medal and applaud him for his continued leadership in our community.

CONGRATULATING DAVID PLUMMER

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

Mr. PAULSEN. Mr. Speaker, I rise to congratulate Wayzata's David Plummer on winning the bronze medal in the 100-meter backstroke in this year's Olympic Games.

David's path to the Olympics was not an easy one. David is an alumnus of the University of Minnesota and the very first former Golden Gopher men's swimmer to win an Olympic medal for the United States. After missing the 2012 games in London by a fraction of a second, he thought his Olympic aspirations might be shattered. However, David never gave up and continued to pursue his dream. This year, at the age of 30, he made the Olympic team and reached his goal of competing and winning the bronze medal at the Olympic Games.

On top of his achievements in the pool, David is also a leader in our community. He is the head coach of the Wayzata High School boys' swim and dive team, leading them to a State championship in his first season, as well as winning Minnesota's State Coach of the Year.

Mr. Speaker, we can draw inspiration from David's determination to overcome any obstacle. David has made the State of Minnesota and our entire country proud.

Congratulations, David.

PROVIDING FOR CONSIDERATION OF H.R. 2357, ACCELERATING ACCESS TO CAPITAL ACT OF 2016, AND PROVIDING FOR CONSIDERATION OF H.R. 5424, INVESTMENT ADVISERS MODERNIZATION ACT OF 2016

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 844 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 844

Resolved, That at any time after 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. 2357) to direct the Securities and Exchange Commission to revise Form S-3 so as to add listing and registration of a class of common equity securities on a national securities exchange as an additional basis for satisfying the requirements of General Instruction I.B.1. of such form and to remove such listing and registration as a requirement of General Instruction I.B.6. of such form. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and amendments specified in this section and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. 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 consisting of the text of Rules Committee Print 114-62. That amendment in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute are waived. No amendment to that amendment in the nature of a substitute shall be in order except those printed in part A of the report of the Committee on Rules accompanying this resolution. Each such 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. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. 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.

SEC. 2. Upon adoption of this resolution it shall be in order to consider in the House the bill (H.R. 5424) to amend the Investment Advisers Act of 1940 and to direct the Securities and Exchange Commission to amend its rules to modernize certain requirements relating to investment advisers, and for other purposes. All points of order against consideration of the bill are waived. The amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions in the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services; (2) the further amendment printed in part B of the report of the Committee on Rules accompanying this resolution, if offered by the Member designated in the report, which shall be in order without intervention of any point of order, shall be considered as read, shall be separately debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to a demand for a division of the question; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Colorado (Mr. POLIS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks.

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

There was no objection.

Mr. SESSIONS. Mr. Speaker, I rise in support of this rule, which is a fair rule that makes in order every single amendment submitted to the Rules Committee. The rule provides for consideration of H.R. 5424, the Investment Advisers Modernization Act of 2016, and H.R. 2357, the Accelerating Access to Capital Act of 2016.

This package comes to the floor via the chairman of the House Financial Services Committee, Chairman JEB HENSARLING, who brought this package to the Rules Committee because of the needs of the American people and the needs of the financial services industry that is trying to grow jobs, investment, and opportunity for people in America.

We have an incredible opportunity before us today, Mr. Speaker, an opportunity to take good ideas, good ideas that come directly from the American people. It is called the financial services industry of the United States of America, men and women who get up and handle our financial needs, many men and women who not only have dedicated themselves to the success of this country, but also to the success of the American people.

We are trying to take this opportunity to move those ideas that they bring to us today through the House of Representatives so that we have a bill that we can present on a bipartisan basis to the United States Senate and to the President of the United States and say these are great ideas.

Mr. Speaker, I will tell you that your work that you do personally to make sure these ideas are brought forth not only to the Financial Services Committee, but to other areas of this Congress to make sure that we are passing legislation that is about jobs, job creation, and the availability of the American people to have a better shot at the American Dream, is why we are here today.

□ 1245

The goal of this rule and the underlying legislation is simple: to keep the flow of capital moving across our capital markets, to make it easier—not harder—to make it easier to overcome barriers for small businesses, entrepreneurs, and startups to have the capital that they desperately need to grow and thrive.

Mr. Speaker, this part of the American Dream is someone who has great ideas, the ability, and the desire, and to take those ideas and match it up with the capital, a marketing plan, and the ability to move forth in that plan.

That is part of the American Dream to make not only your life better but, along the way, a bunch of other people who meet their American Dream also.

Capital is the lifeblood of growing new companies—not a surprise—and access to capital can literally make or break small business. Mr. Speaker, it can make or break a person's great idea also. That is why we are here today on the floor. Good ideas that come from men and women in the industry, men and women who talk to the Financial Services Committee on a partisan basis, men and women of this Congress bringing these great ideas, and it is all on behalf of trying to give people a better shot at the American Dream through growing companies accessing capital and making the hard break become successful.

I have seen firsthand the detriment of overregulation in industries and poorly written laws, and I have also seen the power of the free enterprise system. While serving as chairman on the board of the Greater East Dallas Chamber of Commerce, I saw, firsthand, companies that could not get the capital that they needed because they weren't large enough to qualify or perhaps had some other burden or impediment in front of them.

As we know today, because of technology, time, and people's purpose, we have the opportunity for doing something remarkable. We have the ability today to enact legislation that will bolster opportunities for small businesses to secure capital, to reduce the strain of a one-size-fits-all regulatory regime, and to take that and add an opportunity to overcome these by using the American spirit and killing regulatory things that stand in the way. That is why we are here.

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

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

I thank the gentleman for yielding me the customary 30 minutes.

Mr. Speaker, over 6 months ago, the Obama administration actually identified the Zika virus as a public health crisis. It is well reported on. My constituents are aware of it. It has already affected many Americans in States like Florida, Texas, and Louisiana. The Obama administration requested additional resources to combat the virus.

The White House and the CDC correctly predicted that the virus would soon spread to the Southern United States. In fact, just as Congress left for its 7-week break, there were several reports of Zika transmission in south Florida. In fact, just last week, the Director of the CDC warned that, without congressional action, they will soon run out of money for combating Zika.

Now, in a moment, I will talk about the bills we are considering, but I think the American people expect Congress to react to a public health crisis. Had we reacted 7 weeks ago, perhaps we wouldn't be where we are today. I need and call upon this body to act today so that we are in a better situation 7 weeks hence.

In fact, the House is only in session for 15 more days before taking at least a 6-week break in October and November. In the handful of days we have left, it is critical to provide an emergency package to fight back against Zika. That is not currently on the calendar, Mr. Speaker. Instead, we are considering these bills. I will be going into the merits and lack thereof of them; but certainly, I think my colleagues on the other side of the aisle would agree with the objective assessment that these bills do nothing to combat Zika or address the public health concerns around Zika.

The Senate did pass a partisan Zika funding bill to provide emergency resources. It doesn't have unrelated poison pills unrelated to Zika. Obviously, issues like where or if the flag of the rebel States, the Confederate flag, is displayed, or whether Planned Parenthood is funded, these are contentious issues here, but I think we all agree they have nothing to do with Zika. The Confederate flag does not have an impact on Zika. Planned Parenthood has at least a related aspect to it—reproductive health.

Of course, one of the symptoms or one of the effects of Zika is a higher rate of microcephaly among children that are born to women who suffer from Zika while they are pregnant. So certainly the family planning aspect of it is relevant, but not central, to the issues affecting public health around Zika. We need to make sure that there aren't any of those poison pill provisions and move forward.

Instead, we have different bills here. We have bills related to financial markets.

The first one is the Accelerating Access to Capital Act of 2016. That one brings together several different bills that had been offered.

First, it includes a bill that affects microcap companies, or pink sheet companies, and removes many of the SEC transparency regulations around how they sell stock and how they are listed. It is not a step forward for transparency. In fact, this kind of effort is likely to decrease confidence in our public marketplace. It is likely to hurt the very stock market that presumably it was designed to help.

This would effectively allow microcap companies worth less than $75 million with one class of securities to issue an unlimited number of shares using shelf registration in a 12-month period, not even notifying the SEC ahead of the issuance, and permit unlisted microcap companies to sell up to one-third of the aggregate market value of their common equity using shelf registration in a 12-month period.

