

*made by this section shall take effect on October 1, 1999.*

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. SHAW] and the gentleman from Michigan [Mr. LEVIN] each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. SHAW].

GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2487.

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

There was no objection.

Mr. SHAW. Mr. Speaker, the Federal Government now spends nearly half a billion dollars per year providing the States with incentive payments for good performance in collecting child support, but the current system has serious deficiencies.

The Federal Government provides more than half the incentive money virtually without regard to performance. Even worse, although many States have poor child support programs, current laws allow States to use the incentive payment as a kind of kitty for the State treasury. Thus, money that should be used to improve child support programs is used by some States to build roads and bridges.

The new system we are considering today, based on work by the administration, directors of State and child support programs, and a bipartisan coalition headed by the gentleman from Michigan [Mr. LEVIN] and me, solves both of these problems and more. Under this bill, which was approved unanimously by the Committee on Ways and Means, every penny of the incentive money will be based on performance and States can use the money only on child support activities.

The new incentive system created by this legislation is simply one more tool that Congress has enacted to improve the performance of the Federal-State child support program. Many other tools are just now being put in place by State governments as required under last year's welfare reform law.

Once all of last year's reforms are in place and once the new incentive program begins to reward high-performance States, I believe we will see a steady improvement in the child support program as more and more single-parent families and children receive sorely needed cash and medical support. Perhaps of the greatest importance, many hundreds of thousands of those helped will be single parents struggling to leave welfare and to stay off of welfare.

This bill enjoys bipartisan support and was developed in close cooperation with the administration. The reforms made by this bill will greatly improve the child support program. Let us bring this bill out of the House with a resounding voice so that the Nation's

children can start getting the financial support they need and deserve.

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

□ 1330

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

I want to thank the gentleman from Florida [Mr. SHAW], and I wish to express my appreciation for the bipartisan spirit with which this important piece of legislation has been developed. I would also like to congratulate the administration, HHS, Secretary Shalala and all of her staff, and I would like to congratulate the staffs of our committee, Dr. Haskins, who is here, Deborah Colton, who is on the floor with us, my own staff, as well as others, because today we are poised to take an important next step in our continuing efforts to assure that every kid in this country is supported by both parents. A job that pays a living wage is one component of self-sufficiency for families, and for single parents, a child support order and a non-custodial parent who supports the family every month can be equally important.

Last year we devoted considerable time and attention to one aspect of assuring the financial security of America's children: making work a central element of our Nation's welfare laws. After all, a job paying a living wage is probably the most important component of self-sufficiency for families on welfare.

Another essential part of welfare reform is child support. It sends a message of responsibility to both parents and it is a vital part of moving families toward work and self-sufficiency.

We have seen some progress since the 1970's when Congress began to insist that States give priority to child support enforcement. Collections have risen from \$1 billion a year to more than \$11 billion in 1995; and in that same year, more than 5 million parents were located and paternity was established for over 600,000 children.

But that is not good enough. Of the 9.9 million female-headed families in 1991 eligible for child support, only 56 percent had child support orders. That means that 4.5 million families did not even have an order to enforce. Those with child support orders were not always much better off. Only about half of those due money from a noncustodial parent actually received 100 percent of their court-ordered child support payments.

Well, in the mid-1980's when we designed the current incentive system, we did the best we could with limited information available to us. But now, after nearly a decade of experience, we are in a position to create a more sophisticated system that truly rewards performance.

The new system will reward States with incentive funds based on the State's performance in 5 essential areas: establishment of paternity; es-

tablishment of child support orders; collection on current child support owed; collection on previously or past due child support owed; and cost-effectiveness. These measures will more accurately reflect the true performance of the States and their success in helping families achieve self-sufficiency.

To be sure, a wholesale change of this magnitude may be a bit daunting to States because of the uncertainty of the size of incentive payments coupled with the dramatic changes our entire welfare system is undergoing. But before we conclude that some States may lose Federal funds under this new system, let us remember that it will be several years before the new incentives are fully implemented, and the goal is for all States to continue working and to qualify for the new incentives.

In the past decade, we have made progress, but as said, much more remains to be done, and as the gentleman from Florida [Mr. SHAW], has said so well throughout these proceedings, this bill can help.

Our legislation redesigns the financing of the child support program to reward those States that perform best. We fine-tune the incentive payments we make to the States so that those States that operate a balanced and efficient program are rewarded, and we phase in the new system, and that should be emphasized, to minimize any disruptions at the State level.

