

TITLE III—USE OF ELECTRONIC RECORDS AND SIGNATURES UNDER FEDERAL SECURITIES LAW

SEC. 301. GENERAL VALIDITY OF ELECTRONIC RECORDS AND SIGNATURES.

Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following new subsection:

“(h) REFERENCES TO WRITTEN RECORDS AND SIGNATURES.—

“(1) GENERAL VALIDITY OF ELECTRONIC RECORDS AND SIGNATURES.—Except as otherwise provided in this subsection—

“(A) if a contract, agreement, or record (as defined in subsection (a)(37)) is required by the securities laws or any rule or regulation thereunder (including a rule or regulation of a self-regulatory organization), and is required by Federal or State statute, regulation, or other rule of law to be in writing, the legal effect, validity, or enforceability of such contract, agreement, or record shall not be denied on the ground that the contract, agreement, or record is not in writing if the contract, agreement, or record is an electronic record;

“(B) if a contract, agreement, or record is required by the securities laws or any rule or regulation thereunder (including a rule or regulation of a self-regulatory organization), and is required by Federal or State statute, regulation, or other rule of law to be signed, the legal effect, validity, or enforceability of such contract, agreement, or record shall not be denied on the ground that such contract, agreement, or record is not signed or is not affirmed by a signature if the contract, agreement, or record is signed or affirmed by an electronic signature; and

“(C) if a broker, dealer, transfer agent, investment adviser, or investment company enters into a contract or agreement with, or accepts a record from, a customer or other counterparty, such broker, dealer, transfer agent, investment adviser, or investment company may accept and rely upon an electronic signature on such contract, agreement, or record, and such electronic signature shall not be denied legal effect, validity, or enforceability because it is an electronic signature.

“(2) IMPLEMENTATION.—

“(A) REGULATIONS.—The Commission may prescribe such regulations as may be necessary to carry out this subsection consistent with the public interest and the protection of investors.

“(B) NONDISCRIMINATION.—The regulations prescribed by the Commission under subparagraph (A) shall not—

“(i) discriminate in favor of or against a specific technology, method, or technique of creating, storing, generating, receiving, communicating, or authenticating electronic records or electronic signatures; or

“(ii) discriminate in favor of or against a specific type or size of entity engaged in the business of facilitating the use of electronic records or electronic signatures.

“(3) EXCEPTIONS.—Notwithstanding any other provision of this subsection—

“(A) the Commission, an appropriate regulatory agency, or a self-regulatory organization may require that records be filed or maintained in a specified standard or standards (including a specified format or formats) if the records are required to be submitted to the Commission, an appropriate regulatory agency, or a self-regulatory organization, respectively, or are required by the Commission, an appropriate regulatory agency, or a self-regulatory organization to be retained; and

“(B) the Commission may require that contracts, agreements, or records relating to purchases and sales, or establishing accounts for conducting purchases and sales, of penny

stocks be manually signed, and may require such manual signatures with respect to transactions in similar securities if the Commission determines that such securities are susceptible to fraud and that such fraud would be deterred or prevented by requiring manual signatures.

“(4) RELATION TO OTHER LAW.—The provisions of this subsection apply in lieu of the provisions of title I of the Electronic Signatures in Global and National Commerce Act to a contract, agreement, or record (as defined in subsection (a)(37)) that is required by the securities laws.

“(5) SAVINGS PROVISION.—Nothing in this subsection applies to any rule or regulation under the securities laws (including a rule or regulation of a self-regulatory organization) that is in effect on the date of the enactment of the Electronic Signatures in Global and National Commerce Act and that requires a contract, agreement, or record to be in writing, to be submitted or retained in original form, or to be in a specified standard or standards (including a specified format or formats).

“(6) DEFINITIONS.—As used in this subsection:

“(A) ELECTRONIC RECORD.—The term ‘electronic record’ means a writing, document, or other record created, stored, generated, received, or communicated by electronic means.

“(B) ELECTRONIC SIGNATURE.—The term ‘electronic signature’ means information or data in electronic form, attached to or logically associated with an electronic record, and executed or adopted by a person or an electronic agent of a person, with the intent to sign a contract, agreement, or record.