In many ways, these provisions are at odds with the other bills that I will talk about, which provides some regulatory relief towards private equity by favoring small cap public companies. It is hard for a small company to be public. It is questionable whether small cap companies should be public.

When we talk about private equity in a moment, we will see that one of the features of that is: A, they have, of course, a more sophisticated ownership; and, B, they have a more concentrated ownership. So, for instance, the issues like runaway executive pay, CEO pay, is less of a problem with private equity and a significant problem with public companies, and, again, in particularly small cap companies with diffuse ownership, which this bill would likely lead to more of.

It would also remove exchange protections like corporate governance requirements. Again, these kinds of measures reduce confidence in the public marketplace, they hurt the stock market, and, in the immediate and long term, they hurt the ability of companies to go public and access public capital because of the reputation of the pink sheets and the reputation of microcap.

It is a fine line. I am sure that we would probably agree on some regulatory relief around small cap companies, but this package is not it. This package would hurt the stock market, hurt access to capital, and hurt the very legitimate players that it is designed to help.

The second bill in here is the Micro Offering Safe Harbor Act. It would eliminate Federal and State investor protection around crowdfunding in regulation A under certain conditions.

First, I was an original sponsor of the JOBS bill. I worked with many of my colleagues on both sides of the aisle to get that through. I will be among the first to say that I was disappointed with the way that that has been implemented by the administration. Crowdfunding should be easy. It should not have 900 pages of regulations.

The main consumer safeguard that we have in there is that nonaccredited investors are only allowed to invest up to $10,000. That is a very important protection that we have. This would eliminate that protection under several circumstances. One, if there are 35 or fewer purchasers; or, two, the aggregate amount of securities sold by the issuer is $500,000 or less in a 1-year period. It basically does away with one of the legislatively imposed consumer protections in the JOBS Act.

Now, I would agree. I think there has been some regulatory-imposed inhibitions in the JOBS Act that I wish that we could strike out in a laser-like way with a scalpel. In fact, many States, including my own State of Colorado, have implemented more sensible bipartisan crowdfunding legislation that enables it to occur at least within a State in a much easier way than the very cumbersome Federal law which does inhibit both the use of crowdfunding as well as the presence of crowdfunding as part of an overall capital strategy because of the difficulties concerning other types of capital investors and capital partners.

I would love to see reform of the JOBS Act or reform around micro offering, but this particular answer really undermines the entire concept of the consumer protections. It is not targeted. It removes the protections for smaller of the smallest of the small offerings. And again, what you would find and the danger here is folks—we can call them scam artists or folks trying to make a buck off of this and not build legitimate businesses—can simply set up a number of companies each raising under $500,000 to meet the criteria of this exemption. There is not any consumer protection around that. There is nothing to stop a bad actor from asking for significant investments for each of those companies, even from the same individual depleting the savings of that individual rather than sticking to the $10,000 cap, which was in our JOBS Act.

So again, I would like, and many of my colleagues on my side of the aisle would like, crowdfunding to be easier, to be done quicker, to remove some of the excess paperwork and regulation A requirements, but maintaining that basic consumer safeguard and not providing exemptions just because there are 35 or fewer purchasers or $500,000 or less over a 1-year period. It doesn't even address overlapping ownership or related status between, again, multiple companies that might each raise $500,000, might substantially have the same external owners, but would get around the JOBS Act consumer protection provisions by effectively cloning a bunch of small companies and offering them up separately for individual investors. These things need to be thought through.

There is a kernel of an idea in there. I agree that the administration has gone beyond the legislative intent of the JOBS Act in its implementation of the JOBS Act. There is, hopefully, a way that we can work together to empower crowdfunding to play a more central role in capital development in entrepreneurship in our country. This bill is not it.

The final component of that bill, the Private Placement Improvement Act of 2016, would make it very difficult for the SEC to finalize investor protections that it proposed back in 2013. The title would require issuers selling securities under an exemption that allows companies to raise an unlimited amount of money to file within 15 days of sale a single notice of sale, which the SEC would then be required to make available to State and other regulators.

This relates to some current rules that the SEC is moving forward with. I think that, again, there is a way to tweak those rules, but I don't think that this is the way to do it, to allow for unlimited capital to be raised under a single notice of sale. And, of course, this also affects the prerogative of State regulators, and there are a variety of practices there, by requiring the SEC to make it available to State and other regulators.

I think that there is room for improvement in that area, but, again, the bill falls short.

Now, the other bill, the Investment Advisers Modernization Act of 2016, a majority of Democrats on the committee support it. Many also voiced concerns. Some were the concerns of the Obama administration about some of those provisions. But I am glad to say that many of those concerns have been addressed by my colleague's, Mr. FOSTER's, amendment.

First, a little bit about private equity and what this bill does and doesn't do.

□ 1300

My State and my district, like, probably, every other district in the country, has seen the benefits and the impact of private equity investment in its providing growth capital to companies, providing stability in ownership. There are over 100 private equity-backed companies headquartered in Colorado that we know of that support close to 100,000 jobs in Colorado. In 2015, private equity firms invested $12 billion in Colorado-based companies. They are real jobs, and they have contributed to the economic growth that Colorado has seen over the last few years and that the country will see over the next few years.

Private equity has helped to create and sustain thousands of jobs and has made substantial investments in every State in the country. It provides returns to public pensions, to university endowments, to many people as part of their own individual retirement plans and savings. It is important both from a capital perspective and from an operating perspective—a very important sector. Firms that are owned by private equity—at least, because, again, there could be some that are not part of this—employ over 8 million people. The private equity industry invested over $600 billion into these companies. For physical infrastructure, for additional hires, for expansion, private equity has been a source of capital for Main Street businesses across our country, in my State, and everywhere else in the country.

That is why the bill passed the Financial Services Committee with a majority of Democrats—with strong bipartisan support—and I think it will pass this body with strong bipartisan support as well.

Of course, there have been stories about bad actors in private equity just as there could be bad actors among any type of ownership entity. That is what private equity is. It is a type of entity that may own a local company.

What are the other kinds of ownership that a company may have?

It may have public ownership. It may be public. We talked about that in the microcap bill. In many ways, that is a worse form of ownership in that there is additional administrative overhead that is associated with being public. Even if the regulatory relief were to become the law, there is still significant additional overhead with being public. It is very difficult for a $20 million or a $50 million company.

Two, because of the diffuse ownership, frequently, there is no one watching the shop, meaning that management runs it. We have the problems of excess CEO pay, of excess executive pay. There are horror stories of CEOs making hundreds of times the pay of the line workers. Those kinds of things don't happen in private equity-backed companies. There is someone minding the shop, and the entity that is minding the shop is an entity that is looking for long-term growth, for long-term stability. They are not in and out.

There has been some confusion among Members of this body in discussing hedge funds versus private equity. Private equity is not a hedge fund. Hedge funds have liquidity, and they make transactions rapidly. They don't participate in governance and growth. Private equity is very, very different. It is more analogous to venture capital. They are in there for 5 years, 6 or 7 years, 10 years—long-term investors who are building the companies, serving on boards, recruiting others to serve on boards, providing sound corporate governance, making sure that CEOs and executives aren't paid too much, making sure that talent is in the company, making sure that growth capital is available.

H.R. 5424 just takes a scalpel approach to existing regulations by focusing on aspects of SEC adviser registration that impede the capital formation in the private equity industry. For instance, there are provisions in the bill that would make reporting to the SEC more efficient and effective for their purposes and less costly and burdensome for private equity firms.

Keep in mind that private equity firms do not represent, in any way, shape, or form, a systemic risk to our Nation's financial security. They are simply a type of ownership that Main Street companies have. If a private equity firm invests poorly, runs companies poorly, they will deliver a very poor return for their investors. That does not impact in any systemic way the economy in the way that a hedge fund—placing highly leveraged bets on derivatives or on some other financial instrument—can cause an entire economic meltdown, as we saw during the mortgage-backed security crisis in 2008 and in 2009.

