American ports, American shippers, American workers, and the American maritime industry, such as it is. But no hearings were held and none will be held before this bill is voted on. That is absurd, for something that has such a tremendous economic impact, or potential impact on this country.

I respectfully disagree with the prior speakers on that side of the aisle. I believe that antitrust immunity linked to secret, nonpublished tariffs and rates will lead to an anticompetitive environment, an environment that is particularly to the disadvantage of small- and medium-sized shippers and the businesses which they serve. I believe that this will also bring about problems for medium-sized and smaller ports in America.

I do not believe a country that concentrates all of its shipping in two or three large ports is a healthy nation, particularly a maritime nation such as the United States of America. So for those Members who represent States which contain medium-sized or smaller-sized ports, if they do not represent a megaport, this bill in all probability will deprive their port, their State, of vital interests and of carriage through those areas. That means job loss, competitive loss, competitive disadvantage for their States.

Beyond that, I disagree also, Mr. Chairman, on the fact that this will somehow disadvantage the foreign cartels; to have antitrust immunity, and secret agreements, and no transparency, and no publication of rates and tariffs is somehow going to disadvantage foreign cartels, who are right now trying to drive American shippers out of business and trying to channel business through a few select ports. No, I do not believe this bill is going to help that situation. In fact, I believe it is going to make it worse.

There is only one remedy. We can get the savings proposed here by eliminating the Maritime Commission. We can get the savings and the efficiency that underlie other parts of this bill, and we can maintain competition, maintain a viable environment for small shippers, medium shippers, small ports, medium ports if the bill is amended with the Oberstar amendment, which the chairman of the full committee objects to vehemently.

Again, perhaps we could sort those differences out if we went back and held a hearing. But absent a hearing, I think we should act in a way that is prudent to protect America's interests and the diversity of interests in this country by adopting the Oberstar amendment. And absent the Oberstar amendment, I and many others will not support this legislation.

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume to respond to my good friend from Oregon that, first, hearings were held on February 2 on ocean shipping deregulation. Second, in the last Congress there were at least three different major bills on which precisely the procedure which was followed in the last Congress was followed in this Congress, and that is hearings on airline improvements, hearings on trucking deregulation, and hearings on amending the FAA, all of which, under the control of our Democratic friends, hearings were held on the issue but no hearings were held on the actual text of the legislation. So we are simply following the same procedure that our Democratic friends followed in the last Congress.

And, finally, I would also say that my good friend, the gentleman from Minnesota, Mr. OBERSTAR, in his statement on August 1 in the committee, said that, and I quote him directly, the basis of this legislation is bipartisan; a cooperative manner in which the bill was developed, and the willingness of Chairman COBLE to let the bill hang out there for a time and let people digest it, and comment on it, and be comfortable with it and with changes that need to be made.

Mr. Chairman, I yield 6 minutes to my good friend, the gentleman from California [Mr. BAKER].

Mr. BAKER of California. Mr. Chairman, I got into this process early serving on the subcommittee, and at the point we entered the debate there was a mechanism where we fixed prices and the cartels and other parts of the world fixed prices. How can we, if we want to increase our exports, use shipping when the prices are fixed artificially high?

How do we expect to change our balance of payments if we are going to allow the shipping to be artificially high?

□ 1615

So the gentleman from North Carolina, Chairman COBLE, and I and other members of the committee said the end of the Maritime Commission, the end of price fixing, we are going to join the late 1800's and we are going to have competition.

No one thought we would do it. The gentleman from North Carolina [Mr. COBLE] assured them, the chairman of the committee, that we were crazy enough to eliminate them, just as has been suggested by Democratic Congresses before that. This mechanism was old. Seven years ago we asked that they study this mechanism, and this Congress demanded that they study this mechanism. And because the carriers had a lock grip on the Maritime Commission, they came back with no recommendation, surprise, surprise.

Another 4 years went on after that and nothing happened. But then we got a new Congress and we began addressing problems. We said the old days are over, this mechanism is going. They are going under the Department of Transportation and this industry is going to be deregulated, just as rail and trucking was before it.

The rail units have, quote, secret contracts. Is it not funny when we have a business agreement with somebody and we do not post it on the wall, it becomes evil at the last moment? These are now secret contracts. The shipping people and the rail industry have secret contracts. Truckers have secret contractors. And while we post the airline rates for you and me, we know what we pay when we walk in, the airlines are free to go to a corporation and say, ''Use us a bunch of times and we will give you a discount.'' Those are secret contracts.

So now we are being besieged to, well, just take that out, do not allow competition, post the rates which then become the rates. Everybody will have the same rate once again, back to the old rule. So what happened? We allowed shippers and carriers, those who have ships, those who make the product, whether they be small manufacturers or farmers, large goods, small goods, they got into a room and they decided they could work it out by themselves, once they realized we were crazy enough to get rid of their cartel mechanism, and they worked it out.

They came out and just showed what their final product was and everybody signed off on it, until the unions decided this was 1996 and they wanted to play politics. They wanted to muscle around on the floor of the legislative body and they said, ''Oh, we no longer think this is a good deal.'' We cannot lose American jobs in shipping because most of the people in shipping, whether they are American flags or foreign flags, are foreigners.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. BAKER of California. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, I would like to alert our Members to this bill that we will be voting on here this afternoon, and I would like to pay a very high compliment to the gentleman from North Carolina, Mr. COBLE, the chairman of the subcommittee, and obviously the gentleman from Pennsylvania, Chairman SHUSTER. It is great to stand up here and be with Chairman SHUSTER, not only because we won the last time but, second, he generally wins, so it is good to be working with him this time.

But I want to say to our Members that this is another outstanding effort by this Congress to try to move things literally with an aim toward the 21st century. Now, I think we have got to give Jimmy Carter a little bit of credit, President Carter a little bit of credit for deregulating a number of industries: the trucking industry, the bus industry. We are trying to do some deregulation of railroads and of airlines, as you know.

All we are trying to do here is to say that the time has come in America where we ought to deregulate some of the activity involved in shipping. And at the same time, very similar to what we did in the Interstate Commerce Commission, we are saying we do not need this old bureaucracy anymore.

This bill will call for the dismantling of the Federal Maritime Commission. This is a fantastic vote for this Congress so we will be able to achieve several things: One is, we will deregulate because we believe that regulations cost money and strangle business. Second, we will have a lowering of prices. It will be pro-consumer. Third, it is pro-taxpayer because we are again trying to pull another one of these tired old dinosaur-like bureaucracies out by the roots and to suggest that we move into the 21st century.

So the members of our party in particular should be very enthusiastic to vote for less government, less regulation, and giving the taxpayers a break on some of the money that they are sending up here to keep piling up World War II bureaucracy. We are going to cut through that.

To my Democratic friends who are market-oriented, this makes all the sense in the world. If you believe in deregulating trucking, if you believe that people have been served well in this country, consumers, by a better product with more competition, you need to vote for this bill. If you want to get rid of some of the World War II relics, you have got to come to the floor and vote for this bill.

I one more time want to compliment Chairman SHUSTER and Chairman COBLE for their outstanding work, and would ask for very strong support of this legislation.

Mr. BAKER of California. Mr. Chairman, reclaiming my time, I think the gentleman in the budget area said $17 million savings on the commission, lower rates to consumers and a better trade balance. I ask for an ''aye'' vote, and a ''no'' vote on the Oberstar amendment.

Mr. OBERSTAR. Mr. Chairman, I yield myself 30 seconds.

I am sorry my good friend, the gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget, left the floor so precipitously. All he said, we are in agreement with. There is nothing that my amendment does that will affect in any way anything that he said. We are all in agreement about this deregulation, about all the good things he talked about. We just want to correct one defective aspect of this legislation.

Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. LIPINSKI].

Mr. LIPINSKI. Mr. Chairman, I thank the gentleman from Minnesota for yielding me the time, and I want to say that I feel I am compelled to speak on this particular bill because I had the fortune of being the last chairman of the late, great Merchant Marine subcommittee.

H.R. 2149, the Ocean Shipping Reform Act, provides badly needed reform to the ocean shipping industry. The ocean shipping industry is one of the only transportation industries still heavily regulated by the U.S. Federal Government. By substantially deregulating the ocean shipping industry, this bill has the potential to restore the competitiveness of the American shipper.

The United States is the only country in the world that maintains a Government agency to regulate ocean shipping. For this reason, the Ocean Shipping Reform Act sunsets the Federal Maritime Commission—a Federal agency which has clearly outlived its usefulness.

The Ocean Shipping Reform Act also eliminates the detrimental tariff-filing and enforcement requirements. It preserves common carriage for all sizes of U.S. shippers who choose that method of ocean transportation. Most importantly, the bill also strengthens the laws that prohibit unfair trade practices on behalf of foreign carriers. Under the bill, the United States will retain the authority to police foreign carriers and governments who set anticompetitively low rates and other foreign activities detrimental to U.S. carriers.

Despite these much needed reforms, I will not be able to vote for H.R. 2149 without an amendment. The Ocean Shipping Reform Act allows conferences of carriers to enter into secret contracts and still enjoy full immunity from U.S. antitrust laws. These secret contracts will only accelerate the trend in the maritime industry toward consolidation. With carriers operating free from antitrust laws, there would be no safeguards to prevent predatory activity. Small consumers, manufacturers, and ports will have no recourse

from secret deals that discriminate against them.

Allowing secret, discriminatory contracts is a fundamental flaw of H.R. 2149, the Ocean Shipping Reform Act. I urge my colleagues to adopt the amendment which would preserve the requirement that carriers file their rates. Only with the amendment will the Ocean Shipping Reform Act produce a stronger maritime industry capable of meeting the Nation's future ocean transportation needs.

I urge my colleagues to vote for the Ocean Shipping Reform Act only and only if the Oberstar amendment passes this afternoon.

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, perhaps my good friend from Illinois misspoke, because when he said that the so-called secret contracts will have antitrust immunity, that simply is not the case. The antitrust immunity applies only to the published rates.

The antitrust immunity does not apply to the private contracts, the so-called secret contracts which the gentleman refers to. I wish to emphasize that very, very clearly. The antitrust immunity does not apply to the private contracts entered into, the same private contracts that already exist for every other mode of transportationin America.

Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. BORSKI].

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

Mr. BORSKI. Mr. Chairman, I want to thank the distinguished gentleman for yielding me the time.

Mr. Chairman, I wish to express my opposition to H.R. 2149 and my strong support for the Oberstar amendment.

H.R. 2149, as it now stands, would benefit a small group of large shippers and a handful of the largest ports at the expense of everyone else. The committee bill would be a serious threat for consumers, for small shippers, and for all but the largest ports.

In Philadelphia, a minimum of 11,000 people owe their jobs to port activity. H.R. 2149 could put those 11,000 jobs at serious risk because shipping activity could be funneled through a few large ports.

Just a few years ago, we saw the power of the ocean carrier cartels when the Northern Europe-United States Conference dropped its designation of Philadelphia as a port of call. Since then, the carrier conferences have become larger and even more powerful.

H.R. 2149 would provide a powerful new launching pad for concentration of the carrier industry, of the shipping industry, and of the ports of this Nation. One of the major backers of this bill has said that the 100 public ports that exist today in this country will be reduced to four. That concentration will come at the cost of tens of thousands of jobs in every part of this country.

It is the threat of the industry and port concentration that would be promoted by this bill that has prompted the strong opposition that has surfaced during the past 8 months.

We have heard from the ports, from labor, and from small shippers about the damage this bill could cause.

To make this bill acceptable, we must eliminate the cloak of secrecy that H.R. 2149 would cast over freight carrier contracts. The Oberstar amendment would lift that veil of secrecy to protect consumers, small shippers, and smaller ports from potentially serious damage that could take place if the confidentiailiy provision is allowed to stand.

If the Oberstar amendment is not adopted, the end result of this bill will be fewer shippers, fewer carriers, and fewer ports. This Congress should not be creating a special veil of secrecy for ocean shipping that will put thousands of people out of work.

This bill is a step backward from the open and public disclosure of contract terms that has existed since the Ocean Shipping Act of 1984. H.R. 2149 continues the special antitrust exemption for ocean carrier conferences but it also allows the deals made by these conferences to be secret.

The new secrecy authority will make these conferences into cartels that will become more and more powerful. Eventually, there will be no competition. That means fewer jobs.

It is also crucial that an independent regulatory board, such as the Surface Transportation Board in the Department of Transportation, take over the remaining oversight functions of the Federal Maritime Commission. The Oberstar amendment would eliminate the FMC and transfer its functions to the Surface Transportation Board.

Without the Oberstar amendment, H.R. 2149 is anticonsumer, antiworker, and will benefit only a handful of major ports. Without the Oberstar amendment, H.R. 2149 is a job killer that should not be approved.

I am also concerned about other issues that have been raised by the American Association of Port Authorities, another group which opposes the bill. AAPA has objected to the provisions on tariff filing and on steamship alliances. I hope those issues can be resolved so the ports can support the bill.

Mr. Chairman, I urge support of the Oberstar amendment and defeat of the bill unless the Oberstar amendment is adopted.

The CHAIRMAN. The Chair advises that the gentleman from Pennsylvania [Mr. SHUSTER] has 4½ minutes remaining and the right to close, and the gentleman from Minnesota [Mr. OBERSTAR] has 4 minutes remaining.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in the course of this debate, much has been made of who said what and when. At the very outset of this whole process, I made it very clear to my good friend, the chairman of our committee, that as we moved the bill through subcommittee and full committee, I supported the bill.