“(C) ELECTRONIC.—The term ‘electronic’ means of or relating to technology having electrical, digital, magnetic, optical, electromagnetic, or similar capabilities regardless of medium.”.

The motion was agreed to.

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

The title of the Senate bill was amended so as to read: “To facilitate the use of electronic records and signatures in interstate or foreign commerce.”.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to S. 761 and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia? The Chair hears none, and without objection appoints the following conferees on S. 761: Messrs. BLILEY, TAUZIN, OXLEY, DINGELL, and MARKEY.

There was no objection.

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 therein extraneous material on S. 761 and H.R. 1714, the bills just passed.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3896

Mr. HOBSON. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 3896.

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

There was no objection.

AUTHORIZING SPEAKER, MAJORITY LEADER, AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Tuesday, February 29, 2000, the Speaker, majority leader, and minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, MARCH 1, 2000

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, March 1, 2000.

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

There was no objection.

APPOINTMENT OF HON. CONSTANCE A. MORELLA TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH FEBRUARY 29, 2000

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

WASHINGTON, DC,

February 16, 2000.

I hereby appoint the Honorable CONSTANCE A. MORELLA to act as Speaker pro tempore to sign enrolled bills and joint resolutions through February 29, 2000.

J. DENNIS HASTERT,

Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is agreed to.

There was no objection.

APPOINTMENT OF MEMBER TO CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of 22 U.S.C. 276d, the Chair announces the Speaker's appointment of

the following Member of the House to the Canada-United States Inter-parliamentary Group:

Mr. HOUGHTON of New York, Chairman.

There was no objection.

IN MEMORY OF LINDA ASCHENBACH-HACKMANN

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

Mr. GILCHREST. Mr. Speaker, this morning I rise publicly to honor the memory of a true hero, a woman who gave her time, patience, experience, knowledge, and love to the young adults at Northeast High School in my district. In 1996, Linda Aschenbach-Hackmann, a former student and outstanding athlete, stepped in to fill a coaching vacancy for the girls' softball team. Her impact was immediate, leading the team to the State finals during the next 2 years.

In late 1998, sadly, Linda was stricken with lymphoma cancer, confining her to the hospital with continuous painful treatments. Still, she managed to coach the team from her hospital bed and rally them from the sidelines. When Linda passed away in April 1999, her funeral was attended by hundreds of families and friends, including her beloved girls from the softball team that decorated her casket with the winning ball autographed by the players, for that year the girls won the State championship.

Mr. Speaker, there can be no greater sacrifice for children today than giving our love and our patience and our time. She is a true hero. I want to thank Capitol Hill Police Officer Dave Pendleton and Linda's brother Gary for bringing this to our attention.

Mr. Speaker, I include for the RECORD the letter Linda's brother sent to us.

IN MEMORY OF LINDA ASCHENBACH-HACKMANN
(By Gary Aschenbach)

As a result of a sudden, unscheduled change in staff at Northeast High School, the girls Junior Varsity softball team was left without a coach. Anxious to fill that position, a search was initiated to immediately locate an interested and qualified person. On the overwhelming recommendation of colleagues, Mrs. Linda Aschenbach-Hackmann, a former student of Northeast High and star athlete, was sought to fill the position. Linda accepted the position and began her coaching career at Northeast in 1996, where in the first and second year she successfully led the team to compete in the state finals. In 1999, they triumphed to not only compete in the finals, but progressed to win the JV County Championship with an 18-0 record. The team's achievement had not accomplished in over a decade at Northeast High School.

Without warning, in late 1998 Linda was suddenly stricken with Lymphoma cancer that eventually confined her to hospital care undergoing continuous, painful treatment. Still, she kept a watchful eye on the excellent progress of her talented softball team. She received daily updates and visits from fellow coaches and players as she continued

to coach and rally her girls from the sidelines. Through her relentless love of players and the game, she won the respect and confidence of everyone. On April 17, 1999, exactly 30 years to the day after the death of her father, Linda succumbed to the attack of the cancer after a gallant fight. Her funeral was attended by hundreds of family and friends, including her beloved girls from the softball team who decorated her casket with the winning ball autographed by the players.