Private equity firms provide patient, stable, long-term capital to privately owned businesses across the country. In fact, they help take the emphasis off of the quarterly financial reports that are so important for public companies.

One of the failures of public company governance is that there is too much emphasis on the short term at the expense of the long term—too much emphasis to pump up the quarter at the expense of medium- and long-term growth—2 years, 3 years, 4 years—in underinvestment in research and in

underinvestment in long-term growth. Having a private equity ownership of an operating company addresses that kind of moral hazard that exists with regard to the incentives of the public marketplace.

Private equity firms have a long-term outlook that results in lower volatility. While the public company model may not perform as well as private equity firms, it, obviously, can provide access to capital, to additional liquidity that private equity doesn't have. The two are related in that, for some private equity investors, their goal is a public offering exit in the 5-to 10-year time frame. That is not always the case, but that can be the case; and having an operable public market in addition to a private equity market is, of course, of interest and importance to the private equity industry as well, which is why the reforms in the other bill are so bad, because they deteriorate confidence in the stock market. They ultimately will result in decreasing liquidity for the good actors, meaning some of the private equity-backed or owner-operator-owned companies that want to have a public partial exit or exit through the public marketplace.

Again, the bill isn't perfect. The White House identified a number of issues. But, fortunately, my colleague, Representative FOSTER, offered an amendment, which has been accepted and, hopefully, that will address a number of these issues.

The amendment removes a provision of the bill that would have allowed certain ancillary or minor funds or entities that are affiliated with a private equity firm to also be exempt from annual audits or surprise inspections. It addresses concerns around transparency by continuing the current requirement that advisers provide information about fees and services in a brochure. It restores the transparency elements while maintaining the concept of the regulatory relief of redundant regulations with regard to capital formation and private equity.

The goal is to enact this commonsense bill that will make it more efficient for private equity firms to operate and continue to grow businesses on Main Street in districts like mine and across the country while simultaneously maintaining the regulatory regime to make sure that nothing untoward is occurring.

The bill does not, as some have falsely argued, allow private equity firms to escape regulation by any stretch. In fact, most private equity firms have embraced the changes that have been implemented under Dodd-Frank. They have compliance teams to make sure they are operating properly under the new regulatory scheme. In any form, they do not represent a systemic risk, but to protect investors, many of them agree with the sensible regulations that have been imposed with the exception of those that we are seeking to remove that are redundant and that create overhead. When you create overhead for private equity firms, that results in less investment in our Main Street businesses. If they have to divert funds to comply with unnecessary regulations for the sake of regulations, it is that much less money and that many fewer jobs in your Main Street businesses located in your districts.

The substitute amendment makes positive changes to the legislation. It addresses many of the concerns that have been raised about the bill. I and many of my colleagues plan to support its passage and also take this occasion to make sure that our colleagues are aware of the contributions of this particular model of ownership to our Main Street businesses. It has been a growth sector, in fact, largely due to showing, over time, superior performance to companies that have a public governance model, in fact, in large part, due to their dissipated owner base and lack of concentration in ownership.

I reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, I appreciate the gentleman from Colorado's not only observations as a business leader from Colorado, but as a member of the Rules Committee. He recognizes the need for ideas to flow up from the industry to Members of Congress, for us to, on a bipartisan basis, approach these issues to where we can provide safety and soundness for the American people.

Mr. Speaker, I yield 5 minutes to the gentleman from Delano, Minnesota (Mr. EMMER), the gentleman who is offering his legislation, which is a part of title II of the legislation.

Mr. EMMER of Minnesota. I thank the chairman.

Mr. Speaker, government doesn't create jobs; people create jobs. But with the President, Congress can create Federal policies that establish a pro-worker and pro-business environment to lift people out of poverty, to help families, and to allow Americans to realize their greatest dreams.

One problem today that is impeding job growth is the access to capital for small business. Often, American entrepreneurs can't get the money they need to start a new enterprise or to grow an existing one. In fact, small businesses still create the majority of new jobs in our country today despite the fact that far fewer small business loans are being made today than were being made prior to the 2008 recession.

Compounding this problem even further is the unfortunate reality that entrepreneurs from less affluent communities often have the greatest difficulty in securing the capital they need to make their business dreams come true. As a result, thousands of jobs and hundreds of new products are left on the drawing board as unrealized aspirations of American entrepreneurs. Thankfully, if the rule before us today is adopted, the House can consider four solutions that will address this small business access to capital problem immediately.

The Accelerating Access to Capital Act of 2016 will make it easier for businesses to raise capital. First, thanks to Congresswoman WAGNER, this legislation will make it easier for small companies to comply with SEC security registration requirements by simplifying the process, by eliminating duplicative paperwork, and by, ultimately, allowing people to do their business instead of compliance.

Second, thanks to Congressman GARRETT's Private Placement Improvement Act, the bill will make it easier for small businesses to raise capital under rule 506 of regulation D, ultimately leading to greater access to capital for small businesses and unleashing the full potential of title II of the JOBS Act.

Third, the Micro Offering Safe Harbor Act will make it easier for Americans to raise capital from friends and family if three simple criteria are met. These three criteria include that the investor has a substantive preexisting relationship with the owner, that there are 35 or fewer investors, and that the aggregate amount of the investment does not exceed $500,000.

Additionally, this provision would exempt such offerings from blue sky requirements, but with all Federal and State antifraud laws remaining in effect. It is important to note that this micro offering proposal does not create a new law, but, rather, simply clarifies an existing law by making an explicit safe harbor for certain private security offerings under the Securities Act of 1933.

Finally, thanks to Congressman HURT and Congressman VARGAS, the Investment Advisers Modernization Act will modernize the Investment Advisers Act by removing redundancies and making necessary enhancements to increase capital formation.

With American productivity decreasing, wages essentially stagnant, and the U.S. economy struggling to get to historically normal GDP growth levels, these proposals in the Accelerating Access to Capital Act will help jump-start our ailing economy. By providing new opportunities to make the most of capital formation vehicles that are already available or by creating new ones, these proposed reforms will enable American entrepreneurs and small businesses to access the capital they need to grow and to prosper.

I thank the Speaker of the House and the chairman of the Financial Services Committee for prioritizing the consideration of these pro-business, pro-jobs, and antipoverty bills. I encourage my colleagues in the House to support the rule. This is a tremendous opportunity for the House to support Main Street mom-and-pop stores, aspiring entrepreneurs, and established manufacturers to create jobs, wealth, and opportunity for Americans from all walks of life.

Mr. POLIS. Mr. Speaker, I do have a speaker, but I can't locate her right now.

I reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, you just heard from one of our brightest new members of the Committee on Financial Services. This committee is full, on a bipartisan basis, of men and women who care very much about growing our economy.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. ROYCE), a senior member of the Financial Services Committee and the chairman of the House Foreign Affairs Committee.

Mr. ROYCE. I thank the chairman.

Mr. Speaker, I rise in support of the rule and the underlying legislation of this H.R. 2357. It encompasses, by the way, H.R. 4850, and this is the Micro Offering Safe Harbor Act.

What I will share with my colleagues is that California is the innovation capital of the world. From Silicon Valley to Orange County, technology startups are reimagining the way that the world works, and these new companies don't have thousands of people on payroll.

□ 1315

They don't need dozens of floors of office space. They don't need billions of dollars to function, but they do need capital. They need that capital to operate. Our current regulatory framework creates impediments to these small businesses tapping into the market.

According to the Federal Reserve, the startup rate has fallen sharply over the past 30 years. It was 14 percent of total companies in a given year, but today it is down to 8 percent. The likelihood of a young firm being a high-growth firm has also declined over the years, and these trends are alarming, if you think about the consequences. These trends need to be reversed.

The Micro Offering Safe Harbor Act turns the tide by lowering compliance burdens for firms seeking low-dollar investments from a small group of investors that they have a relationship with. So the legislation appropriately scales the regulatory oversight of capital formation, while keeping intact investor protections.

The resources that startups would sink into compliance and legal costs could be redirected—to what?—to hiring workers, redirected to creating new products. Uber, Google, and Airbnb, these were all startups. Passage of the Micro Offering Safe Harbor Act ensures that the next success story will be told.