I felt, however, there should have been hearings on the introduced bill before we went to markup, but there was a willingness to work together to try to work out differences to come to an agreement. When we came to markup, I said very clearly, ''I support the legislation being considered, as do my fellow Democrats on the committee.'' I thought that we had gone through a process whereby all considerations had been given an opportunity to be brought to bear on the legislation.

□ 1630

The bill that the committee was about to consider was very similar, I said, to legislation I introduced earlier in the year, but that bill that I introduced following the concept hearings the committee held never allowed for secret contracts. That was not something, it was not a provision, that I supported. We had come to an agreement, however, that I thought was about as far as we could go at that point.

Mr. Chairman, time passed 8 months went on, and agreements should never stand in the way of good public policy. If people have objection to legislation, people feel their interests are being hurt, if ports feel that they are going to be disadvantaged, if labor feels it is going to be disadvantaged, we have a right to hear their concerns, and we have a responsibility to react to those concerns. That is what I am doing in proposing my amendment.

This is not some act of disloyalty, as it seems to be portrayed in the course of this general debate. This is, however, a high act of public responsibility and public policy. Openly discussed, I did not conceal from my friends on the Republican side that there were concerns raised by valid interests that need to be heard. I was very open about it, told my colleagues directly what needed to be done and gave them an opportunity to look at this legislation, at this amendment, rise objections if they have them. We understood that they could not probably come to an agreement on it and that this is the place to take that language to the floor and have a vote on it, and we will have a vote.

Mr. Chairman, but it is done in the full spirit of openness and of respecting interests that people have and concerns in this open public policy process. There is no hidden agenda on my part or on the part of any of us on this side. We have differences; let us have them out. But let us not make them personal. I never have and I do not like that way of proceeding. We have differences on public policy issues; let us debate them out on their merits, and that is what we are going to do in a few minutes.

With that, Mr. Chairman, I yield back the balance of our time.

Mr. SHUSTER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I wish to strongly concur with the last statement my good friend made because, the minute he realized that there was going to be an effort on the part of labor to try to change this legislation, in the spirit of openness and fairness he came to me immediately, and he told me that there was this problem developing. So I salute him, and I concur with what he said in the spirit of openness with which we have always worked.

I would like to review the facts, however, as how this has developed and the whole question of this last-minute abrogation, I must call it, of an agreement from my perspective. Last June 28 we put out a bipartisan press release, both sides of the aisle, in our committee, and we listed the seven key elements of the compromise and the private contracts. The confidential contracts were one of the seven elements.

Mr. Chairman, from June 28 to August 1 and 2, the markups, we heard nothing about opposition. On August 1 and 2 we marked up the bill; we heard no opposition to this issue. On April 2, this year, less than a month ago, my good friend, the ranking member of the committee, was still supporting the private contracts in speeches to the ports.

Indeed, and I again emphasize what my good friend said because I think it is so relevant, he said our committee has reported the Ocean Shipping Act to the House and proposed that we deregulate the ocean transportation industry in ways that are similar to what we have already done in trucking and rail and airline industries. We would eliminate tariff filings and allow for confidential service contracts. My good friend went on to say, ''I know that some ports may have concerns about the possible impact of this bill, but I would hope that you would look at this as an opportunity to increase your business and not as a threat to your existence.'' Then he further went on to say, ''Shippers and consumers will pay less for their products, the ports will be handling more cargoes, and the ocean carriers will have a more competitive operating environment.''.

So after all these months, 10 months after we had a compromise, a bipartisan agreement, no problem. Finally, a few days ago something changed, and I understand that, and we all know what changed, and I respect that. But really those are the facts.

Mr. Chairman, it should be emphasized once again that the compromise that was agreed to was that the carriers would swallow hard and accept private contracts for the shippers. The shippers would swallow hard and accept keeping antitrust immunity which the carriers wanted, and indeed I emphasize again, lest there be no misunderstanding. With regard to the private contracts the antitrust immunity does not apply. The antitrust immunity applies only to the published tariff rates.

Further, I would ask rhetorically to my good friends on the other side of the aisle, do they want to eliminate the private contracts that we gave to rail in the Staggers act? I have heard nobody proposing to do that. Do they want to eliminate the private contracts which exist in the trucking industry? I have heard nobody propose that. Do they want to eliminate the private contracts that exist in the aviation industry? I have heard nobody propose that.

Yes, every other mode of transportation in America has the ability to enter into private contracts between the shipper and the carrier, and we are simply doing here today what every other mode of transportation already has in America.

Now my friends can try to characterize it as secret agreements. These are private agreements which every other mode has, and for that reason I think that we should treat the ocean carriers in exactly the same way. Indeed, let us not destroy this compromise, let us not gut this bill. Let us pass the bill as it was overwhelmingly passed on a bipartisan basis out of our committee and, until last Thursday evening, had the strong bipartisan support of virtually every member of the committee on both sides of the aisle.

For all those reasons I would urge my colleagues to reject the Oberstar amendment when it comes and to support the bill so we can get on with real regulatory reform in the transportation industry.

Mr. TRAFICANT. Mr. Chairman, first of all I want to applaud the chairman of the Coast Guard and Maritime Transportation Subcommittee, HOWARD COBLE, for all the hard work he and his staff did on this bill.

I was the ranking member of the subcommittee when the bill was approved. We worked very closely with shippers, carriers, and maritime labor. The bill approved by the committee last August had the strong support of ocean shippers and carriers. At the time, maritime labor indicated that they were not opposed to the bill, although they did not expressly support it.

It has been 9 months since the bill was approved by the committee. Members of Congress and our friends in maritime labor have had time to digest the bill and fully understand every section. After this normal process of reflection, one legitimate concern has arisen over the issue of secret contracts.

H.R. 2149 amends existing law by repealing the requirement that the essential terms of contracts between ocean carriers and shippers be disclosed to the public. On the surface, this seems to make common sense—especially when one looks at the manner in which the rail and highway shipping industries operate. But unlike the rail and highway industries, in ocean shipping, most of the carriers are part of conferences that are immune from U.S. antitrust laws.

The combination of antitrust immunity and secret contracts will greatly compromise the delicate competitive balance between ocean carriers and shippers. The only way to fully protect small carriers and shippers, as well as small- to mid-size ports, is to preserve the requirements in existing law for disclosure of the essential terms of ocean shipping contracts.

All the Oberstar amendment does is retain the disclosure requirement. I support the Oberstar amendment. Far from gutting the bill, the Oberstar amendment retains all of the key provisions in H.R. 2149. These include:

Elimination of the Federal Maritime Commission; elimination of tariff filing; elimination of restrictions on the contents of contracts between shippers and carriers; repeal of current provision of law that allowed carrier conferences to bar their members from making individual, lower cost, ocean transportation contracts with shippers; reduction of the amount of notice a carrier must give a conference before it offers lower contract rate from 10 days to 3 days.

Most significantly, the Oberstar amendment retains key language I had included in the bill to strengthen the ability of the United States to combat unfair, predatory, and anticompetitive trade practices by foreign governments and carriers.

While I support the elimination of the FMC, I want to applaud the FMC for the excellent job it did over the years to protect U.S. ocean shippers and carriers from unfair and illegal foreign trade practices. The FMC rarely took action against a foreign government or a foreign carrier. It didn't have to. Merely the threat of FMC sanctions was enough to keep foreign governments and foreign carriers in line.

The Traficant language included in the bill and the Oberstar amendment will ensure that the United States retains the ability to take decisive action against foreign governments and carriers that engage in unfair trade practices. In fact, the Traficant language actually strengthens the hand of the United States.

The bottom line: The Oberstar amendment will not gut the bill. I urge Members to support the Oberstar amendment, and I applaud the distinguished ranking member, Mr. OBERSTAR, for bringing the amendment forward.

Mr. UNDERWOOD. Mr. Chairman, I rise in opposition to H.R. 2149, the Ocean Shipping Act of 1995, in its present form and in favor of the Oberstar amendment that would remove some of the onerous provisions in this legislation that are harmful to domestic offshore areas such as Guam.

Open and fair competition in the shipping industry is good. But, we do not have open and fair competition in the domestic offshore trades. Instead, because of the Jones Act and cargo preference laws, we have captive markets like Guam that are gouged by carriers with high shipping rates due to lack of competition. Because there is no effective competition in the offshore trades, we need effective regulation, or completely open markets—it seems that we are moving in the direction of having the worst of both worlds. To allow the carriers to have complete freedom to set secret rates without public disclosure would only exacerbate the exploitation of the domestic offshore markets and the raiding of consumers' wallets on Guam. I opposed certain provisions of the ICC Termination Act for this reason.

This same basic infirmity is now being proposed for the foreign commerce of the United

States in H.R. 2149. Most troubling are provisions in H.R. 2149 that would allow conferences to negotiate secret rate deals with shippers. The effect on the shipping industry is potentially devastating. By allowing secret contracts, major shippers and major ports may be able to steer business away from smaller shippers and ports. Any oversight by the Department of Transportation, once the Federal Maritime Commission is eliminated, would be meaningless if critical information about the carriers' trade practices are withheld.

I am concerned about the effect of our maritime policies on captive markets such as Guam and have voiced those concerns during the debate on the ICC Termination Act. I have also urged the Department of Transportation to consider the domestic offshore trades, the impact on individual areas such as Guam, and the potential for abuse of carriers' rate-making authority in exercising its oversight responsibilities. These considerations apply with equal force to the foreign commerce of our Nation.

I urge my colleagues to support the Oberstar amendment to retain some accountability by DOT over the carriers.

Mr. ROBERTS. Mr. Chairman, I rise in support of the bill H.R. 2149, so as to eliminate the regulation by the Federal Maritime Commission [FMC] of manufactured and processed goods including many agricultural food and fiber products.

As I understand it, existing maritime law permits ocean carriers to organize into consortiums, known in the trade as shipping conferences that may collectively fix their rates, set sailing schedules, and make other business arrangements. I am informed that the United States is the only country that maintains a government agency—FMC—to regulate ocean shipping.

The apparent primary purpose of FMC is to collect and enforce thousands of transportation rates and prices—tariffs—and business contracts filed by ocean carriers and make them publicly available.

The Transportation Committee states that a report prepared by the Department of Agriculture in 1993 found that a ''cartel premium'' attributable to conference market power amounts to some 18 percent of the cost of ocean transportation of manufactured or processed agricultural exports.

The Committee on Agriculture for a number of years has enacted legislation urging the Secretary of Agriculture to expand on value-added—high value—processed products so that not only will the United States enhance its dollar value and volume of agricultural exports but also enhance rural development by giving jobs to our domestic work force by processing and adding value to our raw commodities and compete in foreign markets. However, to be competitive we need to diminish or eliminate that 18-percent cost of exporting U.S. value-added products and keep that advantage here in the United States to help our domestic farmers, agricultural industries and laborers.

The following groups, among about 40 or more, that support this bill include American Farm Bureau Federation, American Forest and Paper Association, American Frozen Food Institute, American Meat Institute, Calcat Ltd., Con Agra, Inc., Florida Citrus Packers, National Broiler Council, National Cattlemen's Beef Association, Sun Diamond Growers of California, and Weyerhaeuser Co.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I rise in support of the Oberstar amendment to H.R. 2149, the Ocean Shipping Reform Act. This amendment, simply put, requires the public disclosure of the essential terms of contracts that could be secret and/or discriminatory. The authority to make secret contracts is particularly inappropriate when we bear in mind that under H.R. 2149 carriers, consortia of carriers, and their conferences will operate under antitrust immunity.

Mr. Chairman, the combination of antitrust immunity and secret agreements undercuts the Shipping Act of 1984 which achieved a delicate balance between the competing interests of the ocean carrier and the shipper. Under the 1984 act, carriers were allowed to continue having conferences, but the essential terms of the contracts they entered into with shippers had to be publicly disclosed to ensure that they were not discriminating against shippers, ports, manufacturers, and freight forwarders. Without this amendment, Mr. Chairman, this balance will be destroyed. Carriers will be allowed to enter into confidential ocean transportation contracts and no one, not even the Federal Government, will know when these carriers or cartels choose to harm our ports or industries.

Mr. Chairman, with the Oberstar amendment, significant but fair deregulation will still occur. I urge my colleagues to support this amendment that will ensure that true marketplace forces will be able to provide safeguards to protect our consumers, manufacturers, and ports from secret deals that discriminate against them.

I yield back the balance of my time.

Mr. SMITH of Michigan. Mr. Chairman, last year, I was a Chair of the Budget Committee working group looking at this part of the budget. We recommended the elimination of the Federal Maritime Commission. I'm glad to support this bill to do that today.

The Federal Maritime Commission, established in 1961, is charged with maintaining a cartel formed by the steamship lines to increase ocean transportation rates above market levels. The FMC also enforces an extraordinarily burdensome tariff filing scheme and restricts the negotiation of contracts for the transportation of goods. This burdens out exporters and contributes to our negative balance of trade. Dr. Alan Furgeson an economist under contract with the U.S. Department of Agriculture, calculated that FMC regulations and restrictions increase transportation costs by an average of 18 percent above the market level. He also estimated that U.S. exporters lose hundreds of millions of dollars of sales due to these additional transport costs. The bottom line is that the FMC is costing Americans jobs by rendering U.S. products less cost-competitive. This proposal would deregulate Federal maritime policy, terminate the Commission, and transfer critical functions to the Department of Transportation.

It deserves our support.

Mr. SHUSTER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired. Before consideration of any other amendment, it shall be in order to consider the amendment printed in part 1 of House Report 104–544, if offered by the gentleman from Pennsylvania [Mr. SHUSTER] or his designee. That amendment shall be considered read, shall be debatable for 10 minutes, 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.