This bill is a bipartisan product. It is truly a consensus proposal, and I am sure that the gentleman from Florida [Mr. SHAW] and all of the Members of our committee, and I think the House today, will join in expressing this hope, that we will not only pass this bill in this House but the Senate will act on it before it adjourns for the year.

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

Mr. SHAW. Mr. Speaker, I do not have any further requests for time, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. SHAW] that the House suspend the rules and pass the bill, H.R. 2487, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### SECURITIES AND EXCHANGE COMMISSION AUTHORIZATION, FISCAL YEARS 1998 AND 1999

Mr. OXLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1262) to authorize appropriations for the Securities and Exchange Commission for fiscal years 1998 and 1999, and for other purposes.

The Clerk read as follows:

H.R. 1262

*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 "Securities and Exchange Commission Authorization Act of 1997".

**SEC. 2. AUTHORIZATION OF APPROPRIATIONS.**

Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended to read as follows:

**"SEC. 35. AUTHORIZATION OF APPROPRIATIONS.**

"(a) IN GENERAL.—In addition to any other funds authorized to be appropriated to the Commission, there are authorized to be appropriated to carry out the functions, powers, and duties of the Commission—

"(1) \$320,000,000 for fiscal year 1998; and

"(2) \$342,700,000 for fiscal year 1999.

"(b) MISCELLANEOUS EXPENSES.—Funds appropriated pursuant to this section are authorized to be expended—

"(1) not to exceed \$3,000 per fiscal year, for official reception and representation expenses;

"(2) not to exceed \$10,000 per fiscal year, for funding a permanent secretariat for the International Organization of Securities Commissions; and

"(3) not to exceed \$100,000 per fiscal year, for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives, and staff to exchange views concerning developments relating to securities matters, for development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings, including—

"(A) such incidental expenses as meals taken in the course of such attendance;

"(B) any travel or transportation to or from such meetings; and

"(C) any other related lodging or subsistence."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. OXLEY] and the gentleman from New York [Mr. MANTON] each will control 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. OXLEY].

[Mr. OXLEY asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. OXLEY. Mr. Speaker I yield myself such time as I may consume.

Mr. Speaker, I am pleased to be a sponsor of the legislation before us today which will authorize the Securities and Exchange Commission for appropriations for fiscal years 1998 and 1999.

The capital markets of this Nation are expanding at an unprecedented rate. The broad spectrum of investors that these markets attract, individual Americans saving through mutual fund investments, institutional investors like pension funds, venture capitalists and more, are fueling the growth of our economy. Last year, \$50 billion was raised for new businesses through our capital markets. Today, mutual fund assets, at a record \$3.7 trillion, surpass bank deposits by more than \$1 trillion.

As our markets are expanding, they are also developing. The astonishing advancements in technology in recent years are creating new mechanisms for investors to access our markets and to obtain better, faster information about market activity.

Against this backdrop, this legislation takes on increased significance. The Securities and Exchange Commission is, indeed, the investor's advocate. The growth and success of our great capital markets is dependent upon their fundamental fairness. The Securities and Exchange Commission has demonstrated its commitment to ensure that the fairness of our markets is not compromised. Investors around the world come to the U.S. markets in no small part because of the confidence they have in that basic fairness.

Our capital markets rely upon not only investor confidence, but also the extraordinary ingenuity that has spurred the markets' development. It is essential that in regulating these markets, we do not stifle them. Chairman Arthur Levitt and the Commission are to be commended for initiating regulatory changes to facilitate the ability of companies to raise capital. They have eliminated unnecessary regulations, liberalized exemptions for all business, streamlined filing requirements, and promoted the use of something we are often in dire need of here on Capitol Hill: good old plain English. Reduction of regulatory burdens has aided the tremendous growth of our markets, and I intend to ensure that regulation continues to become less intrusive, less expensive, more flexible and more sensible.

H.R. 1262, the Securities and Exchange Commission Authorization Act of 1997, authorizes \$320 million for fiscal year 1998 and \$342 million for fiscal year 1999. The authorization for fiscal year 1998 is essentially flat from the current year. The increase of approximately \$22 million for the 1999 appropriation will provide the Commission with necessary resources to manage the growth and development of our capital markets.

