

PROVIDING FOR CONSIDERATION OF H.R. 1714, ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 366 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 366

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1714) to facilitate the use of electronic records and signatures in interstate or foreign commerce. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Commerce. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committees on Commerce and the Judiciary now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute printed in the Congressional Record and numbered 1. That amendment in the nature of a substitute shall be considered as read. No amendment to that amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from California (Mr. DREIER) is recognized for 1 hour.

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

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman

from Dayton, Ohio (Mr. HALL), my very good friend; and pending that I yield myself such time as I may consume. All time that I will be yielding will be for debate purposes only.

Mr. Speaker, this rule provides for the consideration of a bill, H.R. 1714, that is critically important to consumers in our 21st century information-age economy. It is also appropriate that we consider this legislation on the heels of last week's passage of S. 900, the Financial Services Modernization Act.

As significant as S. 900 is to bringing our financial services laws up to date with the realities of the current marketplace, H.R. 1714 will actually do more to empower consumers of financial products and other goods and services and establish the framework for competition in the emerging electronic marketplace. For this I applaud the efforts of the gentleman from Virginia (Mr. BLILEY) to move this legislation forward.

This is a structured rule providing for 1 hour of general debate, divided equally between the chairman and ranking minority member of the Committee on Commerce. The rule makes in order as an original bill for the purpose of amendment the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1. That amendment in the nature of a substitute is identical to the bill which on November 1 fell just three votes short of the two-thirds majority necessary for passage of a measure under suspension of the rules.

The rule provides for consideration of only the two amendments printed in the rules report, as the Clerk just gave us, which may be offered only in the order printed in the RECORD, may be offered only by the designated Member, shall be considered as read, shall not be divisible, and shall be debated for 30 minutes, equally divided and controlled by a proponent and an opponent.

The first amendment is the bipartisan Inslee-Eshoo-Smith-Dooley-Moran-Roukema amendment, which I urge my colleagues to support. It preserves all Federal and State consumer protection laws and actually creates new consumer rights in the area of electronic commerce.

The second is a gutting amendment offered by Representatives DINGELL, CONYERS, LAFALCE and GEPHARDT which, if adopted, will leave all consumers to ponder the question: Why did I just spend \$1,200 on a computer? Now, think about it, Mr. Speaker. The scale of electronic commerce is undergoing dramatic change as a result of the Internet, networking and communications technology, and the expansion of computer memory and storage capabilities. Computer-to-computer communication is increasingly being used to initiate and execute a substantial and growing number of personal business and financial transactions.

Enactment of this E-SIGN bill will transform the way we work, the way

we are educated, the way we contract for goods and services, and the way we are governed. It will make it easier for people using just a computer and a modem to pay their bills, apply for mortgages, trade securities and purchase goods and services without ever leaving the confines of their homes or offices.

□ 1215

But the consumer revolution that would be unleashed by this bill may never see the light of day if the Dingell-Gephardt amendment is adopted. So I am going to once again urge my colleagues to oppose that clearly anti-consumer amendment.

Mr. Speaker, my State of California is home to many of the companies that produce the technologies that are shaping the global electronic marketplace. In talking with business leaders in the fields of technology and finance, I am convinced that the promise of electronic commerce will never be fully realized without the establishment of a clear, uniform national framework governing both, and I emphasize both, digital signatures and records.

This is one of the most important economic challenges facing Congress, as our country transitions into our 21st century Information Age economy. With H.R. 1714, businesses and consumers can be confident that the transactions we engage in electronically are both safe and secure. This bill addresses this challenge in a way that ensures that competition and consumer choice remain the hallmarks of the emerging global electronic marketplace.

Mr. Speaker, this bill is one that is deserving of bipartisan support, as was evidenced in the suspension vote, although, as I said, we were just three votes short of what we needed to pass it. So I assume that the rule will sail right through and the bill, with only the amendment of the gentleman from Washington (Mr. INSLEE), will sail through, too.

Mr. Speaker, I urge my colleagues' support of both, and I reserve the balance of my time.

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

Mr. Speaker, this is a restrictive rule which will allow for the consideration of H.R. 1714. As my colleague, the gentleman from California, has explained, this rule provides 1 hour of general debate, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Commerce.

This restrictive rule will permit only two /AELDZ to the base text. No other amendments may be offered. Mr. Speaker, electronic commerce has become part of our life for millions of Americans who use the Internet to conduct business. Congress needs to update our laws so that buyers and sellers can take better advantage of the new technology. One such change is to give electronic signatures and contracts the

same legal force as written signatures and contracts.

In concept, this change has broad support on both sides of the aisle and on both ends of Pennsylvania Avenue. This positive development would encourage electronic commercial activity and benefit both business and consumers.