If that amendment is adopted, the bill, as amended, shall be considered as an original bill by title, and the first section and each title shall be considered read.

If offered, the amendment printed in part 2 of the report shall be considered read, may amend portions of the bill not yet read for amendment, shall not be subject to amendment, except for pro forma amendments, and shall not be subject to a demand for division of the question.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

PARLIAMENTARY INQUIRY

Mr. SHUSTER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SHUSTER. Mr. Chairman, I want to be sure I understand that the gentleman from Minnesota will not be limited in time on his amendment, which it is our intent that he not be limited; is that correct?

The CHAIRMAN. In response to the question, the gentleman is correct.

AMENDMENT OFFERED BY MR. SHUSTER

Mr. SHUSTER. Mr. Chairman, pursuant to the rule, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SHUSTER: Page 3, line 3, strike ''rates;'' and insert ''rates, charges, classifications, rules, and practices;''.

Page 3, line 19, strike ''or'' and insert ''and''.

Page 10, line 17, strike the closing quotation marks and the final period.

Page 10, after line 17, insert the following:

''(4) The requirements and prohibitions concerning contracting by conferences contained in sections 5(b) (9) and (10) of this Act shall also apply to any agreement among one or more ocean common carriers that is filed under section 5(a) of this Act.''.

Page 10, line 23, strike ''(4)'' and insert ''(5)''.

Page 14, after line 19, insert the following:

(A) by striking subsection (c)(1) and inserting the following:

''(1) boycott, take any concerted action resulting in an unreasonable refusal to deal, or implement a policy or practice that results in an unreasonable refusal to deal;'';

Page 14, line 20, strike ''(A)'' and insert ''(B)''.

Page 14, line 23, strike ''(B)'' and insert ''(C)''.

Page 14, line 25, insert ''and'' at the end.

Page 15, line 3, strike ''; and'' and insert a period.

Page 15, strike lines 4 through 9.

Page 19, strike lines 4 through 25 and insert the following:

(1) by striking subsections (a) and inserting the following:

''(a) LICENSE.—No person in the United States may act as an ocean freight forwarder unless that person holds a license issued by the Commission. The Commission shall issue a forwarder's license to any person that the Commission determines to be qualified by experience and character to render forwarding services.'';

(2) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively;

(3) by inserting after subsection (a) the following:

''(b) FINANCIAL RESPONSIBILITY.—

''(1) No person may act as an ocean freight forwarder unless that person furnishes a bond, proof of insurance, or other surety in a form and amount determined by the Commission to insure financial responsibility that is issued by a surety company found acceptable by the Secretary of the Treasury.

''(2) A bond, insurance, or other surety obtained pursuant to this section shall be available to pay any judgment for damages against an ocean freight forwarder arising from its transportation-related activities under this Act or order for reparation issued pursuant to section 11 or 14 of this Act.

''(3) An ocean freight forwarder not domiciled in the United States shall designate a resident agent in the United States for receipt of service of judicial and administrative process, including subpoenas.'';

(4) in subsection (c), as redesignated by paragraph (2) of this section, by striking ''a bond in accordance with subsection (a)(2)'' and inserting ''a bond, proof of insurance, or other surety in accordance with subsection (b)(1)''; and

(5) in subsection (e), as redesignated by paragraph (2) of this section—

(A) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3); and

(B) by adding at the end the following:

''(4) No conference or group of 2 or more ocean common carriers in the foreign commerce of the United States that is authorized to agree upon the level of compensation paid to an ocean freight forwarder, as defined in section 3(18)(A) of this Act, may—

''(A) deny to any member of the conference or group the right, upon notice of not more than 3 business days, to take independent action on any level of compensation paid to an ocean freight forwarder; or

''(B) agree to limit the payment of compensation to an ocean freight forwarder, as defined in section 3(18)(A) of this Act, to less than 1.25 percent of the aggregate of all rates and charges which are applicable under a common schedule of transportation rates provided under section 8(a) of this Act, and which are assessed against the cargo on which the forwarding services are provided.''.

Page 24, line 15, strike ''United States carriers'' and insert ''one or more ocean common carriers''.

Page 24, strike lines 19 through 24 and insert the following:

''(h)(1) The Secretary shall issue regulations by June 1, 1997, that prescribe procedures and requirements governing the submission of price and other information necessary to enable the Secretary to determine under subsection (g) whether prices charged by carriers are unfair, predatory, or anticompetitive.

''(2)(A) If information provided to the Secretary under this subsection does not result in a finding by the Secretary of a violation of this section or enforcement action by the Secretary, the information may not be made public and shall be exempt from disclosure under section 552 of title 5, United States Code, except for purposes of an administrative or judicial action or proceeding.

''(B) This paragraph does not prohibit disclosure to either House of the Congress or to a duly authorized committee or subcommittee of the Congress.''.

Page 25, after line 10, insert the following:

''SEC. 203. REPORT BY THE SECRETARY.

''The Secretary shall report to the Congress by January 1, 1998, and annually thereafter, on—

''(1) actions taken by the Secretary under the Foreign Shipping Practices Act of 1988 (46 App. U.S.C. 1710a) and section 9 of the Shipping Act of 1984 (46 U.S.C. App. 1708); and

''(2) the effect on United States maritime employment of laws, rules, regulations, policies, or practice of foreign governments, and any practices of foreign carriers or other persons providing maritime or maritime-related services in a foreign country, that adversely affect the operations of United States carriers in United States oceanborne trade.''

Page 25, strike line 14 and all that follows through line 4 on page 26 and insert the following:

SEC. 301. AGENCY TERMINATION.

(a) IN GENERAL.—On September 30, 1997, the Federal Maritime Commission shall terminate and all remaining functions, powers, and duties of the Federal Maritime Commission shall be transferred to the Secretary of Transportation.

(b) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1997.—There is authorized to be appropriated to the Federal Maritime Commission, $19,000,000 for fiscal year 1997.

The CHAIRMAN. Pursuant to the rule, the gentleman from Pennsylvania [Mr. SHUSTER] and a Member opposed each will be recognized for 5 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a technical amendment, contains amendments to H.R. 2149 as reported, clarifies the definition of a conference, extends the prohibition against conference interfering with contracting, terminates Federal Maritime Commission at the end of fiscal 1997. I believe this amendment is not controversial, and I would urge its adoption.

Mr. OBERSTAR. Mr. Chairman, we are not opposed to the amendment. Therefore, we claim no time.

Mr. SHUSTER. I thank the gentleman from Minnesota.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SHUSTER].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate section 1.

The text of section 1 is as follows:

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 ''Ocean Shipping Reform Act of 1995''.

The CHAIRMAN. Are there any amendments to section 1? If not the Clerk will designate title I.

The text of title I is as follows:

TITLE I—OCEAN SHIPPING REFORM

SEC. 101. PURPOSES.

Section 2 of the Shipping Act of 1984 (46 App. U.S.C. 1701) is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(3) by adding a new paragraph (4) to read as follows:

''(4) to permit carriers and shippers to develop transportation arrangements to meet their specific needs.''.

SEC. 102. DEFINITIONS.

Section 3 of the Shipping Act of 1984 (46 App. U.S.C. 1702) is amended—

(1) effective on January 1, 1997—

(A) by striking paragraph (9); and

(B) by redesignating the remaining paragraphs accordingly;

(2) effective on June 1, 1997—

(A) by striking paragraph (4);

(B) in paragraph (7), by striking ''a common tariff;'' and inserting ''a common schedule of transportation rates;'';

(C) by striking paragraph (10) (as redesignated by paragraph (1) of this section);

(D) by striking paragraph (13) (as redesignated by paragraph (1) of this section);

(E) by striking paragraph (16) (as redesignated by paragraph (1) of this section);

(F) by amending paragraph (18) (as redesignated by paragraph (1) of this section) to read as follows:

''(18) 'ocean freight forwarder' means a person that—

''(A)(i) in the United States, dispatches shipments from the United States via a common carrier and books or otherwise arranges space for those shipments on behalf of shippers; or

''(ii) processes the documentation or performs related activities incident to those shipments; or

''(B) acts as a common carrier that does not operate the vessels by which the ocean transportation is provided, and is a shipper in its relationship with an ocean common carrier.'';

(G) by striking paragraph (20) (as redesignated by paragraph (1) of this section);

(H) in paragraph (22) (as redesignated by paragraph (1) of this section)—

(i) by striking ''or'' the second time it appears and inserting a comma; and

(ii) by striking the period and inserting '', a shippers' association, or an ocean freight forwarder that accepts responsibility for payment of the ocean freight.'';

(I) by amending paragraph (23) (as redesignated by paragraph (1) of this section) to read as follows:

''(23) 'shippers' association' means a group of shippers that consolidates or distributes freight, on a nonprofit basis for the members of the group in order to secure carload, truckload, or other volume rates or ocean transportation contracts.''; and

(J) by inserting after paragraph (18) the following new paragraph:

''(19) 'ocean transportation contract' means a contract in writing separate from the bill of lading or receipt between 1 or more common carriers or a conference and 1 or more shippers to provide specified services under specified rates and conditions.''.

SEC. 103. AGREEMENTS WITHIN THE SCOPE OF THE ACT.

Section 4(a) of the Shipping Act of 1984 (46 App. U.S.C. 1703(a)) is amended, effective on June 1, 1997—

(1) in paragraph (5), by striking ''non-vessel-operating common carriers'' and inserting ''ocean freight forwarders''; and

(2) by amending paragraph (7) to read as follows:

''(7) discuss any matter related to ocean transportation contracts, and enter ocean transportation contracts and agreements related to those contracts.''.

SEC. 104. AGREEMENTS.

Section 5 of the Shipping Act of 1984 (46 App. U.S.C. 1704) is amended—

(1) effective on January 1, 1997—

(A) in subsection (b)(4), by striking ''at the request of any member, require an independent neutral body to police fully'' and inserting ''state the provisions, if any, for the policing of'';

(B) in subsection (b)(7), by striking ''and'' at the end;

(C) in subsection (b)(8), by striking the period and inserting ''; and''; and

(D) by adding at the end of subsection (b) the following new paragraph:

''(9) provide that a member of the conference may enter individual and independent negotiations and may conclude individual and independent service contracts under section 8 of this Act.'';

(2) effective on June 1, 1997—

(A) by amending subsection (b)(8) to read as follows:

''(8) provide that any member of the conference may take independent action on any rate or service item agreed upon by the conference for transportation provided under section 8(a) of this Act upon not more than 3 business days' notice to the conference, and that the conference will provide the new rate or service item for use by that member, effective no later than 3 business days after receipt of that notice, and by any other member that notifies the conference that it elects to adopt the independent rate or service item on or after its effective date, in lieu of the existing conference provision for that rate or service item;''; and

(B) by adding the following new paragraph to read as follows:

''(10) prohibit the conference from—

''(A) prohibiting or restricting the members of the conference from engaging in individual negotiations for ocean transportation contracts under section 8(b) with 1 or more shippers; and

''(B) issuing mandatory rules or requirements affecting ocean transportation contracts that may be entered by 1 or more members of the conference, except that a conference may require that a member of the conference disclose the existence of an existing individual ocean transportation contract or negotiations on an ocean transportation contract, when the conference enters negotiations on an ocean transportation contract with the same shipper.'';

(C) in subsection (e), by striking ''carrier that are required to be set forth in a tariff,'' and inserting ''carrier,''; and

(D) in subsection (b)(9), by striking ''service'' and inserting ''ocean transportation''.

SEC. 105. EXEMPTION FROM ANTITRUST LAWS.

Section 7 of the Shipping Act of 1984 (46 App. U.S.C. 1706) is amended—

(1) by amending subsection (a)(6) to read as follows:

''(6) subject to section 20(e)(2) of this Act, any agreement, modification, or cancellation, in effect before the effective date of this Act and any tariff, rate, fare, charge, classification, rule, or regulation explanatory thereof implementing that agreement, modification, or cancellation.''; and

(2) in subsection (c)(1), by striking ''agency'' and inserting ''agency, department,''.

SEC. 106. COMMON AND CONTRACT CARRIAGE.

(a) IN GENERAL.—Effective on June 1, 1997—

(1) section 8a of the Shipping Act of 1984 (46 App. U.S.C. 1707a) is repealed; and

(2) section 8 of the Shipping Act of 1984 (46 App. U.S.C. 1707) is amended to read as follows:

''SEC. 8. COMMON AND CONTRACT CARRIAGE.

''(a) COMMON CARRIAGE.—

''(1) A common carrier and a conference shall make available a schedule of transportation rates which shall include the rates, terms, and conditions for transportation services not governed by an ocean transportation contract, and shall provide the schedule of transportation rates, in writing, upon the request of any person. A common carrier and a conference may assess a reasonable charge for complying with a request for a rate, term, and condition, except that the charge may not exceed the cost of providing the information requested.

''(2) A dispute between a common carrier or conference and a person as to the applicability of the rates, terms, and conditions for ocean transportation services shall be decided in an appropriate State or Federal court of competent jurisdiction, unless the parties otherwise agree.

''(3) A claim concerning a rate for ocean transportation services which involves false billing, false classification, false weighing, false report of weight, or false measurement shall be decided in an appropriate State or Federal court of competent jurisdiction, unless the parties otherwise agree.

''(b) CONTRACT CARRIAGE.—

''(1) 1 or more common carriers or a conference may enter into an ocean transportation contract with 1 or more shippers. A common carrier may enter into ocean transportation contracts without limitations concerning the number of ocean transportation contracts or the amount of cargo or space involved. The status of a common carrier as an ocean common carrier is not affected by the number or terms of ocean transportation contracts entered.