Importantly, this legislation is consistent with the provisions of the fee reduction agreement among the gentleman from Virginia [Mr. BLILEY] of the Committee on Commerce, the gentleman from Texas [Mr. ARCHER] of the Committee on Ways and Means, and the gentleman from Kentucky [Mr. ROGERS] of the Committee on Appropriations, as enacted in the National Securities Markets Improvement Act of 1996. Through this agreement, the fees that the Commission receives will gradually be reduced, while the funding for the Commission will be increasingly provided through an appropriation.

I am pleased to have sponsored H.R. 1262 and to be joined by my friends, the gentleman from Virginia [Mr. BLILEY], the gentleman from Michigan [Mr. DINGELL], the gentleman from New York, [Mr. MANTON], and the gentleman from

Massachusetts [Mr. MARKEY], as co-sponsors. This legislation is as necessary for the economy as it is for investors, and I urge all of my colleagues to join us with their support.

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

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

Mr. Speaker, I am pleased to join my colleague, the gentleman from Ohio [Mr. OXLEY], in support of this legislation. Over the years, the SEC has proven to be an efficient and effective regulator of our securities markets, despite having both limited resources and personnel. The funding authorized by this legislation will enable the SEC to continue to fulfill its dual objectives of both protecting investors and assuring fair and orderly markets.

As a representative from the great State of New York, home to the largest financial markets in the world, I am particularly appreciative of the indispensable role the Commission performs in maintaining the strength and integrity of our markets. The importance of this industry to the city and State cannot be overestimated. The exchanges and financial institutions provide enormous tax revenue and also jobs for thousands of New Yorkers. In fact, last year alone record profits on Wall Street resulted in more than \$450 million in unanticipated tax revenue for the city.

Over the last several years, millions of Americans have flooded the securities market, resulting in record-breaking highs on major indices. The SEC serves as police and protector for average investors by guarding against fraud and manipulation. This is especially necessary at present when so many people rely on stability and fairness of our markets.

The SEC also faces new challenges due to technological developments that offer instant and inexpensive communication between markets and participants. While this new technology offers great opportunity for investors, it also potentially exposes them to significant risk.

I commend Chairman Levitt and the Commissioners for doing a wonderful job keeping pace in this rapidly-changing environment and for working to ensure that, above all, individual investors be protected and supplied with clear and trustworthy information.

Mr. Speaker, in keeping with tradition, the Committee on Commerce reported out a clean SEC reauthorization bill. I hope all of my colleagues will support this legislation.

Mr. BLILEY. Mr. Speaker, I am pleased to be a sponsor of the legislation before us today. H.R. 1262, the Securities and Exchange Commission Authorization Act of 1997, authorizes appropriations for the Securities and Exchange Commission for fiscal years 1998 and 1999. These appropriations are necessary to ensure that the Commission is provided with the resources it needs to continue its important work as regulator of our securities markets.

This legislation continues the process we put into place in the 104th Congress with the enactment of the National Securities Markets Improvement Act of 1996. That act established a mechanism to bring greater certainty to the Commission's funding and to reduce the fees that the participants in our capital markets pay the Commission.

That mechanism, reached through an agreement with my friends BILL ARCHER of the Ways and Means Committee and HAROLD ROGERS of the Appropriations Committee, implements a new funding structure that increasingly funds the Commission through an appropriation and reduces SEC fees. Those fees, which in recent years have amounted to more than double the Commission's budget, are a tax on capital. The legislation we enacted last year will eventually bring the fees down to a level that equals what it costs to run the agency.

I am pleased that the funding authorization in H.R. 1262 and the Commission's budget request for fiscal 1998 and 1999 are consistent with the agreement underlying the Commission's new funding structure.

This legislation is especially important in this era of unprecedented growth in our capital markets. Last October 14, the markets were abuzz with the remarkable news that the Dow had finally crossed the 6,000 mark. Incredibly, today, less than a year later, the Dow is hovering around 8,000. The record pace at which investors are pouring their money into our capital markets is a testament to the confidence those markets inspire. The Securities and Exchange Commission serves a vital role in preserving and promoting the fairness that is the backbone of our markets.

Equally important, the Commission is charged with the obligation to tailor its regulation of our markets to promote efficiency, competition, and the continued fostering of capital formation. Our markets may be the most successful in the world today, but that doesn't mean there is no competition out there. In order to remain ahead and provide our country's investors and businesses with the greatest opportunity we must ensure that the regulation of our markets does not trap us in obsolescence. It is essential that the Commission weigh the costs and benefits of regulations before their implementation to ensure that our markets are not weighed down by needless cost, or stifled by obstacles to growth and innovation. The Commission has worked to streamline regulation and reduce the burden on businesses seeking access to our capital markets. I commend the Commission for this work and look forward to continued progress.