Linda will always be remembered for her sportsmanship and ability to teach the fundamental rules and skills of the successful ball player. Her enthusiastic personality was complimented by the natural patience she shared with the youth. After her death and in her memory for so many accomplishments, Northeast High School paid special tribute to Linda at the highest possible standard. They immediately offered in her honor an annual scholarship to be given to a qualified athletic student. The criteria for this award required that the recipient continually demonstrate the same community and leadership qualities toward others as they seek to further their own education and career.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

ELIMINATION OF THE MARRIAGE TAX PENALTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. WELLER) is recognized for 5 minutes.

Mr. WELLER. Mr. Speaker, I want to take a few minutes to just talk about a very fundamental issue, a fundamental issue of importance to 50 million American taxpayers, 50 million middle-class working Americans. I have often been asked, whether I am at the steel workers hall in Hegewish in the South Side of Chicago or the Legion post in Joliet or a chamber of commerce or the coffee shop called Weit's Cafe in Morris, Illinois, my hometown, or the local grain elevator, a pretty fundamental question; and that question is, is it right, is it fair, that under our Tax Code 25 million married working couples on average pay \$1,400 more in higher taxes just because they are married?

Folks back home just do not understand why for almost 30 years we have had a marriage tax penalty, which the average is \$1,400 each for 25 million married working couples. In the south suburbs in the South Side of Chicago, \$1,400 is real money. It is a year's tuition at a local community college for a nursing student. It is 3 months of day care. It is a washer and a dryer. It is 4,000 diapers for a child.

Mr. Speaker, we need to address the issue of fairness. We need to address the issue to wipe out the marriage tax penalty suffered by 50 million married working people. It is an issue of fairness.

Here is how it works: what causes the marriage tax penalty is when a couple

decides to marry, when they file their taxes, they file jointly. When they file their taxes jointly, their combined income usually pushes them into a higher tax bracket.

Let me introduce Shad and Michele Hallihan, two public school teachers from Joliet, Illinois. Shad and Michele have been married almost 2 years now. They just had a baby, a wonderful young couple; but they suffer almost the average marriage tax penalty.

Now, Shad and Michele have a combined income of about \$62,000. Suppose that they have an equal income, each making \$31,000. Michele here, if she stayed single, would be in the 15 percent tax bracket; but because she and Shad married, their combined income of \$62,000 pushes them into the 28 percent tax bracket, creating well over almost the average marriage tax penalty of \$1,400.

We want to help couples like Shad and Michele. Michele pointed out to me that the average marriage tax penalty would buy almost 4,000 diapers for their newborn baby.

Should not those couples like Michele and Shad be allowed to keep money, keep their hard-earned salary, their hard-earned income, rather than paying a tax just because they are married?

We are working to address that, and I was so pleased that this House of Representatives overwhelmingly supported, with a bipartisan vote, 268 Members of the House endorsed wiping out the marriage tax penalty in order to help couples such as Michele and Shad Hallihan.

H.R. 6, the Marriage Tax Elimination Act, passed this House as a stand-alone bill and addresses one issue, the need to wipe out the marriage tax penalty for 25 million married working couples. If we look at who pays the marriage tax penalty, one half of them itemize their taxes, millions of middle-class families itemize because they own a home or give money to church or charity, have education expenses. Well, we wipe out the marriage tax penalty for those who itemize their taxes by widening the 15 percent tax bracket so that joint filers can earn twice as much as single filers and stay in the 15 percent tax bracket. That will help Shad and Michele Hallihan.

For those who do not itemize, we double the standard deduction, helping those who do not itemize by doubling the standard deduction to be twice that of single people. We also help the working poor, those who participate in the earned income credit, by addressing the income eligibility, eliminating the marriage penalty for the working poor as well.

Mr. Speaker, it is a good bill. It helps those who itemize. It helps those who do not itemize. The primary beneficiaries are those with incomes between \$30,000 and \$75,000, those who suffer the marriage tax penalty the most. We do not raise taxes on anyone. We wipe out the marriage tax penalty. We