''(2) A party to an ocean transportation contract entered under this section shall have no duty in connection with services provided under the contract other than the duties specified by the terms of the contract.

''(3)(A) An ocean transportation contract or the transportation provided under that contract may not be challenged in any court on the grounds that the contract violates a provision of this Act.

''(B) The exclusive remedy for an alleged breach of an ocean transportation contract is an action in an appropriate State or Federal court of competent jurisdiction, unless the parties otherwise agree.''.

(b) CONFIDENTIALITY OF CONTRACTS.—Effective on January 1, 1998, section 8(b) of the Shipping Act of 1984 (46 App. U.S.C. 1707(b)), as amended by subsection (a) of this section, is amended by adding at the end the following:

''(4) A contract entered under this section may be made on a confidential basis, upon agreement of the parties. An ocean common carrier that is a member of a conference agreement may not be prohibited or restricted from agreeing with 1 or more shippers that the parties to the contract will not disclose the rates, services, terms, or conditions of that contract to any other member of the agreement, to the conference, to any other carrier, shipper, conference, or to any other third party.''.

SEC. 107. PROHIBITED ACTS.

Section 10 of the Shipping Act of 1984 (46 App. U.S.C. 1709) is amended—

(1) effective on January 1, 1997, by amending subsection (b)—

(A) by amending paragraph (1) to read as follows:

''(1) except for service contracts, subject a person, place, port, or shipper to unreasonable discrimination;''; and

(B) by repealing paragraphs (2), (3), (4), and (8);

(2) effective on June 1, 1997, by amending subsection (b) to read as follows:

''(b) COMMON CARRIERS.—No common carrier, either alone or in conjunction with any other person, directly or indirectly, may—

''(1) except for ocean transportation contracts, subject a person, place, port, or shipper to unreasonable discrimination;

''(2) retaliate against any shipper by refusing, or threatening to refuse, cargo space accommodations when available, or resort to other unfair or unjustly discriminatory methods because the shipper has patronized another carrier or has filed a complaint, or for any other reason;

''(3) employ any fighting ship;

''(4) subject any particular person, locality, class, or type of shipper or description of traffic to an unreasonable refusal to deal;

''(5) refuse to negotiate with a shippers' association;

''(6) knowingly and willfully accept cargo from or transport cargo for the account of an ocean freight forwarder that does not have a bond, insurance, or other surety as required by section 19;

''(7) knowingly and willfully enter into an ocean transportation contract with an ocean freight forwarder or in which an ocean freight forwarder is listed as an affiliate that does not have a bond, insurance, or other surety as required by section 19; or

''(8)(A) knowingly disclose, offer, solicit, or receive any information concerning the nature, kind, quantity, destination, consignee, or routing of any property tendered or delivered to a common carrier without the consent of the shipper or consignee if that information—

''(i) may be used to the detriment or prejudice of the shipper or consignee;

''(ii) may improperly disclose its business transaction to a competitor; or

''(iii) may be used to the detriment or prejudice of any common carrier;

except that nothing in paragraph (8) shall be construed to prevent providing the information, in response to legal process, to the United States, or to an independent neutral body operating within the scope of its authority to fulfill the policing obligations of the parties to an agreement effective under this Act. Nor shall it be prohibited for any ocean common carrier that is a party to a conference agreement approved under this Act, or any receiver, trustee, lessee, agent, or employee of that carrier, or any other person authorized by that carrier to receive information, to give information to the conference or any person, firm, corporation, or agency designated by the conference or to prevent the conference or its designee from soliciting or receiving information for the purpose of determining whether a shipper or consignee has breached an agreement with a conference or for the purpose of determining whether a member of the conference has breached the conference agreement or for the purpose of compiling statistics of cargo movement, but the use of that information for any other purpose prohibited by this Act or any other Act is prohibited; and

''(B) after December 31, 1997, the rates, services, terms, and conditions of an ocean transportation contract may not be disclosed under this paragraph if the contract has been made on a confidential basis under section 8(b) of this Act.

The exclusive remedy for a disclosure under this paragraph shall be an action for breach of contract as provided in section 8(b)(3) of this Act.'';

(3) effective on June 1, 1997—

(A) in subsection (c)(5), by inserting ''as defined in section 3(14)(A) of this Act'' after ''freight forwarder''; and

(B) in subsection (c)(6), by striking ''a service contract.'' and inserting ''an ocean transportation contract.'';

(4) effective on June 1, 1997, in subsection (d)(3), by striking ''(b) (11), (12), and (16)'' and inserting ''(b) (1), (4), and (8)''; and

(5) effective on June 1, 1997, by adding a new subsection (f) to read as follows:

''(f) CONFERENCE ACTION.—No conference may subject a person, place, port, class or type of shipper, or ocean freight forwarder, to unjust or unreasonable ocean contract provisions.''.

SEC. 108. REPARATIONS.

Effective June 1, 1997, section 11(g) of the Shipping Act of 1984 (46 App. U.S.C. 1710(g)) is amended—

(1) by inserting ''or counter-complainant'' after ''complainant'' the second time it appears;

(2) by striking ''10(b) (5) or (7)'' and inserting ''10(b) (2) or (3)''; and

(3) by striking the last sentence.

SEC. 109. FOREIGN LAWS AND PRACTICES.

Section 10002 of the Foreign Shipping Practices Act of 1988 (46 App. U.S.C. 1710a) is amended, effective on June 1, 1997—

(1) in subsection (a)(1)—

(A) by striking ''non-vessel-operating common carrier,''; and

(B) by inserting ''ocean freight forwarder,'' after ''ocean common carrier,'';

(2) in subsection (a)(4), by striking ''non-vessel-operating common carrier operations,'';

(3) in subsection (e)(1), by striking subparagraph (B) and all that follows through subparagraph (D) and inserting the following:

''(B) suspension, in whole or in part, of the right of an ocean common carrier to operate under any agreement filed with the Secretary, including agreements authorizing preferential treatment at terminals, preferential terminal leases, space chartering, or pooling of cargo or revenues with other ocean common carriers; and

''(C) a fee, not to exceed $1,000,000 per voyage.''; and

(4) in subsection (h), by striking ''section 13(b)(5) of the Shipping Act of 1984 (46 App. U.S.C. 1712(b)(5))'' and inserting ''section 13(b)(2) of the Shipping Act of 1984 (46 App. U.S.C. 1712(b)(2))''.

SEC. 110. PENALTIES.

Section 13 of the Shipping Act of 1984 (46 App. U.S.C. 1712) is amended, effective on June 1, 1997—

(1) in subsection (b)—

(A) by striking paragraphs (1) and (3) and redesignating paragraphs (2), (4), (5), and (6) in order as paragraphs (1), (2), (3), and (4);

(B) by striking paragraph (1), as so redesignated, and inserting the following:

''(1) If the Secretary finds, after notice and an opportunity for a hearing, that a common carrier has failed to supply information ordered to be produced or compelled by subpoena under section 1711 of this Act, the Secretary may request that the Secretary of the Treasury refuse or revoke any clearance required for a vessel operated by that common carrier. Upon request by the Secretary, the Secretary of the Treasury shall, with respect to the vessel concerned, refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 App. U.S.C. 91).''; and

(C) in paragraph (3), as so redesignated, by striking ''finds appropriate,'' and all that follows through the end of the paragraph and inserting ''finds appropriate including the imposition of the penalties authorized under paragraph (2).'';

(2) in subsection (f)(1), by striking ''section 10 (a)(1), (b)(1), or (b)(4)'' and inserting ''section 10(a)(1)''.

SEC. 111. REPORTS.

(a) IN GENERAL.—Section 15 of the Shipping Act of 1984 (46 App. U.S.C. 1714) is amended, effective on January 1, 1997—

(1) in the section heading by striking ''**and certificates**'';

(2) by striking ''(a) REPORTS.—''; and

(3) by striking subsection (b).''.

(b) CLERICAL AMENDMENT.—The Shipping Act of 1984 (46 App. U.S.C. 1701 et seq.) is amended in the first section in the table of contents by amending the item relating to section 15 to read as follows:

''Sec. 15. Reports.''.

SEC. 112. REGULATIONS.

Section 17 of the Shipping Act of 1984 (46 App. U.S.C. 1716) is amended—

(1) by striking ''(a)''; and

(2) by striking subsection (b).''.

SEC. 113. REPEAL.

Section 18 of the Shipping Act of 1984 (46 App. U.S.C. 1717) is repealed.

SEC. 114. OCEAN FREIGHT FORWARDERS.

Section 19 of the Shipping Act of 1984 (46 App. U.S.C. 1718) is amended, effective on June 1, 1997—

(1) in subsection (a), by inserting ''in the United States'' after ''person'' the first time it appears;

(2) in subsection (a)(2), by striking ''a bond'' and inserting ''a bond, proof of insurance, or other surety'';

(3) by adding after subsection (a)(2) the following:

''A bond, insurance, or other surety obtained pursuant to this section shall be available to pay any judgment for damages against an ocean freight forwarder arising from its transportation-related activities under this Act or order for reparation issued pursuant to section 11 or 14 of this Act. An ocean freight forwarder not domiciled in the United States shall designate a resident agent in the United States for receipt of service of judicial and administrative process, including subpoenas.'';

(4) in subsection (b), by striking ''a bond'' and inserting ''a bond, proof of insurance, or other surety''; and

(5) in subsection (d), by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).''.

SEC. 115. EFFECTS ON CERTAIN AGREEMENTS AND CONTRACTS.

Section 20(e) of the Shipping Act of 1984 (46 App. U.S.C. 1719) is amended to read as follows:

''(e) SAVINGS PROVISIONS.—

''(1) Each service contract entered into by a shipper and an ocean common carrier or conference before the date of the enactment of the Ocean Shipping Reform Act of 1995 may remain in full force and effect according to its terms.

''(2) This Act and the amendments made by this Act shall not affect any suit—

''(A) filed before the date of the enactment of the Ocean Shipping Reform Act of 1995;

''(B) with respect to claims arising out of conduct engaged in before the date of the enactment of the Ocean Shipping Reform Act of 1995, filed within 1 year after the date of the enactment of the Ocean Shipping Reform Act of 1995;

''(C) with respect to claims arising out of conduct engaged in after the date of the enactment of the Ocean Shipping Reform Act of 1995 but before January 1, 1997, pertaining to a violation of section 10(b) (1), (2), (3), (4), or (8), as in effect before January 1, 1997, filed by June 1, 1997;

''(D) with respect to claims pertaining to the failure of a common carrier or conference to file its tariffs or service contracts in accordance with this Act in the period beginning January 1, 1997, and ending June 1, 1997, filed by December 31, 1997; or

''(E) with respect to claims arising out of conduct engaged in on or after the date of the enactment of the Ocean Shipping Reform Act of 1995 but before June 1, 1997, filed by December 31, 1997.''.

SEC. 116. REPEAL.

Section 23 of the Shipping Act of 1984 (46 App. U.S.C. 1721) is repealed, effective on June 1, 1997.

SEC. 117. MARINE TERMINAL OPERATOR SCHEDULES.

(a) IN GENERAL.—The Shipping Act of 1984 (46 App. U.S.C. 1701 et seq.) is amended, effective on June 1, 1997, by adding at the end the following new section:

''SEC. 24. MARINE TERMINAL OPERATOR SCHEDULES.

''A marine terminal operator shall make available to the public a schedule of rates, regulations, and practices, including limitations of liability, pertaining to receiving, delivering, handling, or storing property at its marine terminal. The schedule shall be enforceable as an implied contract, without proof of actual knowledge of its provisions, for any activity by the marine terminal operator that is taken to—

''(1) efficiently transfer property between transportation modes;

''(2) protect property from damage or loss;

''(3) comply with any governmental requirement; or

''(4) store property in excess of the terms of any other contract or agreement, if any, entered into by the marine terminal operator.''.

(b) CLERICAL AMENDMENT.—The Shipping Act of 1984 (46 App. U.S.C. 1701 et seq.) is amended in the first section in the table of contents by adding at the end the following new item:

''Sec. 24. Marine terminal operator schedules.''.

AMENDMENT OFFERED BY MR. OBERSTAR

Mr. OBERSTAR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBERSTAR: Page 10, line 23, strike ''(5)'' and insert ''(5)(A)''.

Page 11, line 7, strike the closing quotation marks and the final period.

Page 11, after line 7, insert the following:

''(B) Notwithstanding subparagraph (A), the essential terms of a contract entered into under this section shall be made publicly available electronically in a manner prescribed by the Commission. This subparagraph does not apply to service contracts dealing with bulk cargo, forest products, recycled metal scrap, waste paper, or paper waste.

''(C) For purpose of subparagraph (B), the essential terms of a contract shall include—

''(i) the origin and destination port ranges in the case of port-to-port movements, and the original and destination geographic areas in the case of through intermodal movements;

''(ii) the commodity or commodities involved;

''(iii) the minimum volume;

''(iv) the line-haul rate;

''(v) the duration;

''(vi) service commitments; and

''(vii) the liquidated damages for nonperformance, if any.''.

Page 14, line 11, insert ''except as provided by section 8(b)(4)(B),'' after ''(B)''.

At the end of section 301(a) of the bill insert the following:

The Secretary of Transportation shall delegate such functions, powers, and duties to the Surface Transportation Board.

Mr. OBERSTAR. Mr. Chairman, I ask unanimous consent to be able to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The gentleman from Minnesota [Mr. OBERSTAR] is recognized for a total of 10 minutes.