Unfortunately, this bill goes beyond electronic signatures and contracts. It contains controversial provisions preempting State laws that require maintaining certain written records. It contains provisions opposed by consumer groups that would permit electronic notices and disclosures to be substituted for written notices. For these reasons, the bill failed to achieve the necessary two-thirds vote when it was considered earlier this month under suspension of the rules.

This restrictive rule we are now considering does make in order an amendment offered by the gentleman from Michigan (Mr. DINGELL), the gentleman from Michigan (Mr. CONYERS), the gentleman from New York (Mr. LAFALCE), and the gentleman from Missouri (Mr. GEPHARDT), which will remove the controversial provisions of the bill and leave much needed language dealing with electronic signatures and contracts.

The rule also makes in order a bipartisan amendment that contains a number of consumer protections. The House is not served by rules which restrict the amendment process on legislation so important to the Nation's commerce. However, the two amendments which are made in order will give Members the opportunities to make meaningful changes to the bill.

Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. LOFGREN).

(Ms. LOFGREN asked and was given permission to revise and extend his remarks.)

Ms. LOFGREN. Mr. Speaker, I am very pleased that the rule makes in order the amendment offered by the gentleman from Washington (Mr. INSLEE), along with the gentlewoman from California (Ms. ESHOO), myself, and several other individuals, which strengthens and I believe solves the consumer protection issues that were of concern to some Members.

Specifically, on the third page of the amendment, and I will quote, the amendment would provide that "Nothing in this Act affects the content or timing of any disclosure required to be provided to any consumer under any statute, regulation, or other rule of law." I think that is about as broad as we can get in terms of making sure that consumer protection statutes are undisturbed by this electronic signature act.

It is my understanding that the chairman of the Committee on Commerce is disposed to favor this amendment, and I think that shows the bipartisan effort that has been underway to make sure that this electronic signa-

ture act does become law. The other important provision of the bill guarantees the consumers the right to opt into electronic records, and really an astoundingly broad provision that allows the consumer to withdraw his or her consent at any time.

So I think this is a light touch in terms of regulation, but there is a need for consistency and a general scheme for electronic commerce, as we all know.

I am hopeful that Members will read the language of the Inslee amendment, along with the underlying bill, so they can assure themselves, as I have been assured, that this is a fair measure that will promote e-commerce and will do no harm to other important issues. Please do read the amendment, instead of just listening to the arguments.

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

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to say very briefly that this is a bill that clearly moves us forward and recognizes e-trade and so forth. With that, I would urge the Members to support the rule and the underlying legislation.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. BLILEY. 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. 1714.

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

There was no objection.

#### ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

The SPEAKER pro tempore. Pursuant to House Resolution 366 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1714.

The Chair designates the gentleman from Texas (Mr. BONILLA) as Chairman of the Committee of the Whole, and requests the gentleman from Washington (Mr. HASTINGS) to assume the chair temporarily.

□ 1226

#### 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. 1714) to facilitate the use of electronic records

and signatures in interstate or foreign commerce, with Mr. HASTINGS of Washington (Chairman pro tempore) 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 Virginia (Mr. BLILEY) and the gentleman from Michigan (Mr. DINGELL) each will control 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

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

Mr. Chairman, last Monday the Committee on Commerce brought H.R. 1714, the Electronic Signatures in Global and National Commerce Act, to the floor under suspension of the rules.

Unfortunately, H.R. 1714 fell just four short votes of passage. The Clinton administration and minority leadership of this body mounted an intense lobbying campaign against the bill. We were proud of the number of votes that we were able to achieve in support of the bill, and we return to the House floor this week with the identical bill that was considered last Monday.

We remain confident that H.R. 1714 is strong legislation that helps to facilitate e-commerce in the new economy. This bill is perhaps the most important pro-technology vote that this Congress will take. It should not fall prey to partisan battles.

The Committee on Commerce unanimously, Mr. Chairman, unanimously voted this bill out of the committee this summer with support from both sides of the aisle. Since that time, we have worked closely with the minority leadership of the committee to craft the additional consumer protection provisions that appear in the bill considered last week and remain in the bill today.

We believe those negotiations to be fair and worthwhile, and were disappointed to learn for the first time on the floor last week that the minority did not feel the same. These important new provisions offer consumers strong protection in the electronic world. They require consumers to opt in if they wish to receive their documents in electronic form.

Let me repeat, nothing, nothing in this bill requires consumers to receive documents electronically against their wishes. Further, the bill requires that all consumers must receive important notices that may affect health or safety in the traditional paper form. This includes notices of such as the termination of utility service, cancellation of health benefits or life insurance, and foreclosure or eviction from a residence.

I would like to take this opportunity to rebut some of the charges and unfounded attacks that were made by my colleagues across the aisle when this bill was brought to the floor last week.

We heard that under H.R. 1714, consumers would be forced to accept electronic documents, even if the consumer