I thank Mr. EMMER of Minnesota for his work on this important issue.

I urge my colleagues to support both the rule and the legislation.

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

The gentleman talked about the Micro Offering Safe Harbor Act. Again, I think that there is the kernel of a good idea there, if the good idea would be to streamline the excess regulation above and beyond the consumer safeguards that were put in the JOBS Act; if the bill, for instance, were to take some of the best practices from the States, including my home State of Colorado, around crowdfunding and put them into a revised version of Federal direction.

To be clear, I would join my colleagues in agreeing that the administration went well beyond the expressed legislative intent and legislative language of the JOBS Act in creating barriers to micro financing across the country. Unfortunately, that is not what this bill does.

It cuts back by providing gaping loopholes on the consumer protections that Congress very thoughtfully intended to put in the JOBS Act. So these are not the unintended regulatory aspects that the administration added to the JOBS Act. These are cutting away at the very consumer protections which Congress deliberately—including, as one of the coauthors of the bill along with my Republican colleagues, Mr. ISSA and many others, the protections that we actually put into the bill, this would gut. So, again, a kernel of a good idea.

Perhaps the inception of this bill is, hey, we messed up on the implementation of crowdfunding. Let's fix it. Unfortunately, that is not what this bill does. I wish it was what this bill does. It is something I am certainly interested in doing. I think many of my Democratic colleagues are, and we would be happy to work on a bipartisan basis to address the poor implementation of the JOBS Act.

Of course, if there was something expressly provided legislatively, we would be happy to go back and look at that. But this glaring loophole that is opened is simply not it, with regard to if there are fewer than 35 purchasers, under $500,000, some kind of preexisting relationship. These loopholes are simply too broad and would effectively remove the consumer protections that we have in crowdfunding.

Mr. Speaker, if we defeat the previous question, I will offer an amendment to the rule to bring up the bipartisan no fly, no buy legislation, which I am proud to support. It would allow the Attorney General to bar the sale of firearms and explosives to those on the FBI's terrorist watch list.

If somebody is on the FBI terrorist watch list, they should not be allowed to quietly assemble an arsenal to commit a terrorist act. In fact, the FBI should immediately be on top of the situation, find out their intent, and see what is going on. It is a commonsense bill that would help keep America safe. My amendment would give the House an opportunity to simply vote on this commonsense bill, which so far, unfortunately, the Republicans have not even allowed us to debate. We cannot wait any longer for Congress to take meaningful action to reduce the risk of terrorism in our own country, and this bill would do that.

Mr. Speaker, I ask unanimous consent to include in the RECORD the text of my amendment, along with extraneous material, immediately prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. EMMER of Minnesota). Is there objection to the request of the gentleman from Colorado?

There was no objection.

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

Mr. SESSIONS. Mr. Speaker, we have been talking about thoughtful young members of the Financial Services Committee, who work with people all across the United States who are engaged in financial services to bring more capital to bear, not only for small business, but also better investment tools, investor tools. We have had the advantage of having not only Mr. POLIS, a young entrepreneur from Colorado, but we have had ED ROYCE. We have had TOM EMMER.

We now would like to have another very bright, young man who serves on the Financial Services Committee to talk to us, who brings this bill to us from Winfield, Illinois.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. HULTGREN).

Mr. HULTGREN. Mr. Speaker, I rise today in support of H. Res. 844, which provides for the consideration of H.R. 2357, the Accelerating Access to Capital Act, and H.R. 5424, the Investment Advisers Modernization Act.

I know how hard my colleagues on the Financial Services Committee worked in crafting this legislation that will strengthen our economy. I am, also, grateful for the hard work to make sure that this is a bipartisan effort. I was proud to support this legislation in the committee, and I am hopeful it will see a strong vote of approval when voted here on the House floor.

I am proud to join Representatives VARGAS, STIVERS, FOSTER, and SINEMA as a cosponsor of Mr. HURT's legislation, H.R. 5424, the Investment Advisers Modernization Act. The modest changes that this legislation would make makes it easier to invest in job creators, our families, and our communities.

Dan Gallagher, a recent Commissioner of the Securities and Exchange Commission, agrees and has testified in the Financial Services Committee that the bill ''preserves the registration regime for private fund advisers while at the same time removing or modernizing—in rather modest ways—some of the more unnecessary, outdated, and overly burdensome requirements of the now 76-year old Advisers Act that drive costs up for funds and investors, and hinder the efficient allocation of capital to help grow businesses and create jobs.''

These changes will make it easier to invest in our communities, and these administrative savings then can be passed on to investors.

The Accelerating Access to Capital Act, led by my colleague on the Financial Services Committee Mrs. WAGNER,

would make it easier for small businesses and entrepreneurs to access the capital they need to grow their companies and create jobs.

It is important that we have smart regulations in place that provide certainty to investors and to our markets. It is equally important that the Securities and Exchange Commission not unnecessarily inhibit capital formation. In fact, the agency has a mission that states these two things should be treated with equal importance.

This important package of legislation includes relatively modest but meaningful changes to our securities laws that will improve access to capital for smaller businesses and entrepreneurs without jeopardizing consumer protection.

Title I of this package authorized by Mrs. WAGNER makes it easier for more small companies to use a less burdensome document when registering with the SEC. Over the last 5 years, the number of smaller companies—those with less than 500 employees—has declined. This is the first time that this has happened since the U.S. Census Bureau began keeping data on the subject.

In 2012, the SEC's Government-Business Forum on Small Business Capital Formation report included a recommendation to modernize and expand the utility of form S–3 for a great number of public companies. This is just what Mrs. WAGNER's legislation proposes to do.

Furthermore, the report noted that investor protection concerns have been substantially eliminated with the advanced information technology, including EDGAR, which is the SEC's electronic disclosure filing system.

The Accelerating Access to Capital Act includes two other very important titles. The gentleman from Minnesota (Mr. EMMER) has put forth legislation that would exempt certain micro offerings from the registration requirement of the Securities Act of 1933. This important change in law would allow a startup business—the engines driving growth in our economy—to solicit friends and family to invest in their businesses.

Investors with a preexisting relationship with those most committed to the company's success likely have the greatest understanding of its growth trajectory and prospects for generating a healthy return on investment. This will allow small business to access capital without having to navigate more complicated Federal securities registration or win approval of the SEC. Mr. EMMER's legislation will help fuel growth on Main Street and help create the jobs our constituents deserve.

Mr. GARRETT, the chairman of the Subcommittee on Capital Markets and Government Sponsored Enterprises and a strong leader on these issues, has put forth legislation to ensure the SEC returns more of its focus to supporting capital formation, just as Congress intended in the JOBS Act.

Mr. GARRETT's legislation would direct the SEC to revise regulation D, so fewer small businesses are required to register their securities with the agency. It would help eliminate some of the most excessive regulation we hear about far too often from our constituents.

The legislation will allow entrepreneurs and small businesses to go back to doing what they do best—innovating and creating jobs—ensuring families in our communities have a paycheck to put food on the table, can cover the increasing costs of health care, and provide opportunities to help their children be successful in the world.

Again, I would like to thank Chairman HENSARLING and my colleagues on the Financial Services Committee for all of this hard work. I encourage all of my colleagues to support the rule and the legislation to follow.

Mr. POLIS. Mr. Speaker, I would like to inquire if the gentleman has any remaining speakers.

Mr. SESSIONS. Mr. Speaker, in fact, in this colloquy, I do have an additional speaker, and then I would choose to close.

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

Mr. SESSIONS. Mr. Speaker, the Committee on Financial Services has presented a number of their members who have come to the floor today to offer thoughts and ideas on a bipartisan basis, thoughts and ideas that have emanated up from literally financial services experts across the country, commonsense ideas, and investor ideas. They have been vetted. They have been looked at. They have been talked about. They have been marked up on a bipartisan basis; and that is why we are here today, to make capital easier and more available from an investor perspective, as well as from the perspective of the financial services industry.

One of the leaders from the Financial Services Committee for a number of years has been our next speaker, and I am delighted to yield 5 minutes to a favorite son of St. Elizabeth, Missouri (Mr. LUETKEMEYER).