Mr. OBERSTAR. Mr. Chairman, this amendment requires that the essential terms of ocean transportation contracts be disclosed to the public. The amendment transfers, in addition, the remaining functions of the Federal Maritime Commission to the Surface Transportation Board within the Department of Transportation rather than to the secretary to ensure that investigations and decisions about ocean shipping are done in an unbiased and nonpolitical manner. Those are the only changes my amendment makes to the bill.

In evaluating the request of secret contracts, we have to remember that international shipping operates in a very different environment than any other mode in our domestic transportation industry. Over 85 percent of the containerized shipments in and out of our ports go on foreign-flagged ships.

Most of this cargo is transported on ships operated under a conference or a cartel agreement. Many foreign carriers have many agendas. Some are controlled by their governments, some are vertically integrated with manufacturing companies, some are motivated by their brand of nationalism, some will do whatever necessary to drive their competitors out of the marketplace.

Into such a complex system will this bill allow secret contracts. I do not think it is in the interest of our ports, our manufacturers, U.S. consumers, or the Nation to allow secret contracts negotiated behind closed doors to determine the fate of our international trade. There have been no hearings on this legislation in our committee. No testimony was received on the impact of that provision of the bill. Potential opponents were not given an opportunity to voice their concerns about it in open hearings. However, the Senate's hearing on an identical bill raised a number of problems about this particular issue of secret contracts.

Mr. Chairman, the basis of this bill is to promote competition, but it will result in less competition. With secret contracts, rates likely will fall below levels that provide an adequate return on assets or investments. I quoted earlier Mr. Clancy, President and CEO of Sealand Services, one of the world's largest ocean carriers and a major supporter of this bill.

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He sees the result of this bill: that in a few years, a few giant super shipping consortia with global reach will control 85 to 90 percent of the world's container ships. There will be one cartel in the Atlantic, one in the Pacific, and one in the Asia-Europe trade. He believes it will be the demise of the niche carrier, of the feeder line, of the North-South shipping lines between North and South America. The types of carriers he believes will disappear are carriers such as Crowley Maritime and Tropical Shipping. Secret agreements will be the major weapon megacarriers are going to use to achieve their goals of consolidating power in the shipping industry.

This provision will allow large companies to offer lower rates to larger shippers, and if smaller shippers and carriers are unaware of the deals, they are going to find it difficult to compete. The end result will be exactly what Mr. Clancy predicts: the demise of niche carriers, feeder lines, and North-South lines.

Let us look at the impact on small- and medium-sized shippers and on manufacturers and retailers. With secret contracts it will be virtually impossible to enforce any of the prohibitions in the bill. For example, under the act, a carrier or a group of carriers may not retaliate against any shipper who has patronized another carrier or filed a complaint. How will anyone be able to tell if there has been retaliation or discrimination if all contracts are going to be kept confidential? With the secret contracts, small- and medium-sized shippers will likely pay more, not less, in the short run and the rates they pay will increase even more in the long run.

Everyone acknowledges that confidential contracts will lower the rates paid by the large shippers, of course. But 70 percent of the carriers' costs are fixed. Who is going to make up the difference when the large shippers get the rate breaks? Obviously, the ones who are going to make up the differences are going to be the small- and medium-sized shippers.

If Mr. Clancy's plans succeed and the cartels controlled 85 to 90 percent of the world's shipping, then we are going to see increased use of secret contracts from large shippers and higher rates for these small- and medium-sized carriers, and they will be driven right out of the marketplace.

What about our ports and our infrastructure? Ports in their communities have invested billions of dollars in developing their port facilities through local taxes and bond issues. But when these consortia enter into secret deals under the protection of antitrust immunity, they are going to drive the small carrier out of business, the very tenants in those ports that pay the rent to pay off the bonds.

When U.S. Lines, for example, went bankrupt, it left the port of New York with a vacant terminal. That terminal has been vacant for 15 years. Who paid for the construction? The port of New York-New Jersey. Who paid for the financing of an empty terminal? The port of New York-New Jersey. Do we want to see that repeated all over the country?

With the demise of small carriers in a regime of secret agreements, surviving large carriers will consolidate their operations at the larger ports. Carriers will stop calling at many of the smaller ports. Jobs, public investment, will be lost.

One of the fundamental purposes of the 1984 act was to reach a balance by legalizing international cartels with antitrust immunity, but requiring public disclosure of the agreements between the carriers in the cartel and the essential terms of the contract between carriers and shippers, so everyone would know that ports, manufacturers, retailers, consumers in the United States are not being discriminated against.

The contracts in this bill will promote survival of cartels and survival of large carriers. There may be a short-term decrease in rates as they use market power to drive small and independent carriers out of business. But when, as the chairman of Sea Land predicts, there are only three cartels left controlling 85 to 90 percent of the world trade, rates are going to go up. They are going to put U.S. exporters out of business or at a disadvantage in the international market. We should not launch that process here with this legislation.

The overriding purpose of shipping laws should be to ensure that the small as well as the large shipper is able to have their goods shipped anywhere in the world at a competitive price.

My other concern is that the bill transfers the remaining functions of the FMC to the Secretary of Transportation instead of an independent regulatory panel. The former FMC responsibilities would not appropriately be exercised by an independent panel. So my amendment would do that. My amendment will do that.

The Republic of China, for example, has restricted the ability of U.S. carriers to operate terminals and freight forwarding operations in China, even though we allow Chinese carriers to conduct these same operations in the United States. The Japanese Government imposes a harbor tax that does not benefit navigation, but only increases the price of United States exports to Japan.

I believe we ought to have an independent body, insulated from pressures by the State Department, to pursue elimination of trade barriers. That is why I propose that we transfer this function to the Surface Transportation Board.

My amendment leaves in place elimination of the Federal Maritime Commission; elimination of tariff filing and regulation by the Government; restrictions on the contents of contracts between shippers and carriers are eliminated; laws related to unfair trade practices of foreign carriers and foreign governments will be strengthened; conferences will not be able to prevent their members from making individual, lower cost ocean transportation contracts with shippers.

We deal with two shortcomings of the legislation. Airlines do not have antitrust immunity for anything domestically. Shipping conferences have antitrust immunity for point-to-point

rates. No other mode of transportation has antitrust immunity for point-to-point rates. We should not allow secret deals to be made under such protection.

My amendment will make this bill acceptable in the other body, acceptable to the administration. It will make it possible for us to enact good deregulation. I urge support for the amendment I have set forth.

Mr. SHUSTER. Mr. Chairman, I rise in strong opposition to the amendment offered by my good friend, the gentleman from Minnesota.

Mr. Chairman, we already had exhaustive debate on this issue, so I will attempt to be brief. First, though I would like to again correct what perhaps was a misstatement. My good friend, the gentleman from Minnesota, said, ''secret deals under protection of antitrust immunity.'' This legislation does not provide antitrust immunity for private contracts. We have said it several times. I hate to be repetitive. But the antitrust immunity only applies to where the tariffs are set. So again I emphasize that point. As a matter of fact, if anybody doubts it, read the bill.

Second, the ability to negotiate private contracts with carriers was the bottom line in the compromise for all our U.S. shippers.

Third, every other mode of transportation has this ability to negotiate private contracts. The airlines have it, the trucks have it, the rails have it. Every other mode has it except for ocean shipping. That is one of the fundamental reforms here which will create more competition.

Again, while my dear friend stood up now and said how harmful this is going to be, less than a month ago he said, ''Shippers and consumers will pay less for their products. The ports will be handling more cargoes and the ocean carriers will have a more competitive operating environment.''

I recognize, as of last Friday night, things changed. And what changed, of course, was that some of the labor unions decided at the last minute to try to get another bite at the apple to oppose it. But it is important to emphasize that the seafarers, who are most directly affected by this legislation, support the bill as we bring it to the floor.

Mr. Chairman, for all of those reasons, I will not belabor the point. We have debated it.

Mr. CLEMENT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Oberstar amendment to the Ocean Shipping Reform Act.

Mr. Chairman, I support the provisions of the Ocean Shipping Reform Act which abolish the Federal Maritime Commission. But I am proud of the work this agency has done to combat unfair foreign shipping practices that injure U.S. carriers and U.S. importers and exporters. Since 1920, we have successfully fought commercial cargo preference programs of foreign governments, restrictions on carrier operations, restrictions on port operations, and foreign taxes designed to limit imports from the United States. The FMC has experienced a remarkable success rate—100 percent. They have never failed to get the foreign government to eliminate their unfair practice—not once.

One of the major reasons for this glaring success is the independent nature of the agency. They are insulated from pressures from the State Department that may have other foreign policy objectives with the country involved. Only the President can overrule a finding by the Commission on an unfair foreign trade practice. No President has ever done this. Last summer when H.R. 2149 was reported out of committee, the Surface Transportation Board did not exist. The Surface Transportation Board, or Surf-Board, was created by the ICC Termination Act to take over the remaining functions of the ICC. It is an independent board within the Department of Transportation, insulated from the politics of the executive branch. The name of the board is deceiving—it does much more than regulate surface transportation.

It currently regulates all of the water carriers transporting goods from the continental United States to Hawaii, Alaska, Puerto Rico, and Guam. These trade routes had been regulated by the FMC. The Surf-Board has the experience and expertise necessary to handle the FMC's regulatory issues.

Even with the reforms in H.R. 2149, the statutes which govern international ocean transportation will require an agency to perform many important oversight functions. Fairness and impartiality require that these functions be performed by an independent agency, not a political department of the Executive Branch.

For example, the agency will need to resolve all allegations by U.S. or foreign shippers or U.S. ports that they have been discriminated against or have been denied service by one or a group of ocean carriers. The agency will also be required to review agreements among ocean carriers to ensure the agreements are not anti-competitive. The funding of collectively bargained fringe benefit obligations must be overseen by the agency. Finally, the agency must administer laws governing unfair trading practices by foreign governments related to the shipping industry. All of these functions demand an independent agency with expertise in maritime issues. They should not be held captive to political winds and special interest favors.

Finally, I support the Oberstar amendment because it would provide for the supervision of all transportation systems under one board—the Surface Transportation Board. In today's environment of intermodalism, this makes sense. The Surf-Board regulates rail roads, motor carriers, and water carriers engaged in our domestic transportation system. Now, with the Oberstar amendment, it can supervise intermodal movements with those carriers in our international trades as well.

I call on my colleagues to support the Oberstar amendment. Surely, the transferal of the FMC's functions to an independent agency with the expertise to govern the shipping trade is something on which we can all agree. America's business and shipping interests are at stake. Support the Oberstar amendment—it protects American business and the consumer. This approach only makes sense.

Mr. HAYWORTH. Mr. Chairman, I move to strike the requisite number of words and speak in opposition to the amendment.

Mr. Chairman, I thank the chairman of the full committee and the chairman of the subcommittee, the gentleman from North Carolina, for their insight, and indeed the ranking member, the gentleman from Minnesota, for some of his thoughts earlier today on this.

Mr. Chairman, I will confess I am new to this process. I came from the outside world. I am not a career politician. Getting here has been a rather eye-opening experience. I have noted with great interest the disdain that many of my constituents have for what they term ''gridlock'' or almost a playground type of contentious debate that happens here.

While major policy differences should be discussed and indeed debated in this Chamber, and we champion that, and indeed we champion differences in opinion, I cannot help but notice the irony of the situation in which the Committee of the Whole House finds itself today with reference to this piece of legislation.

Again, even taking into account the comments of my good friend, the gentleman from Minnesota [Mr. OBERSTAR], the ranking member, I just note the irony that fairly drips from the comments of August 1, 1995, from my good friend, the gentleman from Minnesota: ''This bill injects a very healthy and significant dose of flexibility of competitive opportunity into the carrier and shipper relationship. That was the aim of my bill. I am pleased to see we are taking that tack in this legislation. It is what will be good for ocean shipping.'' So said my good friend, the gentleman from Minnesota, in August.

Indeed, as I understand, hearing from my good friend, the gentleman from Pennsylvania [Mr. SHUSTER], the chairman, essentially this point of view prevailed until what legislatively, Mr. Chairman, becomes the very last nanosecond of the 11th hour, when those who sought to find fault with the legislation chose to step in and inject the whole notion of union bossism into this process.

□ 1700

Now, this is a free country and certainly those special interests have a

chance to stand up and say ''no.'' But, Mr. Chairman, what is the prevalent difference?

Now we find, Mr. Chairman, that confidential agreements, a hallmark of doing business in almost every commercial endeavor, are suddenly given the name rhetorically, secret agreements, as if there is something ominous, as if the entire practice of doing business is somehow protected. But then again, what are we to expect of those who constantly propagate a philosophy that would tell us that taxes are really just investments in government growth, and that Washington knows best, and it must always be the constant oversight of some governmental body into every endeavor; only that process, only Washington knows best, only government exercise of oversight can ensure the true and property aims of business.

Mr. Chairman, I assert that if it is good in other areas of transportation deregulation, if confidential agreements and other essential staples of the business process are good in the deregulation that has gone on in other sectors of transportation, why now, at the very last nanosecond of the 11th hour, are there problems? This is a good piece of legislation as it stands. Mr. Chairman, I rise in support of the legislation as presented. I oppose the Oberstar amendment.

Mr. BORSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. BORSKI. I yield to the gentleman from Minnesota, the distinguished ranking member.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for his courtesies. I am sorry that the gentleman from Arizona exhibited such discourtesy in displaying a quote up there which is incomplete, takes out of context or at least leaves out conveniently something I did say. I am glad he thought it was important to quote what I said. I have quoted myself, and I do not need to be quoted in a poster by the gentleman from Arizona and then have part of it left out.

