

community, promoting the understanding of divisive issues and situations to bridge language, ethnic, racial, religious, gender, sexual orientation, or class differences, and working to resolve conflicts among students or members of the community who feel isolated or alienated.

I am pleased to include in the RECORD the names of this year's Student Peace Award winners.

Ethan Mirani, Cedar Lane Anti-Bullying Committee

Jasmine Howard, Centreville H.S.

Shaan Chudasama, Chantilly H.S.

Vanessa Mae Avendano, Falls Church H.S.

Sabah Munshi, Hayfield S.S.

Surabhi Khanal, Herndon H.S.

Naba Khan, King Abdullah Academy

Shafia Talat, King Abdullah Academy

Jamie Hunstad, Lake Braddock S.S.

Donya Momenian, Langley H.S.

Chrissie Ivanova, Langley H.S.

Naomi Soquar, Robert E. Lee H.S.

Sean Doyle, James Madison H.S.

Aidan Kemp, George C. Marshall H.S.

Josh Leong, McLean H.S.

Sam Gollob, McLean H.S.

Roza Al Barzaji, Mountain View H.S.

Yosaph Boku, Mount Vernon H.S.

"Blossoming Beauties", Quander Road School

Narjes Bencheikh, South County H.S.

Emily Lockwood, South Lakes H.S.

Maiss Mohamed, JEB Stuart H.S.

Deema Alharthi, JEB Stuart H.S.

"TJ Minds Matter", Thomas Jefferson H.S.

"Combating Intolerance", West Potomac H.S.

Rodney Wrice, West Springfield H.S.

Audrey Weyer, West Springfield H.S.

Mr. Speaker, the efforts of these young people to build a more peaceful world in their own communities are the building blocks of a more peaceful and tolerant world. I commend them on their efforts and dedication, and ask my colleagues to join me in congratulating each recipient on receiving this award.

IN RECOGNITION OF RON FARADAY,  
2017 SUNDAY DISPATCH  
PERSON OF THE YEAR

### HON. MATT CARTWRIGHT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 2017

Mr. CARTWRIGHT. Mr. Speaker, I rise today to honor Ron Faraday, who will be honored April 18 as the Greater Pittston Person of the Year. Ron is the president of the Greater Pittston Historical Society. Ron's work with the Greater Pittston Historical Society has helped revitalize the organization's involvement in the community.

The Greater Pittston Historical Society was founded in 2000 as a repository organization so that members of the community could gather, donate, and preserve items of local history. Ron joined the organization in 2012. After an increase of membership and reorganization in 2013, Ron was elected president of the Society. It is headquartered at the Pittston Memorial Library and has 85 active members. The members diligently work to collect memorabilia and digitize newspapers, photographs, and other historical records. Under Ron's leader-

ship, the Greater Pittston Historical Society has partnered with Misericordia University to provide internships to students. The students have helped with the Society's website design, research, and archiving materials. Ron was also instrumental in pushing for the documentary film "Our Town: Pittston" which was released on February 23, 2017 by WVIA-TV.

It is an honor to recognize Ron for all the great work he has done with the Greater Pittston Historical Society. I congratulate him being named the Sunday Dispatch Person of the Year.

HONORING NEW YORK CITY PUBLIC ADVOCATE LETITIA (TISH) JAMES

### HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 2017

Mr. SERRANO. Mr. Speaker, this past February, we all celebrated Black History Month. As part of that celebration, I was honored to hold my annual Black History Month event, and to take time to recognize and pay tribute to outstanding members of the New York City community. I was proud to pay tribute to my friend, New York City Public Advocate Letitia "Tish" James. She has been a public servant for many years, and worked tirelessly to improve the lives of all New Yorkers.

Ms. James is the first African-American Woman to serve as the New York City Public Advocate and the first woman of color to hold city wide office. This position is vital to New Yorkers, as she acts to ensure that New York City's government is responsive, efficient, and promoting policies that help all New Yorkers. Her office investigates problems at city agencies and pushes solutions both through our court system and through the New York City Council.

Since her election in 2013, Public Advocate James has worked on numerous issues important to Bronxites, including criminal justice reform, paid family leave, and protecting tenants and affordable housing. She has helped lead the push for police accountability, including the use of body-worn cameras by the New York Police Department. She has also worked to ensure that special prosecutors are used in all cases of police misconduct.

She has also worked to hold landlords accountable to ensure that New Yorkers have safe and affordable housing. Through the development of the 'Worst Landlords' list and her active legal strategy to ensure that landlords are held to account for unsafe living conditions, she has made a difference in the lives of many Bronxites and New Yorkers.