Mr. LUETKEMEYER. Mr. Speaker, I want to thank the distinguished gentleman and friend from Texas, the chairman of the Rules Committee, for that eloquent introduction. I also thank him for all of his hard work on his committee as well as bringing this important bill to the floor.

I also want to recognize my colleagues on the Financial Services Committee, Mr. GARRETT, Mrs. WAGNER, Mr. EMMER, and Mr. HURT, for their tireless efforts on behalf of our Nation's investors and small businesses.

Mr. Speaker, today or tomorrow, the House will consider legislation that will allow small businesses and those starting or investing in small businesses to access needed capital without being subject to burdensome and unnecessary regulation.

As we have seen throughout the financial services sector and across our economy, one-size-fits-all rules are damaging our Nation's businesses, financial institutions, and, as a result, American workers and their families. Main Street has been crushed under the weight of this administration's regulatory regime, as even the ranking member admits.

H.R. 2357, composed of three bills that passed the Financial Services Committee earlier this year, simplifies registration requirements for small companies and facilitates access to capital without triggering costly regulatory expenditures.

H.R. 5424, the Investment Advisers Modernization Act of 2016, eliminates duplicative requirements for investment advisers, allows for greater capital formation and development, and streamlines elements of the 76-year-old Investment Advisers Act.

I recently met with a company in my district that relied upon private equity to stay afloat and continued to employ my constituents. Capital should be used to create jobs and spur economic growth and, as the chairman mentioned in his opening remarks, to help Americans realize the American Dream. Capital should not be used to fulfill meaningless and unproductive regulatory requirements.

Our economy sits in idle. It is time to put it in drive. Regulation should serve to protect taxpayers and not hurt them. It should enhance the economy, not stymie it. There is no room for regulation that serves to appease bureaucratic demands.

□ 1330

Mr. Speaker, I come from the business world, and in another life I was a banker on the regulatory side of the table as well as a bank examiner. I have seen the impact of rules and regulations on small businesses and communities, and my community as well. I have looked across the table and helped those small businesses get started. Capital is the lifeblood of these small businesses being able to start businesses, help employ people, and be able to help people have jobs and enhance the communities that they come from. It is extremely important.

These discussions that we are having today are important from the standpoint of enhancing our ability as a nation to continue to thrive and grow, and to stymie what is hurting ourselves. The statistics are there. Small businesses have been deteriorating. We have lost more small businesses in the last several years than we have had. So, therefore, why do you think we have the jobs problem that we have today? It is pretty evident to me.

This rule and the underlying bills we will consider during the remainder of this week will move us towards an economic recovery and a more responsible regulatory environment.

I want to, again, thank my colleagues on the Committee on Financial

Services and the Committee on Rules for their work on these issues and for their advocacy on behalf of our Nation's investors, small businesses, and employees.

Mr. POLIS. Mr. Speaker, is the gentleman from Texas prepared to close?

Mr. SESSIONS. Mr. Speaker, I would expect at this time that I have no further speakers and will close when given that opportunity.

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

Mr. Speaker, again, while I do applaud Democrats and Republicans for coming together around H.R. 5424, the Investment Advisers Modernization Act, I wish that we had come together around the pressing public health crisis of Zika. I wish we had come together to prevent terrorists from assembling arsenals to commit terrorist acts in our country. Unfortunately, while the Senate has acted in a bipartisan way to address Zika, House Republicans continue to sit on their hands and ignore this critical public health issue. The CDC is quickly running out of money to combat Zika. We have yet to even begin serious discussions on comprehensive immigration reform, with only a couple months left in this session, not to mention the crisis of lead in the pipes in Flint, Michigan. And, of course, in the weeks after the deadliest mass shooting in our Nation's history, Congress has not acted on anything around preventing violence, as well.

We should be voting on those kinds of bills. Many of those are also bipartisan, just as this private equity bill is, but I would argue that they are more timely, more important. Instead of focusing on policies that help save lives, Republicans are instead spending time on two bills, one of which will almost certainly receive a veto from the President. The other one, we hope that Mr. FOSTER's amendment addresses the issues the President had with it, but both of which are not likely to pass the United States Senate.

We are spending more of our time and taxpayer money ignoring the most pressing issues before us, issues that could move through the Senate, issues that I hear about from my constituents every day back home.

Again, I applaud the Democrats and Republicans coming together around the H.R. 5424 bill. This bill, if it were to become law, would absolutely encourage greater investment in mainstream businesses in our communities. It might make the difference of them making that additional hire or two. That might be your neighbor; that might be your cousin; that might be your spouse; it might even be you, that extra job or two or three that is created by encouraging private capital resources to be put into our communities.

Again, private equity had nothing to do with the financial meltdown in 2008 and 2009. There is nothing systemic about it. It is simply ownership groups of companies, and whether those owners are local ownership groups, whether they are founders, whether they are family offices, whether they are private equity, whether they are publicly traded, they all have pros and cons.

We, of course, like to think of the very idealized vision of a mainstream business where it is owned by your neighbor and somebody who is accountable that you know, but those kinds of businesses have transition issues as well. When their owner-operator gets ill or passes on, what is to become of those businesses? What is the route to sustainability? How can we make sure they continue to add value in the community? For many, for transition planning, private equity can provide that answer.

I urge my colleagues to vote ''no'' on the bill and defeat the previous question so we can reduce the risk of a terrorist attack in our country, and vote ''no'' on this restrictive, misguided rule.

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

Mr. SESSIONS. Mr. Speaker, may I inquire as to the time I have remaining.

The SPEAKER pro tempore (Mr. HULTGREN). The gentleman from Texas has 7¼ minutes remaining.

Mr. SESSIONS. Mr. Speaker, thank you very much. I yield myself the balance of my time.

Mr. Speaker, I want to congratulate and thank my colleague, Mr. POLIS. Today has been a thoughtful exercise where there was some disagreement. That is okay. That does not bother me, and it should not bother him that he had to speak his mind in areas that he felt were important.

But today, Mr. Speaker, Mr. POLIS has very objectively been able to critique the bill in front of us, to provide his analysis of that bill, acknowledging it is a bipartisan bill, acknowledging that this bill is about jobs, job creation, making life better, albeit that it might be one or two people in a neighborhood. This country is full of neighborhoods and full of people who want a better job, people who want a better opportunity to invest, people who want to have their ideas taken up, and this bill came directly to us today from back home, back home people who have ideas, back home people who are looking at rules and regulations and saying, wow, that is an impediment to my good idea.

Mr. LUETKEMEYER, Mr. EMMER, Chairman ROYCE all said, oh, by the way, they have an American Dream they are trying to live up to also, and there are things that are getting in the way of their dream. So they do the things that are necessary to float their ideas up to their Member of Congress. It came to the Committee on Financial Services. The young chairman, JEB HENSARLING, creates ideas that are able to move to legislation. That is why we are here on the floor today, subscribing ideas that provide more capital that is available.

The cost of securities regulation continues to fall heaviest on small companies. Small companies are the engine of our economy, where many of the bright people who today, by graduating from college, going to business school, learning things, they realize as they enter the marketplace, wow, there is another hurdle out there.

That is why we are here today. They want to bring their ideas to the marketplace. We are here to help them through safety and soundness, through working through the instruments of government, and to do so so that traditional financing options are available for small companies that work.

Our predatory administration—that is this Obama administration—is using Dodd-Frank as its main weapon against the free enterprise system today. This administration is using the weapons that they have available to them to stop and stifle and to make more difficult the creation of jobs, the creation of more wealth, the creation of investment, and it is all done. We see this, Mr. Speaker, when we look at GDP growth. Our country is stagnant.

Yesterday, when we were having the motion to recommit, the young gentlewoman from the Democratic side acknowledged most forthrightly, these are difficult financial times. All across America there are terrible financial times because of an administration that chooses to strike at the heart of the free enterprise system: the heart of the free enterprise system in health care, the heart of the free enterprise system in banking, and regulations on the energy industry, striking at the heart of people trying to get homes and keep jobs and to move things.

This administration has a constant attack against jobs, job creation, and, I believe, the American worker, yet they find it easier to give lots of money to other people but not Americans for our own job creation. That is why we are here today. But we are not going to cast this as what this is about.