I supported the legislation as it was pending in committee. I said it accomplishes preservation of the conference carrier system, which is important to carriers, and injects a healthy and significant dose of flexibility. Put the whole thing in context. Do not just quote part of what I said.

I thank the gentleman for yielding.

Mr. BORSKI. Mr. Chairman, I rise to support the Oberstar amendment to protect the small-and medium-sized ports, the small shippers, and the working people of the Nation.

I compliment the gentleman from Minnesota, the ranking member of the Transportation and Infrastructure Committee, for offering this amendment.

It is absolutely vital for the survival of the small- and medium-sized ports in this country that rates between conferences and shippers be open for public scrutiny.

The committee bill allows those rates to be kept secret—a practice that will allow conferences to become cartels that will put everyone in their way out of business.

The secrecy provision will allow big carriers to cut deals with big shippers that get rid of most of the Nation's ports, many small shipping companies and tens of thousands of jobs.

Without the Oberstar amendment, H.R. 2149 is a protection bill for big business and big shippers.

This amendment maintains the public disclosure requirements that were enacted in 1984 and have worked well.

It will provide protection for small and medium-sized ports, for small shippers and for tens of thousands of jobs at the 90 percent of the ports in this country that will be put at risk by this bill.

We can reform the ocean shipping laws without giving our endorsement to cartels and without promoting the elimination of virtually every one of our Nation's ports.

We can reform the ocean shipping laws without jeopardizing tens of thousands of jobs throughout the country.

Mr. Chairman, H.R. 2149 has it backwards. It provides help and protection for the big guys when we should be providing that help for the small shippers and the small- and medium-sized ports.

The Oberstar amendment will correct problems with the bill by maintaining the system that has worked since 1984.

The Oberstar amendment is needed so that the thousands who depend on ports along with the Nation's consumers, are not trampled in this rush to rewrite shipping laws in a way that helps only the big ports, the big carriers and the big shippers.

Without the Oberstar amendment, H.R. 2149 is a job killer and should be defeated.

Mr. Chairman, I urge passage of the Oberstar amendment.

Mr. LATHAM. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. LATHAM. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. I thank the gentleman for yielding.

Mr. Chairman, I became quite concerned when my good friend said that only part of his quote was included, so I have the full quote here and I do not believe it changes the thrust of what was said at all. But nevertheless, in order to be totally fair, I want to insert the entire quote into the RECORD, which is the following:

> The bill accomplishes preservation of the committee carrier system, which is important to the carriers, but it also injects a very healthy and significant dose of flexibility, of competitive opportunity into the carrier and shipper relationship. That was the aim of my bill. I am pleased to see we are taking that tack in this legislation. It is what will be good for ocean shipping.

That is the complete quote of my good friend, and I think it is important to put it in the RECORD so the RECORD is clear.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. LATHAM. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, that is what I attempted to do with the quote of the gentleman from Arizona, or that he attempted to represent as attributed to me. But the point is, what I said there does not bear on the subject of our debate this afternoon.

Mr. LATHAM. Mr. Chairman, I will just make a brief statement here. Coming from northwest Iowa and a very large agricultural district, I am quite concerned about how this amendment would affect agriculture and agricultural exports. A few of the groups that support this legislation and oppose the amendment, the American Farm Bureau, the Blue Diamond Growers, National Broiler Council, National Cattlemen's Beef Association, National Council of Farmer Cooperatives, National Pork Producers Council, National Turkey Federation, United Fresh Fruit and Vegetable Association, oppose the Oberstar amendment and support the legislation as is.

I think it is critical to look as far as how it affects agriculture, the fact that in 1996 we expect to export about 60 billion dollars' worth of products, and 18 percent of the cost of exporting in the transportation sector is due to the fact that we have to disclose at this time what our rates are but our competitors overseas do not have to disclose their rates. In effect, what is happening is that if when we post our rates, our competitors come in and see what it is and just simply undercut us and we lose that business, but we still pay a premium here and it certainly is unfair.

I cannot quite understand why an amendment would be offered, I guess, that would undercut agriculture, the gentleman I know is from Minnesota and has large agricultural exports that would cause such problems for agriculture itself. I just strongly oppose this amendment because of the effect, that one of the bright parts of this legislation is the fact that we will be competitive in the world. As we move forward into the next millennium, it is essential that we are on an equal playing field in agriculture in all of our exports. That is why I strongly oppose this amendment and support the bill as it is.

Mr. MENENDEZ. Mr. Chairman, I move to strike the requisite number of words in support of the Oberstar amendment.

I want to salute the ranking member [Mr. OBERSTAR] for his creative and market-oriented proposal. This amendment is precisely what should have been done in the committee process, an

open discussion of the meaning and implication of the legislation.

I am no enemy of deregulation, and believe all of us who are supporting Mr. OBERSTAR are of the same view. I personally wrote the New Jersey Telecommunications Act, which substantially deregulated the industry and modernized my State phone system into a national telecommunications leader. I have voted for similar proposals here in the House.

I think there are constructive measures that will improve ocean transportation, but it cannot be a backroom deal. The Oberstar amendment has broken the code. Look at the bill. What does the term ''confidential agreement'' mean? If we are deregulating this industry, why do we have to include authorization for confidential contracts?

The gentleman from Minnesota [Mr. OBERSTAR] has it right. Secret deals. This bill is carteling in its purest form, secret deals, antitrust immunity and no Government oversight. Do we really think the small shipper has any chance in the face of this monopoly power? To the friends of small businesses in this Congress, you have got to think, your transportation price may go down in the short term just long enough to consolidate the vast grants of monopoly power, and then you will pay and you will pay dearly.

Chairman SHUSTER has stated correctly that antitrust immunity covers only the conference rate and not rates negotiated by an individual carrier, but in reality both rates are part of a package. The carriers are allowed to get together under antitrust immunity to set a conference rate. Each carrier is then free to depart from this rate on a selective basis.

To evaluate antitrust immunity we need to know when the conference rate is followed and when it is not. Are special rates being made available only to certain large shippers? Is the conference rate set under antitrust immunity subsidizing discount rates for larger carriers? If individual agreements are secret as they would be under H.R. 2149, we will never know.

Mr. OBERSTAR's amendment says yes to smaller Government, it says yes to less regulation, it says yes to savings in the budget, but it says no to secret deals and cartels. If this legislation is enacted, only the largest shippers will benefit from secretive shipping contracts that discriminate against smaller shippers, and these secret deals will allow Fortune 100 corporations to avoid public disclosure and to use their already potent market powers to exact privileged rates while smaller shippers, businesses and carriers, their employees and ports across the Nation will be left defenseless.

Clearly, the thousands of smaller businesses that rely on the transparency of prices, and the level playing field that provides—we heard a lot about that in the Telecommunications Act that was passed here in the House, that everybody starting on a level playing field, about transparency. That is in fact what we are arguing for here. If not, we will be forced to pay higher rates and thus subsidize the larger more powerful competitors.

For American ports and thousands of longshore, warehousing, trucking, rail, and related industry employees in and around port communities, this unfair pricing and operating environment could lead to severe economic dislocation, declining wages, and job loss, and that is something we cannot afford. That is why the American Association of Port Authorities recently joined transportation labor and many smaller shippers to oppose H.R. 2149 in its present form.

The Oberstar amendment would eliminate a Federal agency, it would allow for sensible ocean shipping reforms, but it would ensure the essential terms of contracts are not kept in secret at the expense of ports, shippers, employees, and other shipping interests. That is why it deserves our unanimous support, and that is why we urge all of our colleagues to be voting for it.

□ 1715

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was back in my office watching this debate, and I thought I was living in the sixties and the seventies. The same arguments that those that support the Oberstar amendment were made time and time again in opposition to the deregulation of trucking, to the deregulation of aviation, to the deregulation of railroads. Small communities will not be served. We have got to have tariffs filed so that everybody can see them. We have got to have the Government involved or small shippers will not be able to find somebody to carry their goods.

How many times have we heard these arguments in trucking, in aviation, in railroads? And you know what? Not one of those arguments came true in those modes of transportation. Not one.

In fact, just the opposite happened, because those of us that oppose the Oberstar amendment believe in the free enterprise system, believe that in competition the quality of service goes up, the number of people that offer themselves for service goes up, and the cost of transportation goes down. It is not artificially held up, because the Government knows best. That is what the Oberstar amendment is attempting to do, to change a very well-crafted compromise in this bill.

I have to tell you if I was writing this bill and I had the votes, it would not be this bill, because in this bill the chairman crafted a bipartisan, at least at the time, a bipartisan compromise to take care of some of the concerns of those that do not believe in the free market system. Unfortunately, for whatever reasons, and it has already been expressed here on the floor, at the last minute, this compromise was rejected.

We ought to be opening up markets. We ought to be allowing shippers and shipping companies and ocean shipping companies to come together and, through the free market system, devise contracts that meet the needs of that market. That is what we are trying to do here.

It worked in trucking. Let me give you an example why I was so supportive of deregulation of trucking. In my part of the country, outside of Houston, TX, we have a lot of small towns and they needed trucking service. But the Government said only one truck line, in a cartel type way, could service my small towns. The argument was, oh, my goodness, if you opened it up, that truck line would not go to Rosenberg, TX, because it is too small a market.

You know what happened in Rosenberg, TX, with the car dealers? They could not get their parts shipped by this one trucking company that had authority to carry goods to Rosenberg, TX. So a Hispanic gentleman who cleaned commodes for one of the car dealers got in a truck and went up and picked up his parts on the other side of Houston and brought them back. He said, ''This is a pretty good deal.'' He started going around to the other car dealers, and they were having the same problem, so he bought himself a van and started himself a little business, provided a service that was not being provided by the Government authority given to one trucking company.

But you know what? They caught him and they said ''You can't do this anymore, because the government says you can't do it.'' He says, ''Why not?'' He says, ''Because you got to have a piece of paper from the government to allow you to go pick up auto parts in Houston and bring them to Rosenberg.'' ''How do I get that piece of paper?'' ''You have to hire a lawyer.'' ''How much does a lawyer cost?'' ''Well, it will cost you at least $25,000, and then you are not guaranteed to get the authority.''

He went back to cleaning commodes in Rosenberg, TX.

Now, they will say probably oh, well, this does not apply, because we are talking about large ships and we are talking about small ports and we are talking about small shippers. The market is the same no matter whether it is ships or trucks or airplanes or railroads. The point here is we are trying to move into the 21st century, and the proponents and the supporters of the Oberstar amendment want to keep us in the 1930's, when regulation of trucking was first passed, in the 1920's, when regulation of railroads was passed.

We are in a world economy and we cannot afford the 1930's type economics.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DELAY] has expired.

(By unanimous consent, Mr. DELAY was allowed to proceed for 1 additional minute.)

Mr. DELAY. Mr. Chairman, we cannot afford to run the U.S. economy based on 1930's economics, and that is what we are trying to do here. We are trying to change it, to bring America into the 21st century. Unfortunately, the gentleman from Minnesota wants to keep us in the 1930's.

I urge you to vote ''no'' on the Oberstar amendment.

Mr. LIPINSKI. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. LIPINSKI. Mr. Chairman, I rise today in support of the Oberstar amendment to H.R. 2149, the Ocean Shipping Reform Act of 1995.

The maritime industry is one of the few industries in the United States that enjoys full immunity from our antitrust laws. Carriers are allowed to enter into conferences which are cartels of vessels that collectively set prices and allocate routes and cargo among its members. In the Shipping Act of 1984, Congress granted antitrust immunity of ocean conferences only if the carriers file their rates and contract terms with the Federal Maritime Commission.

The Ocean Shipping Reform Act, however, would eliminate the requirement that ocean carriers disclose the essential terms of their contracts with shippers. Without this disclosure, the large carriers are likely to enter secret agreements giving major shippers low rates which could not be offered if the arrangement had to be disclosed. These secret contracts will create unfair competitive advantages for large shippers and large carriers, and the larger ports they serve. This is a real threat to the economic wellbeing and job security of smaller carriers and the smaller and medium size ports.

H.R. 2149 will not result in an ocean transportation industry governed by market principles, but will result in a system in which carrier cartels will operate with legal impunity and large corporations will be able to secure secret, below cost transportation rates from carriers, with smaller shippers being charged higher and higher rates to make up for these concessions to mega-shippers. In other words, this legislation will simply intensify the alarming trends that already exist in the maritime industry—bigger and fewer ports, fewer and larger carriers, and larger shipping conglomerates.

This is why I support the Oberstar amendment; the amendment would require carriers to file their rates and essential contract terms electronically. It balances carriers' full antitrust immunity with the simple requirement that they make the essential terms of their contracts with shippers public. It ensures that market forces are able to keep the power of industry conglomerates in check, providing safeguards to protect our consumers, manufacturers, and ports from secret deals that discriminate against them.

Like H.R. 2149, the Oberstar amendment sunsets the Federal Maritime Commission. However, the amendment transfers the remaining enforcement responsibilities to the Surface Transportation Board, an independent transportation agency. The Ocean Shipping Reform Act transfers remaining authority to the Department of Transportation, a far more politicized cabinet department of the Federal Government.

The Oberstar amendment aims to correct the two fundamental flaws of the Ocean Shipping Reform Act. The major goal of the Ocean Shipping Reform Act remains intact, which is to increase competition in the ocean shipping industry by substantially deregulating the industry. In fact, it is only with the adoption of this amendment that increased competition will occur in the maritime industry. I urge my colleagues to support the Oberstar amendment and then support the bill.