Prior to being elected Public Advocate, Letitia James represented Brooklyn as a Member of the New York City Council from 2004 to 2013. As a City Council Member, she fought for Paid Sick Leave, and passed the Safe Housing Act, which ensured that thousands of families in rental buildings receive prompt and full repairs to their apartments. She was also an early critic on the Council of the Office of Payroll Administration's CityTime contract, a payroll system later found to be overly costly and difficult to manage. As a result, she worked to pass legislation addressing oversight of high-cost service contracts with the

City of New York. While Chair to the Council's Sanitation Committee, she pushed-through a revolutionary recycling package that included expanding plastic recycling, a new clothing and textile recycling program, and improved public space recycling.

Public Advocate James is a graduate of CUNY's Lehman College and Howard University Law School. She previously served as an Assistant Attorney General, and a public defender. She currently resides in Brooklyn.

Tish James has helped many of my constituents, and many residents of New York City. Mr. Speaker, I respectfully ask that you and my distinguished colleagues join me in honoring Public Advocate Letitia James for her perseverance and dedication to fighting for all New Yorkers.

RECOGNITION OF FAMU DEVELOPMENT RESEARCH SCHOOL BABY RATTLERS GIRLS' BASKETBALL TEAM

### HON. AL LAWSON, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 2017

Mr. LAWSON of Florida. Mr. Speaker, I rise today to recognize a school in my District who was recently crowned as state champions for the third time in three years. The FAMU Development Research School Baby Rattlers Girls' Basketball Team, led by Head Coach Erika Cromartie, made history with a 46-37 win over Tampa Carrollwood in the FHSAA Class 3A state championship game. As a fellow rattler, I am extremely proud of their hard work and dedication in achieving this goal.

The baby Rattlers has had an amazing season and has made Florida's fifth Congressional District proud. They have represented us well. Winning a state championship is a testament to their impressive athletic ability, unselfish mentality, and determination to succeed.

It takes a dedicated combination of skills and many hours of practice to win a state title. They have surely earned this honor. I look forward to watching their future success in both their academic and athletic pursuits and wish them all the best in these future endeavors.

Mr. Speaker, I congratulate the Baby Rattlers Girls' Basketball Team on a job well done.

ENCOURAGING EMPLOYEE OWNERSHIP ACT OF 2017

SPEECH OF

### HON. KEITH ELLISON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 4, 2017

Mr. ELLISON. Mr. Speaker, today we consider another bill requested by large corporations. But, I have to wonder, of all the things the American public want, why is a revision to the Securities and Exchange Commission rules—Section 701 to be precise—the priority for this week?

We've been here for three months now. House Republicans set the agenda. They lead this governing body. Why do they keep bringing us bills that are the priorities of corporate

America? In the past few months, Congressional Republicans, who decide which bills get considered have brought forward a hodgepodge of corporate requests.

Here are some of the bills that are now law:

1) Republicans passed—and the President signed—a law to protect corporate firms from having to disclose labor violations—like wage theft—before winning government contracts (H.J. Res. 37).

2) Republicans made it easier to drug test people receiving unemployment compensation (H.J. Res. 42).

3) House and Senate Republicans—and the President signed—H.J. Res. 86 which allow Internet Services Providers to sell your browser history.

4) Republicans enacted a new law making it easier to dump coal debris near rivers and streams (H.J. Res. 38).

5) Republicans stopped efforts to help governments around the world avoid corruption. H.J. Res. 41 removed the requirement that corporations disclose resource payments to foreign governments. This is a crushing blow to democracy activists working in fragile nations.

6) And, a law preventing state governments from setting up retirement plans for residents who do not have a work-based plan (H.J. Res. 66).

So, in the three months we've been back, these laws, removing competition, disclosure, and consumer privacy, are the priorities of Republicans who set the agenda. These are all asks of corporate America—

1) don't punish us for polluting streams,

2) let us sell your internet browser history,

3) let us make money drug testing laid off workers receiving unemployment due them and do not make us disclose our payments to foreign governments when we drill for oil or minerals.

When I talk to my constituents, they don't ask for any of these. They say, "Where's the jobs bill?" My constituents say, can't we raise the minimum wage from \$7.25 an hour? They say, our roads and bridges need work. Let's raise the gas tax a bit and invest in infrastructure. They say, we want to increase our skills; let's invest in pre-school, Pell grants and community colleges.

Let's put people, not corporate wish lists—first.

But, nope, today we are asked to vote on a bill that makes it easier for private companies to provide options—like stocks—rather than compensation to their employees.