The appropriation for fiscal year 1998 in H.R. 1262 is essentially flat from the current year. The increased funding authorization that the legislation would provide the Commission for fiscal year 1999 will permit the Commission to request additional funds from the appropriators to permit the Commission to meet the regulatory demands and obligations accompanying the remarkable growth in our markets.

I commend Subcommittee Chairman OXLEY for introducing this important legislation. I also commend my good friend and ranking member of the committee, JOHN DINGELL, ranking member of the Finance Subcommittee TOM MANTON, and ED MARKEY for their cosponsorship of this legislation. This legislation is important to every American investor, and every participant in the great capital markets of our

nation. I urge all my colleagues to join me in supporting H.R. 1262.

Mr. OXLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. OXLEY] that the House suspend the rules and pass the bill, H.R. 1262.

The question was taken.

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

The yeas and nays were ordered.

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

#### GENERAL LEAVE

Mr. OXLEY. 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 material in the RECORD on the bill (H.R. 1262).

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

There was no objection.

#### EXTENDING CERTAIN PROGRAMS UNDER THE ENERGY POLICY AND CONSERVATION ACT

Mr. CRAPO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2472) to extend certain programs under the Energy Policy and Conservation Act.

The Clerk read as follows:

H.R. 2472

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.*

#### SECTION 1. ENERGY POLICY AND CONSERVATION ACT AMENDMENTS.

The Energy Policy and Conservation Act is amended—

(1) in section 166 (42 U.S.C. 6246) by striking "1997" and inserting in lieu thereof "1998";

(2) in section 181 (42 U.S.C. 6251) by striking "1997" both places it appears and inserting in lieu thereof "1998"; and

(3) in section 281 (42 U.S.C. 6285) by striking "1997" both places it appears and inserting in lieu thereof "1998".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Idaho [Mr. CRAPO] and the gentleman from Texas [Mr. HALL] each will control 20 minutes.

The Chair recognizes the gentleman from Idaho [Mr. CRAPO].

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

Mr. Speaker, I rise in support of this bill which reauthorizes certain provisions contained in the Energy Policy and Conservation Act for 1 fiscal year. This is an important bill because it assures the President's authority to draw down the Strategic Petroleum Reserve in an energy emergency and preserves the ability of the U.S. oil companies to participate in the Inter-

national Energy Agreement without violating antitrust laws.

I believe that a 1-year-only reauthorization of these provisions remains the appropriate course of action as long as the Committee on Appropriations continues to look at these oil reserves as a source of revenue. For the past 3 years, the members of the Committee on Commerce have opposed the sale of oil from the reserves to meet budgetary goals. However, in less than 3 years three sales have been authorized, and the fourth sale is currently being considered.

The Strategic Petroleum Reserve and the International Energy Agreement are critical elements of America's energy security plan. Therefore, it is important that they be reauthorized. However, until we stop using the reserve in a manner for which it is not intended, I believe we should subject these programs to an annual reauthorization.

□ 1345

Mr. Speaker, I urge my colleagues to support this bill, and I reserve the balance of my time.

Mr. HALL of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I of course am pleased to support H.R. 2472, which reauthorizes a key section of the Energy Policy and Conservation Act for 1 year.

This bill has been handled in a bipartisan manner and was reported from the Committee on Commerce on a voice vote. I know of no objection to it from this side of the aisle. I support the reauthorization of EPCA because it will ensure that the United States and industry are able to fulfill their respective duties in any or all oil-related emergencies. We are not unaware of those emergencies. Recent events in the Middle East have underscored once again how quickly circumstances can change, and the need for the United States to be self-sufficient during periods of instability.

I want to thank the gentleman from Virginia, Chairman BLILEY, and the gentleman from Colorado, Mr. DAN SCHAEFER, and the gentleman from Idaho, Mr. CRAPO, for bringing this very important bill to the House floor.

The Democrats on the Committee on Commerce strongly support the efforts to ensure that the Strategic Petroleum Reserve is used for the intended purposes, and not, as some have attempted, sold off for deficit reduction.

EPCA is very important to our country's economic and energy security, and I am pleased to support this legislation.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, the bill reauthorizes provisions of the Energy Policy and Conservation Act relating to the Strategic Petroleum Reserve and U.S. participation in the International Energy Agreement for one fiscal year. These provisions, which will expire September 30 absent this reauthorization, assure that, if there is an energy emergency, the President's authority to