Mr. ROBERTS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose the amendment offered by the gentleman from Minnesota. The biggest beneficiaries of public ocean transportation contracts are the foreign-dominated ocean shipping cartels. Public contracting as continued under the Oberstar amendment to my way of thinking would simply enhance the ability of these cartels to fix prices for the transportation of goods in the import and export trade.

The data on ocean shipping confirms that over 85 percent of U.S. goods are carried aboard foreign vessels, and this amendment would, in my opinion, simply permit that to continue.

Meanwhile, under the Shuster bill, the committee bill, we would save 18 percent of transportation costs, according to a Department of Agriculture report. I have got the report right here.

Everybody interested in agriculture, everybody interested in rural America, everybody interested in the balance of payments benefits that agriculture provides, everybody who voted for a new change, a market-oriented farm policy, everybody who voted for freedom to farm, regardless of your personal opinion about all of the farm program policies, pay attention.

The Department of Agriculture says:

A cartel premium attributable to conference market power, the ability to set rates above the competitive level, amounts to some 18 percent of the cost of ocean transportation.

Turn it around. Look at the benefit to our farm exports if we turn it around.

The annual gain in agriculture revenues from increased exports resulting from lower shipping costs would produce an expected gain of $406 million, 8.1 percent of the total revenues, including more commodities, more markets. It would simply magnify the economic effect.

I am quoting from the Maritime Policy and Agriculture Interests Impacts of the Conference System of the Department of Agriculture.

My experience in the Marine Corps leads me to understand that there are very few merchant ships left that are registered in the United States. Now, think a minute. If you publicize the contracts that primarily benefit our foreign competitors by allowing them to estimate a U.S. exporter's shipping costs, that simply permits the foreign carriers to have a great advantage over our U.S. carriers. It is not only going to hurt them, it is going to hurt all of the exporters, all of the added value product exporters, and all we are trying to do in regard to agriculture today.

I am informed by the distinguished chairman that U.S. shippers, especially the small shippers, support the bill without such an amendment. So I would urge Members, all members of the House Committee on Agriculture, all members of the various task forces on either side of the aisle, to oppose this amendment, and to support not only the U.S. business, but simply U.S. agriculture, who trade overseas. So support the U.S. farmer and the producers who really wish to enhance our agriculture exports. Again, I urge my colleagues to vote against the Oberstar amendment.

Mr. FILNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the Oberstar amendment. I represent the city of San Diego. We are engaged in a major effort with the support of all members of the community to upgrade the Port of San Diego, to transform the economy of San Diego, to provide thousands of jobs in the future.

Mr. Chairman, as currently written, this legislation would hurt smaller-sized ports like the Port of San Diego. By allowing shippers and carriers to enter into secret and confidential shipping agreements, the concept of common carriage will effectively disappear. It has been this concept of the public display of contract terms that has kept ocean transportation available to small- and medium-sized shippers on the same terms and conditions as large shippers.

This public disclosure of contract terms stimulates competition and ensures a level playing field for shippers and ports alike. Keeping contract details secret would put smaller shippers and ports with niche markets at a decided disadvantage and unable to match preferential deals offered by the largest companies and ports.

We should not grant economic advantages to anyone and the Oberstar amendment ensures this by providing fair and equal opportunity for everyone—large and small—in ocean transportation: the ports, the carriers, and the employees of both. The economic well-being of America's ocean transportation depends on this amendment.

Keep ocean shipping fair. Vote ''yes'' on Oberstar.

□ 1730

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to take a moment to read a quote from a former colleague of ours in California now: ''For 20 years I have advocated the orderly economic deregulation of American transportation systems. Air and ground transportation deregulation have largely been completed, with consumers and businesses benefiting from less government and more competition. This new proposal extends deregulation to ocean transportation. It is a commonsense, balanced proposal, providing a clear road map and a schedule for ocean freight deregulation.'' Norm Mineta, June 28, 1995.

Something has happened since then. Something has happened in Washington since that statement was uttered. And there is more. And my colleagues will share some of the other statements.

When we look at the partisanship displayed on the floor on this issue, it is no wonder things are not happening here in Washington. I heard the last speaker say we should not grant economic opportunities to select people. Some of us in this Congress feel NAFTA and GATT granted select opportunities to certain individuals.

In Florida, my agricultural industry is under great pressure from NAFTA. Tomatoes are almost being run out of business. Citrus is next. Why do we not pass a bill with bipartisan support on ocean shipping reform, allowing elimination of tariffs and tariff enforcements, giving an opportunity to American vessels, American shippers, to be able to compete in the international marketplace?

NAFTA and GATT were talked about as great incentives for the economic opportunities of all Americans. All Americans are going to benefit from NAFTA and GATT. Well, let us extend that great system we have passed on the floor to ocean shipping. Why leave shippers out of the equation?

But somehow the politics of this House turns on the dime, that thin dime Mr. GORE spoke of when he talked about minimum wage. When we talk about minimum wage, they had on the other side 2 years to do it while they had control. No discussion of minimum wage. Gas tax. All of a sudden, my God, gases are high. Call Janet Reno, have her investigate. Gas companies must be in collusion.

Nobody stands here on the floor and says, by God, I passed a 4.3 cent increase in the gas tax, I wonder if that had something to do with it. Consumers in American need to know that the taxes passed by this Congress and State legislatures throughout the Nation add probably 40, 50 cents per gallon of gasoline.

So when you pull up to the pump, do not immediately shout it must be Exxon's fault. Think of the people in this body that on partisan rhetoric destroy legislation or attempt to destroy legislation that at one time, just a short period ago, was fine with Mr. Mineta, apparently fine with the gentleman from Minnesota [Mr. OBERSTAR] and others.

Clearly, I would say to my colleagues that we have a bill on this floor that reforms a system that desperately needs reforming. We have not had all perfect experiences with deregulation, as people will testify on transportation, like airlines. But I think, by and large, the prices consumers pay today to fly from West Palm Beach, FL to Washington, DC, $137 on a round-trip basis, are largely as a result of deregulation. Lower prices for consumers, benefiting America, benefiting the airliners, benefiting everyone involved in the process.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I am delighted to yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I voted for airline deregulation, and trucking and bus deregulation, and rail deregulation. But I wanted to say, since my former colleague is no longer here to explain himself, that quote was taken at a time when we had a concept of a bill and not the specific language of a bill. It is not relevant to the present debate.

Mr. FOLEY. So the gentleman thinks the conversation has changed completely?

Mr. OBEY. I am saying the quote was taken at a time before there was an introduced bill. It is not relevant to the bill at hand.

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Chairman, very quickly, maybe this is an insight that we are hearing about, that this was a concept. A bill was worked out, supposedly a compromise. I have three letters here, one from the AFL–CIO, one from International Brotherhood of Teamsters, and one from a group called Transportation Trades Department of the AFL–CIO, the American Federation of Labor and Congress of Industrial Organizations, all dated yesterday.

So my point is I know why from the time that this was a concept and this quote was made, through the time that a bipartisan effort was put together, to the time of yesterday, when Mr. Sweeney barked, they jumped. That is what is going on here. When the Sweeneys and the Washington union bosses barked, they jumped and changed and took another tack on this and offered the Oberstar amendment.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I am delighted to yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, the date of that quote is June 28, 1995. At that time we had issued our release and we spelled out the seven principles of this bill, and nothing has changed up to this day.

Ms. BROWN of Florida. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, a few weeks ago the House approved the truth in budgeting act. If there is truth in budgeting, surely there must be truth in contracting, and that is what the Oberstar amendment does.

I too support the goals of most of the provisions of H.R. 2149, including the provision which eliminates the Federal Maritime Commission prohibiting ocean carrier conferences from restricting the rights of individual carriers to make contracts with shippers and eliminate the requirement that tariffs must be filed with a Government agency.

However, I do believe that there should be two modifications to the bill to meet the concerns which have been raised by consumers, and that is what the Oberstar amendment does.

The Oberstar amendment is not a killer amendment, it does not gut the bill. With the amendment, the bill will still take the following important actions to deregulate the ocean shipping industry: The Federal Maritime Commission will be eliminated, restrictions on the contents of contracts between shippers and carriers will be eliminated, and laws related to unfair trade practices of foreign carriers and foreign governments will be strengthened.

As I said earlier, a few weeks ago the House approved the truth in budgeting act. If there is truth in budgeting, surely there must be truth in contracting.

Mr. OBERSTAR. Mr. Chairman, will the gentlewoman yield?

Ms. BROWN of Florida. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I thank the gentlewoman for yielding.

I just wanted to say that repeatedly my chairman has said that seagoing maritime labor supports this legislation, and I have called to find out just what is their position on this matter, and both the American maritime officers and the seafarers are not in support of the legislation unless it is amended as we have proposed. I just wanted to get the record straight.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise today in support of the Oberstar amendment to the Ocean Shipping Reform Act of 1995.

The Oberstar amendment continues current law requiring the public disclosure of the terms of ocean and shipping contracts to ensure fair competition. The amendment also preserves the objectives of the bill to ease the regulatory burden by eliminating the Federal Maritime Commission and transferring its authority to the independent Surface Transportation Board.

Mr. Chairman, all things that are done in darkness will inevitably come to light. The bill before us was abruptly reported out of committee without the benefit of public hearings—darkness Mr. Chairman, darkness. Now, there

are some Members of this body who seek to keep the consumers in the dark by prohibiting the public disclosure of the terms of shipping contracts. If we allow them to prohibit the public disclosure of information and allow shippers and carriers to enter into back room deals, we will permit larger shippers and carriers to engage in secret negotiations and enter into secret contracts. Such secret contracts are anticompetitive and may have a negative impact on workers by driving the smaller shipping and carrying companies out of business. This may well also lead to higher prices for the consumer because of a lack of competition.

In 1992, when I began my service in the California State legislature, I did so with a spirit of bipartisanship and cooperation. I bring this same approach to governing with me as I begin my service in this distinguished body. This amendment enjoys bipartisan support—and let me tell you why Mr. Chairman. This issue and this amendment is not about one political party or the other. This issue is about right and wrong. In my district, in southern Los Angeles County, there is a place called Mormon Island. On Mormon Island are docks and berths where warehousemen and longshoremen work hard to earn a living to support their families. Let me tell you what would happen if we allow this bill to pass without the Oberstar amendment; larger shippers and carriers would get together and create deals and agreements without the benefit of public scrutiny. This would allow those larger companies to lock the smaller companies out of the industry and force them out of business. Without the Oberstar amendment, Fortune 100 shipping companies would be able to avoid public disclosure while hurting the smaller shipping companies that rely on the transparency of prices. If those companies are not allowed to compete fairly, on a level playing field, they will not be able to survive. The warehousemen and longshoremen, the working people in my district depend on those small companies for employment and ultimately their livelihoods. In this Congresswoman's opinion, we would serve our constituents best by supporting fair competition and maintaining the current law which prohibits shipping companies from entering into secret contracts.

Mr. Chairman, I urge my colleagues to support the consumer, support fair competition, and support public disclosure by voting ''yes'' on the Oberstar amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. OBERSTAR].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBERSTAR. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 197, noes 224, not voting 12, as follows:

[Roll No. 143]

AYES—197

Abercrombie	Becerra	Borski
Ackerman	Beilenson	Boucher
Andrews	Bentsen	Browder
Baesler	Bevill	Brown (CA)
Baldacci	Bilirakis	Brown (FL)
Barcia	Bishop	Brown (OH)
Barrett (WI)	Bonior	Cardin
Chapman	Hoyer	Payne (VA)
Clayton	Jackson (IL)	Pelosi
Clement	Jackson-Lee (TX)	Peterson (FL)
Clyburn	Jacobs	Peterson (MN)
Coburn	Jefferson	Pickett
Coleman	Johnson (SD)	Pomeroy
Collins (IL)	Johnson, E. B.	Poshard
Collins (MI)	Johnston	Quinn
Condit	Kanjorski	Rahall
Conyers	Kennedy (MA)	Rangel
Costello	Kennedy (RI)	Reed
Coyne	Kennelly	Richardson
Cramer	Kildee	Rivers
Cummings	King	Roemer
Danner	Kleczka	Rose
DeFazio	Klink	Roybal-Allard
DeLauro	LaFalce	Rush
Dellums	Lantos	Sabo
Deutsch	Levin	Sanders
Diaz-Balart	Lewis (GA)	Sawyer
Dicks	Lipinski	Saxton
Dingell	Lofgren	Schiff
Dixon	Lowey	Schroeder
Doggett	Luther	Schumer
Doyle	Maloney	Scott
Durbin	Manton	Serrano
Edwards	Markey	Shays
Engel	Mascara	Sisisky
English	Matsui	Skaggs
Eshoo	McCarthy	Skelton
Evans	McDade	Slaughter
Farr	McDermott	Smith (NJ)
Fattah	McHale	Spratt
Fazio	McKinney	Stark
Fields (LA)	McNulty	Stokes
Filner	Meehan	Studds
Flake	Meek	Stupak
Foglietta	Menendez	Tanner
Forbes	Metcalf	Tejeda
Ford	Millender-McDonald	Thompson
Frank (MA)	Miller (CA)	Thornton
Frisa	Minge	Thurman
Frost	Mink	Torres
Furse	Moakley	Towns
Gejdenson	Mollohan	Traficant
Gephardt	Moran	Velazquez
Gibbons	Murtha	Vento
Gilman	Nadler	Visclosky
Gonzalez	Neal	Volkmer
Gordon	Oberstar	Ward
Green (TX)	Obey	Waters
Gutierrez	Olver	Watt (NC)
Hall (OH)	Ortiz	Williams
Hamilton	Orton	Wilson
Harman	Owens	Wise
Hastings (FL)	Pallone	Woolsey
Hefner	Pastor	Wynn
Hilliard	Payne (NJ)	Yates
Hinchey		
Holden		

NOES—224

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

NOT VOTING—12

Berman	Goss	Myers
Bonilla	Kaptur	Solomon
Bryant (TX)	Largent	Torricelli
Clay	Molinari	Waxman

☐ 1755

Messrs. HOSTETTLER, BACHUS, and STOCKMAN changed their vote from ''aye'' to ''no.''