What this is about is a positive effort about the American Dream, about good ideas, about bipartisanship, about following the rules to get things through a committee, to get things to the Committee on Rules, to get things on the floor, to get people to vote on a bipartisan basis.

We have, essentially, four bills in this rule, four bills that I believe are desperately—I will use that word, ''desperately''—needed by small business to grow and innovate ideas. What is on the other side of that? We have already said it 10 times, the American Dream. But it is also freedom. When issuers sell securities to the public, that means more money goes into the company, money that can be used to hire more people, push a product and make it successful. That is why we are here. We are here to take the ideas, a process, in a bipartisan way.

Lastly, Mr. Speaker, I include in the RECORD a letter which addresses an issue that my dear colleague has

talked about, and that is the Zika funding issue.

The letter was written to the President of the United States on July 14, 2016, and among other things it says: ''The House passed a conference report that would provide an additional $1.1 billion in emergency supplemental funding to continue to prepare for, and prevent, Zika both domestically and internationally. It is unfortunate that Democrats have blocked action on this legislation in the Senate.'' Mr. Speaker, they continue to do it today.

This letter—which was signed by the chairman of the House Committee on Appropriations, the gentleman HAL ROGERS; the gentleman THAD COCHRAN, chairman of the Senate Committee on Appropriations; Chairman TOM COLE, House Appropriations Subcommittee on Labor, Health and Human Services; ROY BLUNT, chairman, Appropriations Subcommittee on Labor, Health and Human Services; KAY GRANGER from Fort Worth, Texas, chairwoman, House Appropriations Subcommittee on State and Foreign Operations; LINDSEY GRAHAM, chairman, Senate Appropriations Subcommittee on State and Foreign Operations—very clearly says: Mr. President, until that block by Senate Democrats is stopped, we give you authorization to reprogram money that would be available. You seem to find lots of money that is available to bring people to this country who might be displaced in other places around the world. Why don't you spend a little bit of money on important issues like the Zika virus?

We are on record. We are waiting for the Senate to move the bill. Mr. Speaker, I want you to know your time that you have allocated today, the precious time of this House, was done today for bills that came to us from ideas from the American people that floated on a bipartisan basis directly up to the Committee on Financial Services, which brought these bills forward. They have been talked about, marked up, and vetted. They are good to go, and I am in full support of not only this rule, but this legislation; and for that reason, I urge my colleagues to continue to support this rule and the underlying bills.

APPROPRIATIONS COMMITTEE SENDS JOINT HOUSE AND SENATE LETTER TO THE WHITE HOUSE URGING ACTION ON ZIKA FUNDING

WASHINGTON, July 14.—House Appropriations Committee Chairman Hal Rogers, along with Senate Appropriations Chairman Thad Cochran and other senior members of the House and Senate committees, today sent a joint letter to President Obama urging White House action on Zika funding.

Senate Democrats today again blocked legislation that would immediately fund efforts to prevent and fight the spread of the Zika virus. Chairmen Rogers and Cochran wrote that given the critical need for these funds and absent the funding that was blocked today, the White House should ''aggressively use funds already available to mount a strong defense against the virus.''

The full text of the letter is below:

JULY 14, 2016.

President BARACK OBAMA,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Your Administration has asked Congress to provide additional resources to prepare for, and prevent, the spread of the Zika virus. We have responded by both supporting the reprioritization of existing resources and passing through our respective chambers legislation that would provide additional Zika response funding.

On February 18, 2016, we called upon your Administration to repurpose available funds to be spent immediately to fight the disease. On April 6, 2016, you did so through the use of existing authorities, repurposing $589 million for Zika response activities. Given the urgency of your request, we were surprised last week when Politico reported the following based on information shared by Administration officials: ''The Obama administration has so far distributed only about one-sixth of the unspent Ebola funding that it diverted to combat the Zika virus.'' This money is available immediately to prepare for and combat Zika, yet is seemingly not being spent.

The House passed a conference report that would provide an additional $1.1 billion in emergency supplemental funding to continue to prepare for, and prevent, Zika both domestically and internationally. It is unfortunate that Democrats have blocked action on this legislation in the Senate. The conference report provides the same amount of funding that every Senate Democrat previously supported. It fully funds vaccine research, and increases funding for mosquito spraying and eradication, Zika surveillance, and advanced development of treatments and diagnostics. The conference agreement provides the same access to health services as your supplemental request, contains no new prohibition on any health service, and expands access to health services in Puerto Rico beyond your initial request.

If Senate Democrats continue to block consideration of Zika legislation, we urge you to aggressively use funds already available to mount a strong defense against the virus. We also note that the fiscal year 2016 appropriations bills allow the Administration access to additional funds. The Secretary of the Department of Health and Human Services has transfer authority that can be used as an additional source for Zika preparedness. The previous Secretary did not hesitate to use this authority to support the failing Affordable Care Act Exchanges. The Secretary of State also has authority to reprogram funding to provide additional foreign assistance to address the Zika virus outside the United States.

We urge you to use available funding now to ensure our nation is prepared.

Sincerely,

REP. HAL ROGERS,
Chairman, House Appropriations Committee.
SEN. THAD COCHRAN,
Chairman, Senate Appropriations Committee.
REP. TOM COLE,
Chairman, House Appropriations Subcommittee on Labor, Health and Human Services.
SEN. ROY BLUNT,
Chairman, Senate Appropriations Subcommittee on Labor, Health and Human Services.
REP. KAY GRANGER,
Chairwoman, House Appropriations Subcommittee on State and Foreign Operations.
SEN. LINDSEY GRAHAM,
Chairman, Senate Appropriations Subcommittee on State and Foreign Operations.

The material previously referred to by Mr. POLIS is as follows:

AN AMENDMENT TO H. RES. 844 OFFERED BY MR. POLIS

At the end of the resolution, add the following new sections:

SEC. 3. Immediately upon adoption of this resolution the Speaker shall, 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. 1076) to increase public safety by permitting the Attorney General to deny the transfer of a firearm or the issuance of firearms or explosives licenses to a known or suspected dangerous terrorist. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. All points of order against provisions in the bill are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to fmal passage without intervening motion except one motion to recommit with or without instructions. If the Committee of the Whole rises and reports that it has come to no resolution on the bill, then on the next legislative day the House shall, immediately after the third daily order of business under clause 1 of rule XIV, resolve into the Committee of the Whole for further consideration of the bill.

SEC. 4. Clause 1(c) of rule XIX shall not apply to the consideration of H.R. 1076.

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the Democratic minority to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives (VI, 308–311), describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said:

''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

The Republican majority may say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: ''Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule. . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment.''

In Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: ''Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

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

The SPEAKER pro tempore. The question is on ordering the previous question.

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

RECORDED VOTE

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

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on ordering the previous question will be followed by 5-minute votes on adopting the resolution, if ordered; and suspending the rules and adopting H. Res. 660.