Mr. SCHIFF and Mr. PAYNE of Virginia changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments to title I?

☐ 1800

The CHAIRMAN. If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—CONTROLLED CARRIERS AMENDMENTS

SEC. 201. CONTROLLED CARRIERS.

Section 9 of the Shipping Act of 1984 (46 App. U.S.C. 1708) is amended, effective on June 1, 1997—

(1) in subsection (a), by striking ''in its tariffs or service contracts filed with the Commission'' and ''in those tariffs or service contracts'' in the first sentence, and by striking ''filed by a controlled carrier'' in the last sentence;

(2) in subsection (b), by striking ''filed'' and inserting ''published'', in paragraphs (1) and (2);

(3) in subsection (c), by striking the first sentence;

(4) subsection (d) is amended to read as follows:

''(d) Within 120 days of the receipt of information requested by the Secretary under this section, the Secretary shall determine whether the rates, charges, classifications, rules, or regulations of a controlled carrier may be unjust and unreasonable. If so, the Secretary shall issue an order to the controlled carrier to show cause why those rates, charges, classifications, rules, or regulations should not be approved. Pending a determination, the Secretary may suspend the

rates, charges, classifications, rules, or regulations at any time. No period of suspension may be greater than 180 days. Whenever the Secretary has suspended any rates, charges, classifications, rules, or regulations under this subsection, the affected carrier may publish and, after notification to the Secretary, assess new rates, charges, classifications, rules, or regulations—except that the Secretary may reject the new rates, charges, classifications, rules, or regulations if the Secretary determines that they are unreasonable.'';

(5) in subsection (f), by striking ''This'' and inserting ''Subject to subsection (g), this''; and

(6) by adding at the end the following new subsections:

''(g) The rate standards, information submissions, remedies, reviews, and penalties in this section shall also apply to ocean common carriers that are not controlled, but who have been determined by the Secretary to be structurally or financially affiliated with nontransportation entities or organizations (government or private) in such a way as to affect their pricing or marketplace behavior in an unfair, predatory, or anticompetitive way that disadvantages United States carriers. The Secretary may make such determinations upon request of any person or upon the Secretary's own motion, after conducting an investigation and a public hearing.

''(h) The Secretary shall issue regulations by June 1, 1997, that prescribe periodic price and other information to be submitted by controlled carriers and carriers subject to determinations made under subsection (g) that would be needed to determine whether prices charged by these carriers are unfair, predatory, or anticompetitive.''.

SEC. 202. NEGOTIATING STRATEGY TO REDUCE GOVERNMENT OWNERSHIP AND CONTROL OF COMMON CARRIERS.

Not later than January 1, 1997, the Secretary of Transportation shall develop, submit to Congress, and begin implementing a negotiation strategy to persuade foreign governments to divest themselves of ownership and control of ocean common carriers (as that term is defined in section 3(18) of the Shipping Act of 1984 (46 App. U.S.C. 1702).

The CHAIRMAN. Are there any amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—ELIMINATION OF THE FEDERAL MARITIME COMMISSION

SEC. 301. PLAN FOR AGENCY TERMINATION.

(a) No later than 30 days after enactment of this Act, the Director of the Office of Management and Budget, in consultation with the Secretary of Transportation, shall submit to Congress a plan to eliminate the Federal Maritime Commission no later than October 1, 1997. The plan shall include a timetable for the transfer of remaining functions to the Federal Maritime Commission to the Secretary of Transportation, beginning as soon as feasible in fiscal year 1996. The plan shall also address matters related to personnel and other resources necessary for the Secretary of Transportation to perform the remaining functions of the Federal Maritime Commission.

(b) The Director of the Office of Management and Budget shall implement the plan to eliminate the Federal Maritime Commission, beginning as soon as feasible in fiscal year 1996.

The CHAIRMAN. Are there any amendments to title III?

Are there any further amendments to the bill?

PARLIAMENTARY INQUIRY

Mr. SHUSTER. Mr. Chairman, I rise to clarify a matter with the distinguished chairman of the Committee on National Security, if he is on the floor. we have, Mr. Chairman, as far as I know we have, the one amendment, and it is not controversial. However, there might be a parliamentary problem with it, and we are attempting right now to clear that matter with the gentleman from South Carolina [Mr. SPENCE], chairman of the Committee on National Security.

Mr. Chairman, I have parliamentary inquiry.

The CHAIRMAN. The gentleman will state his inquiry.

Mr. SHUSTER. At what title of the bill are we now in consideration?

The CHAIRMAN. We are at the end of the bill, I would advise the gentleman from Pennsylvania.

Mr. SHUSTER. Is it possible to return to an earlier title of the bill, or is that impossible?

The CHAIRMAN. It can be done by unanimous consent only.

Mr. SHUSTER. I simply am asking a parliamentary inquiry in order to give my friend from Michigan an opportunity to get to the microphone.

AMENDMENT OFFERED BY MR. STUPAK

Mr. STUPAK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUPAK: At the end of the bill, add the following new title:

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. TRANSFER OF CERTAIN OBSOLETE TUGBOATS OF THE NAVY.

(a) REQUIREMENT TO TRANSFER VESSELS.—The Secretary of the Navy shall transfer the six obsolete tugboats of the Navy specified in subsection (b) to the Northeast Wisconsin Railroad Transportation Commission, an instrumentality of the State of Wisconsin. Such transfers shall be made as expeditiously as practicable upon completion of any necessary environmental compliance agreements.

(b) VESSELS COVERED.—The requirement in subsection (a) applies to the six decommissioned Cherokee class tugboats, listed as of the date of the enactment of this Act as being surplus to the Navy, that are designated as ATF–105, ATF–110, ATF–149, ATF–158, ATF–159, and ATF–160.

(c) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfers required by this section as the Secretary considers appropriate.

Mr. STUPAK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

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

Mr. STUPAK. Mr. Chairman, the amendment is relevant to the Ocean Shipping Act because it deals with maritime commerce on the Great Lakes and involves foreign commerce with Canada, highly important to my district and to the region. My amendment, the text of my bill, H.R. 2821, simply attempts to save the American taxpayers a considerable cost that the U.S. Navy incurs.

Mr. Chairman, let me explain my amendment. I do believe that this amendment is relevant to the Ocean Shipping Act because it deals with maritime commerce on the Great Lakes and it involves foreign commerce on the Great Lakes and it involves foreign commerce with Canada, highly important to my district and to the region.

My amendment, the text of my bill, H.R. 2821, simply attempts to save the American taxpayers the considerable costs that the U.S. Navy currently incurs with the storage of six *Cherokee*-class tugboats that are destined for transfer to the Northeast Wisconsin Railroad Transportation Commission.

These tugboats are obsolete and left over from recent closures of naval bases and shipyards, including Long Beach in California. They originally were destined to be scrapped if a deadline of December 31 was not met in achieving a compliance agreement between the railroad commission and the U.S. Environmental Protection Agency.

The Chief of Naval Operations, Adm. Jeremy Boorda, personally assured me the Navy would not go ahead with the planned scrapping of these vessels if this agreement could be achieved as soon as possible. I have been informed that the U.S. Navy and Admiral Boorda support my measure to expedite this transfer, as long as the agreement can be achieved. I'm pleased to report that the environmental compliance agreement will be finalized within the next 7 days, according to officials with region 5 of the EPA.

If we cannot enact this transfer within the next few months, than additional costs for taxpayers will be incurred by forcing the Navy to tow these vessels up the coast of California to Suisun Bay for storages. According to the Navy, an additional $25,000 for each tugboat will have to be spent to place these vessels in interim storage, while the Navy currently pays more than $100,000 per year to continue the storage of these six vessels.

The Government shutdowns of last November and December disrupted the process toward achieving an agreement, and the final details have finally been resolved.

Mr. Chairman, my amendment simply attempts to minimize the costs and expenses that have resulted because of Government shutdowns and delays in reaching an agreement. Not only would the American taxpayers save, but the economy of the upper Great Lakes would benefit much sooner if these tugboats could be placed into service as soon as possible. This is truly a win-win situation for everyone, for the Navy, for American taxpayers, and for the economy of the Great Lakes region.

I appreciate the chairman of the committee not objecting, and I want to thank him, as well as JIM OBERSTAR, HOWARD COBLE, and BOB CLEMENT for their assistance. As well, I want to thank the chairman of the National Security Committee, FLOYD SPENCE, and the former chairman, RON DELLUMS.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. STUPAK. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, we have examined the amendment. We

have no problem with it. We support the gentleman's amendment.

Mr. STUPAK. Mr. Chairman, with those comments from the distinguished gentleman, I would like to thank him, the gentleman from South Carolina [Mr. SPENCE], the gentleman from North Carolina [Mr. COBLE], the gentleman from Virginia [Mr. BATEMAN], the gentleman from Minnesota [Mr. OBERSTAR], and others for their help on this.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. STUPAK].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. KINGSTON) having assumed the chair, Mr. REGULA, Chairman 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. 2149) to reduce regulation, promote efficiencies, and encourage competition in the international ocean transportation system of the United States, to eliminate the Federal Maritime Commission, and for other purposes, pursuant to House Resolution 419, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

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

Is a separate vote demanded on any amendments? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on 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.

The CHAIRMAN. 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. OBERSTAR. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 182, not voting 12, as follows:

[Roll No. 144]

YEAS—239

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

NAYS—182

Abercrombie	Doyle	Hoyer
Ackerman	Durbin	Jackson (IL)
Andrews	Edwards	Jackson-Lee
Baesler	Engel	(TX)
Baldacci	English	Jacobs
Barcia	Eshoo	Jefferson
Barrett (WI)	Evans	Johnson (SD)
Becerra	Farr	Johnson, E. B.
Beilenson	Fattah	Johnston
Bentsen	Fazio	Kanjorski
Bishop	Fields (LA)	Kennedy (MA)
Bonior	Filner	Kennedy (RI)
Borski	Flake	Kennelly
Brown (CA)	Foglietta	Kildee
Brown (FL)	Forbes	Kingston
Brown (OH)	Ford	Kleczka
Cardin	Frank (MA)	Klink
Chapman	Frisa	LaFalce
Clayton	Frost	Lantos
Clyburn	Furse	Levin
Coleman	Gejdenson	Lewis (GA)
Collins (IL)	Gephardt	Lipinski
Collins (MI)	Gibbons	Lofgren
Conyers	Gilman	Lowey
Costello	Gonzalez	Luther
Coyne	Gordon	Maloney
Cummings	Green (TX)	Manton
Danner	Gutierrez	Markey
DeFazio	Hall (OH)	Mascara
DeLauro	Hamilton	Matsui
Dellums	Harman	McCarthy
Deutsch	Hastings (FL)	McDermott
Dicks	Hefner	McHale
Dingell	Hilliard	McKinney
Dixon	Hinchey	McNulty
Doggett	Holden	Meehan
Meek	Poshard	Stokes
Menendez	Quinn	Studds
Metcalf	Rahall	Stupak
Millender-McDonald	Rangel	Tejeda
Miller (CA)	Reed	Thompson
Mink	Richardson	Thornton
Moakley	Rivers	Thurman
Mollohan	Roemer	Torres
Moran	Rose	Towns
Nadler	Roybal-Allard	Traficant
Neal	Rush	Velazquez
Oberstar	Sabo	Vento
Obey	Sanders	Visclosky
Olver	Sawyer	Volkmer
Ortiz	Schiff	Ward
Owens	Schroeder	Waters
Pallone	Schumer	Watt (NC)
Pastor	Scott	Waxman
Payne (NJ)	Serrano	Williams
Payne (VA)	Sisisky	Wilson
Pelosi	Skaggs	Wise
Peterson (FL)	Skelton	Woolsey
Peterson (MN)	Slaughter	Wynn
Pickett	Smith (WA)	Yates
Pomeroy	Spratt	
	Stark	

NOT VOTING—12

Berman	Clay	Molinari
Bonilla	Goss	Myers
Bryant (TX)	Graham	Rogers
Chenoweth	Kaptur	Torricelli

☐ 1825

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

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. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on H.R. 2149 the bill just passed.

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

There was no objection.

CONFERENCE REPORT ON S. 641, RYAN WHITE CARE ACT AMENDMENTS OF 1996

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent that it now be in order to proceed immediately to consider the conference report on the Senate bill (S. 641), to reauthorize the Ryan White CARE Act of 1990, and for other purposes, and that all points of order against the conference report and against its consideration be waived, and that the conference report be considered as read.

The Clerk read the title of the Senate bill.

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

Mr. WAXMAN. Reserving the right to object, Mr. Speaker, I want to clarify that this will allow us to move forward on the House floor to consider the Ryan White reauthorization bill, allowing discussion of that legislation and a vote.

Mr. BILIRAKIS. Mr. Speaker, if the gentleman will yield, I would say to the gentleman, yes, by all means.