The vote was taken by electronic device, and there were—ayes 238, noes 180, not voting 13, as follows:

[Roll No. 489]

AYES—238

Abraham
Aderholt
Allen
Amash
Amodei
Babin
Barletta
Barr
Barton
Benishek
Bilirakis
Bishop (MI)
Bishop (UT)
Black
Blackburn
Blum
Bost
Boustany
Brady (TX)
Brat
Bridenstine
Brooks (AL)
Brooks (IN)
Buchanan
Buck
Bucshon
Burgess
Byrne
Calvert
Carter (GA)
Carter (TX)
Chabot
Chaffetz
Clawson (FL)
Coffman
Cole
Collins (GA)
Collins (NY)
Comstock
Conaway
Cook
Costello (PA)
Cramer
Crawford
Crenshaw
Culberson
Curbelo (FL)
Davidson
Davis, Rodney
Denham
Dent
DeSantis
Diaz-Balart
Dold
Donovan
Duffy
Duncan (SC)
Duncan (TN)
Ellmers (NC)
Emmer (MN)
Farenthold
Fincher
Fitzpatrick
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Garrett
Gibbs
Gibson
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (LA)
Graves (MO)
Griffith
Grothman
Guinta
Guthrie
Hanna
Hardy
Harper
Harris
Hartzler
Heck (NV)
Hensarling
Herrera Beutler
Hice, Jody B.
Hill
Holding
Hudson
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurd (TX)
Hurt (VA)
Issa
Jenkins (KS)
Jenkins (WV)
Johnson (OH)
Jolly
Jones
Jordan
Joyce
Katko
Kelly (MS)
Kelly (PA)
King (IA)
King (NY)
Kinzinger (IL)
Kline
Knight
Labrador
LaHood
LaMalfa
Lamborn
Lance
Latta
LoBiondo
Long
Loudermilk
Love
Lucas
Luetkemeyer
Lummis
MacArthur
Marchant
Marino
Massie
McCarthy
McCaul
McClintock
McHenry
McKinley
McMorris Rodgers
McSally
Meadows
Meehan
Messer
Mica
Miller (FL)
Miller (MI)
Moolenaar
Mooney (WV)
Mullin
Mulvaney
Murphy (PA)
Neugebauer
Newhouse
Noem
Nunes
Olson
Palmer
Paulsen
Pearce
Perry
Peterson
Pittenger
Pitts
Poe (TX)
Poliquin
Pompeo
Posey
Price, Tom
Ratcliffe
Reed
Renacci
Ribble
Rice (SC)
Rigell
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rohrabacher
Rokita
Rooney (FL)
Ros-Lehtinen
Roskam
Rothfus
Rouzer
Royce
Russell
Salmon
Sanford
Scalise
Schweikert
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (MO)
Smith (NE)
Smith (NJ)
Smith (TX)
Stefanik
Stewart
Stivers
Stutzman
Thompson (PA)
Thornberry
Tiberi
Tipton
Trott
Turner
Upton
Valadao
Wagner
Walberg
Walden
Walker
Walorski
Weber (TX)
Webster (FL)
Wenstrup
Westerman
Williams
Wilson (SC)
Wittman
Womack
Woodall
Yoder
Yoho
Young (AK)
Young (IA)
Young (IN)
Zeldin
Zinke

NOES—180

Adams
Aguilar
Ashford
Bass
Beatty
Becerra
Bera
Beyer
Blumenauer
Bonamici
Boyle, Brendan F.
Brady (PA)
Brownley (CA)
Bustos
Butterfield
Capps
Capuano
Cárdenas
Carney
Carson (IN)
Cartwright
Castor (FL)
Castro (TX)
Chu, Judy
Cicilline
Clark (MA)
Clay
Cleaver
Clyburn
Cohen
Connolly
Conyers
Cooper
Costa
Courtney
Crowley
Cuellar
Cummings
Davis (CA)
Davis, Danny
DeFazio
DeGette
Delaney
DeLauro
DelBene
DeSaulnier
Deutch
Dingell
Doggett
Doyle, Michael F.
Duckworth
Edwards
Ellison
Engel
Eshoo
Esty
Farr
Foster
Frankel (FL)
Fudge
Gabbard
Gallego
Garamendi
Graham
Grayson
Green, Al
Green, Gene
Grijalva
Gutiérrez
Hahn
Hastings
Heck (WA)
Higgins
Himes
Hinojosa
Honda
Hoyer
Huffman
Israel
Jackson Lee
Jeffries
Johnson (GA)
Kaptur
Keating
Kelly (IL)
Kennedy
Kildee
Kilmer
Kind
Kirkpatrick
Kuster
Langevin
Larsen (WA)
Larson (CT)
Lawrence
Lee
Levin
Lewis
Lieu, Ted
Lipinski
Loebsack
Lofgren
Lowenthal
Lowey
Lujan Grisham (NM)
Luján, Ben Ray (NM)
Lynch
Maloney, Carolyn
Maloney, Sean
Matsui
McCollum
McDermott
McGovern
McNerney
Meeks
Meng
Moore
Moulton
Murphy (FL)
Nadler
Napolitano
Neal
Nolan
Norcross
O'Rourke
Pallone
Pascrell
Payne
Pelosi
Perlmutter
Peters
Pingree
Pocan
Polis
Price (NC)
Quigley
Rangel
Rice (NY)
Richmond
Roybal-Allard
Ruiz
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sarbanes
Schakowsky
Schiff
Schrader
Scott (VA)
Scott, David
Serrano
Sewell (AL)
Sherman
Sinema
Sires
Slaughter
Smith (WA)
Speier
Swalwell (CA)
Takano
Thompson (CA)
Thompson (MS)
Titus
Tonko
Torres
Tsongas
Van Hollen
Vargas
Veasey
Vela
Velázquez
Visclosky
Walz
Wasserman Schultz
Waters, Maxine
Watson Coleman
Welch
Wilson (FL)
Yarmuth

NOT VOTING—13

Bishop (GA)
Brown (FL)
Clarke (NY)
DesJarlais
Johnson, E. B.
Johnson, Sam
Nugent
Palazzo
Reichert
Ross
Sanchez, Loretta
Walters, Mimi
Westmoreland

□ 1405

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

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

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

RECORDED VOTE

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

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 237, noes 181, not voting 13, as follows:

[Roll No. 490]

AYES—237

Abraham
Aderholt
Allen
Amash
Amodei
Babin
Barletta
Barr
Barton
Benishek
Bilirakis
Bishop (MI)
Bishop (UT)
Black
Blackburn
Blum
Bost
Boustany
Brady (TX)
Brat
Bridenstine
Brooks (AL)
Brooks (IN)
Buchanan
Buck
Bucshon
Burgess
Byrne
Calvert
Carter (GA)
Carter (TX)
Chabot
Chaffetz
Clawson (FL)
Coffman
Cole
Collins (GA)
Collins (NY)
Comstock
Conaway
Cook
Costello (PA)
Cramer
Crenshaw
Culberson
Curbelo (FL)
Davidson
Davis, Rodney
Denham
Dent
DeSantis
Diaz-Balart
Dold
Donovan
Duffy
Duncan (SC)
Duncan (TN)
Ellmers (NC)
Emmer (MN)
Farenthold
Fincher
Fitzpatrick
Fleischmann

Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Garrett
Gibbs
Gibson
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (LA)
Graves (MO)
Griffith
Grothman
Guinta
Guthrie
Hanna
Hardy
Harper
Harris
Hartzler
Heck (NV)
Hensarling
Herrera Beutler
Hice, Jody B.
Hill
Holding
Hudson
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurd (TX)
Hurt (VA)
Issa
Jenkins (KS)
Jenkins (WV)
Johnson (OH)
Jolly
Jones
Jordan
Joyce
Katko
Kelly (MS)
Kelly (PA)
King (IA)
King (NY)
Kinzinger (IL)
Kline
Knight
Labrador
LaHood
LaMalfa
Lamborn
Lance
Latta
LoBiondo
Long
Loudermilk
Love
Lucas
Luetkemeyer
Lummis
MacArthur
Marchant
Marino
Massie
McCarthy
McCaul
McClintock
McHenry
McKinley
McMorris Rodgers
McSally
Meadows
Meehan
Messer
Mica
Miller (FL)
Miller (MI)
Moolenaar
Mooney (WV)
Mullin
Mulvaney
Murphy (PA)
Neugebauer
Newhouse
Noem
Nunes
Olson
Palmer
Paulsen
Pearce
Perry
Pittenger
Pitts
Poe (TX)
Poliquin
Pompeo
Posey
Price, Tom
Ratcliffe
Reed
Renacci
Ribble
Rice (SC)
Rigell
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rohrabacher
Rokita
Rooney (FL)
Ros-Lehtinen
Roskam
Rothfus
Rouzer
Royce
Russell
Salmon
Sanford
Scalise
Schweikert
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Sinema
Smith (MO)
Smith (NE)
Smith (NJ)
Smith (TX)
Stefanik
Stewart
Stivers
Stutzman
Thompson (PA)
Thornberry
Tiberi
Tipton
Trott
Turner
Upton
Valadao
Wagner
Walberg
Walden
Walker
Walorski
Weber (TX)
Webster (FL)
Wenstrup
Westerman
Williams
Wilson (SC)
Wittman
Womack
Woodall
Yoder
Yoho
Young (AK)
Young (IA)
Young (IN)
Zeldin
Zinke

NOES—181

Adams
Aguilar
Ashford
Bass
Beatty
Becerra
Bera
Beyer
Blumenauer
Bonamici
Boyle, Brendan F.
Brady (PA)
Brownley (CA)
Bustos
Capps
Capuano
Cárdenas
Carney
Carson (IN)
Cartwright
Castor (FL)
Castro (TX)
Chu, Judy
Cicilline
Clark (MA)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly
Conyers
Cooper
Costa
Courtney
Crowley
Cuellar
Cummings
Davis (CA)
Davis, Danny
DeFazio
DeGette
Delaney
DeLauro
DelBene
DeSaulnier
Deutch
Dingell
Doggett
Doyle, Michael F.
Duckworth
Edwards
Ellison
Engel
Eshoo
Esty
Farr
Foster
Frankel (FL)
Fudge
Gabbard
Gallego
Garamendi
Graham
Grayson
Green, Al
Green, Gene
Grijalva
Gutiérrez
Hahn
Hastings
Heck (WA)
Higgins
Himes
Hinojosa
Honda
Hoyer
Huffman
Israel
Jackson Lee
Jeffries
Johnson (GA)
Johnson, E. B.
Kaptur
Keating
Kelly (IL)
Kennedy
Kildee
Kilmer
Kind
Kirkpatrick
Kuster
Langevin
Larsen (WA)
Larson (CT)
Lawrence
Lee
Levin
Lewis
Lieu, Ted
Lipinski
Loebsack
Lofgren
Lowenthal
Lowey
Lujan Grisham (NM)
Luján, Ben Ray (NM)
Lynch
Maloney, Carolyn
Maloney, Sean
Matsui
McCollum
McDermott
McGovern
McNerney
Meeks
Meng
Moore
Moulton
Murphy (FL)
Nadler
Napolitano
Neal
Nolan
Norcross
O'Rourke
Pallone
Pascrell
Payne
Pelosi
Perlmutter
Peters
Peterson
Pingree
Pocan
Polis
Price (NC)
Quigley
Rangel
Rice (NY)
Richmond
Roybal-Allard
Ruiz
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sarbanes
Schakowsky
Schiff
Schrader
Scott (VA)
Scott, David
Serrano
Sewell (AL)
Sherman
Sires
Slaughter
Smith (WA)
Speier
Swalwell (CA)
Takano
Thompson (CA)
Thompson (MS)
Titus
Tonko
Torres
Tsongas
Van Hollen
Vargas
Veasey
Vela
Velázquez
Visclosky
Walz
Wasserman Schultz
Waters, Maxine
Watson Coleman
Welch
Wilson (FL)
Yarmuth

NOT VOTING—13

Bishop (GA)
Brown (FL)
Butterfield
Crawford
DesJarlais
Johnson, Sam
Nugent
Palazzo
Reichert
Ross
Sanchez, Loretta
Walters, Mimi
Westmoreland

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1412

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXPRESSING SUPPORT FOR THE TERRITORIAL INTEGRITY OF GEORGIA

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 660) expressing the sense of the House of Representatives to support the territorial integrity of Georgia, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and agree to the resolution.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 410, nays 6, not voting 15, as follows:

[Roll No. 491]

YEAS—410

Abraham
Adams
Aderholt
Aguilar
Allen
Amodei
Ashford
Babin
Barletta
Barr
Barton
Bass
Beatty
Becerra
Benishek
Bera
Beyer
Bilirakis
Bishop (MI)
Bishop (UT)
Black
Blackburn
Blum
Blumenauer
Bonamici
Bost
Boustany
Boyle, Brendan F.
Brady (PA)
Brady (TX)
Brat
Bridenstine
Brooks (AL)
Brooks (IN)
Brownley (CA)
Buchanan
Buck
Bucshon
Burgess
Bustos
Butterfield
Byrne
Calvert
Capps
Capuano
Cárdenas
Carney
Carson (IN)
Carter (GA)
Carter (TX)
Cartwright
Castor (FL)
Castro (TX)
Chabot
Chaffetz
Chu, Judy
Cicilline
Clark (MA)
Clarke (NY)
Clawson (FL)
Clay
Cleaver
Clyburn
Coffman
Cohen
Cole
Collins (GA)
Collins (NY)
Comstock
Conaway
Connolly
Conyers
Cook
Cooper
Costa
Costello (PA)
Courtney
Cramer
Crawford
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Curbelo (FL)
Davidson
Davis (CA)
Davis, Danny
Davis, Rodney
DeFazio
DeGette
Delaney
DeLauro
DelBene
Denham
Dent
DeSantis
DeSaulnier
Deutch
Diaz-Balart
Dingell
Doggett
Dold
Donovan
Doyle, Michael F.
Duckworth
Duffy
Duncan (SC)
Edwards
Ellison
Ellmers (NC)
Emmer (MN)
Engel
Eshoo
Esty
Farenthold
Farr
Fincher
Fitzpatrick
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foster
Foxx
Frankel (FL)
Franks (AZ)
Fudge
Gallego
Garamendi
Garrett
Gibbs
Gibson
Gohmert
Goodlatte
Gosar
Gowdy
Graham
Granger
Graves (GA)
Graves (LA)
Graves (MO)
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Grothman
Guinta
Guthrie
Gutiérrez
Hahn
Hanna
Hardy
Harper
Harris
Hartzler
Hastings
Heck (NV)
Heck (WA)
Hensarling
Herrera Beutler
Hice, Jody B.
Higgins
Hill
Himes
Hinojosa
Holding
Honda
Hoyer
Hudson
Huffman
Huizenga (MI)
Hultgren
Hunter
Hurd (TX)
Hurt (VA)
Israel
Issa
Jackson Lee
Jeffries
Jenkins (KS)
Jenkins (WV)
Johnson (GA)
Johnson (OH)
Johnson, E. B.
Jolly
Jordan
Joyce
Kaptur
Katko
Keating
Kelly (IL)
Kelly (MS)
Kelly (PA)
Kennedy
Kildee
Kilmer
Kind
King (IA)
King (NY)
Kinzinger (IL)
Kirkpatrick
Kline
Knight
Kuster
Labrador
LaHood
LaMalfa
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latta
Lawrence
Lee
Levin
Lewis
Lieu, Ted
Lipinski
LoBiondo
Loebsack
Lofgren
Long
Loudermilk
Love
Lowenthal
Lowey
Lucas
Luetkemeyer
Lujan Grisham (NM)
Luján, Ben Ray (NM)
Lummis
Lynch
MacArthur
Maloney, Carolyn
Maloney, Sean
Marchant
Marino
Matsui
McCarthy
McCaul
McClintock
McCollum
McDermott
McGovern
McHenry
McKinley
McMorris Rodgers
McNerney
McSally
Meadows
Meehan
Meeks
Meng
Messer
Mica
Miller (FL)
Miller (MI)
Moolenaar
Mooney (WV)
Moore
Moulton
Mullin
Mulvaney
Murphy (FL)
Murphy (PA)
Nadler
Napolitano
Neal
Neugebauer
Newhouse
Noem
Nolan
Norcross
Nunes
O'Rourke
Olson
Pallone
Palmer
Pascrell
Paulsen
Payne
Pearce
Pelosi
Perlmutter
Perry
Peters
Peterson
Pingree
Pittenger
Pitts
Pocan
Poe (TX)
Poliquin
Polis
Pompeo
Posey
Price (NC)
Price, Tom
Quigley
Rangel
Ratcliffe
Reed
Renacci
Ribble
Rice (NY)
Rice (SC)
Richmond
Rigell
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rokita
Rooney (FL)
Ros-Lehtinen
Roskam
Rothfus
Rouzer
Roybal-Allard
Royce
Ruiz
Ruppersberger
Rush
Russell
Ryan (OH)
Salmon
Sánchez, Linda T.
Sanford
Sarbanes
Scalise
Schakowsky
Schiff
Schrader
Schweikert
Scott (VA)
Scott, Austin
Scott, David
Sensenbrenner
Serrano
Sessions