This bill makes it easier for firms to offload some of their options to their employees without disclosing financial information to them. While I'm glad to see companies reward employees with stock and other compensation in addition to salaries, workers should be told the value of the compensation they receive. Not some IOU that they cannot cash in any time soon.

With this bill, H.R. 1343, it is possible that employees would be promised stock options which could be worth less than promised, or even, completely worthless. So, employees could decide to forego a salary increase—or accept lower pay—in order to receive more stock options, yet, those stock options could be worth way less than expected. And the market to sell them could be non-existent.

Why should employees receive less information than that of any other minority share-

holder? Employees should be able to receive information on the financial position of the company so they can make an educated decision about whether to invest in securities.

If an employee is trusted enough to run the day-to-day aspects of the business, they should be trusted enough to receive full disclosure about the company's financials. It's not difficult to allow participating employees to sign non-disclosure agreements. It can't be because these disclosures are an additional burden on the firm. These companies prepared these types of disclosures to receive the Rule 701 Exemption from the SEC in the first place.

I'm also concerned about the mismatch in power between the corporations and their employees. I am very concerned that employees can be more susceptible to pressure to take options instead of salary increases. For example, we could ask George Maddox. George was one of the 21,000 people who worked at ENRON. After working at ENRON for 30 years, he had 14,000 shares of company stock. It was valued at \$1.3 million. Then ENRON collapsed, and he had literally nothing. All his retirement was in ENRON stocks.

If you haven't watched the movies ENRON: The Smartest Guys in the Room recently, I'd urge you watch it again. You could also read Bethany McLean's book by the same name. One image has consistently stuck with me. A staff rally where leadership extolled the virtues of the firm. Leaders whipped employees into a frenzy to buy ENRON stock even as the leaders knew it was worthless. In fact, corporate leaders had already their stock. Yet, they were urging employees to buy!

ENRON had a strategy of buying companies and then pressuring the new employees to buy ENRON stock to keep the stock price inflated. And since ENRON usually fired 10 percent of workers every year, workers felt pressured to buy stock to show a commitment to the firm.

I don't think the supporters of this bill are doing this for nefarious reasons. I'm sure they find my reference to ENRON hyperbolic. They might also say that it's irrelevant since ENRON was a public company and we are talking about private companies.

So, let's talk about Palantir Technologies. This \$20 billion company convinced top-tier engineers to accept below-market salaries by promising them generous stock options. But some employees who accepted this bargain, hoping to make money on selling their shares, cannot sell them. The only buyer of their stocks is Palantir Technologies themselves—or a buyer approved by Palantir Technologies.

Palantir is not a small firm. Palantir is the third biggest American tech startup, behind only Uber and Airbnb. It was also founded in 2004, which makes Palantir as old as Facebook. Which is a long time to wait to cash in your options.

Pushing employees to own more of employer's stock exposes workers, like George Maddox, to put all their retirement eggs in one basket—what we call "concentration risk."

I just can't support a bill that gives employees fewer protections than investors. I can't support a bill that encourages employees to possibly forego cash in their paychecks in exchange for some unverified investment option. We should not make it easier for employers to pressure workers to choose options over salary without adequate disclosures.

I ask this Congress to stop doing the bidding of corporate America until we address the priorities of American families and workers. We should increase wages and access to affordable housing, provide clean air and clean water, and protect our privacy

Vote no on H.R. 1343.

I would like to include in the RECORD an article from BuzzFeed News regarding ex-Palantir employees struggling to sell their shares:

[From BuzzFeed News, Oct. 28, 2016]

EX-PALANTIR EMPLOYEES ARE STRUGGLING TO SELL THEIR SHARES

"Demand has evaporated" for the shares that make up the bulk of Palantir's pay packages, and the company's CEO seems aware of financial angst among his staff.

Former employees of one of Silicon Valley's most valuable startups are struggling to cash out of the stock options that formed a major part of their pay packages.

As it grew into a \$20 billion company, Palantir Technologies convinced top-tier engineers to accept salaries considered meager by Silicon Valley standards, pairing the relatively low wages with generous stock option grants. But some former employees who accepted this bargain, banking on a future windfall, are now complaining that the market for their stock has gone "completely dead."

The complaints add to pressure on Palantir CEO Alex Karp, who has long contended that the company would avoid the public markets. This week, Karp acknowledged publicly that he was "positioning" Palantir for an initial public offering, as part of efforts to reward cash-starved employees.

This reversal didn't come out of the blue. A chorus of complaints has arisen in a private Facebook group for Palantir alumni, with many former employees expressing concern and regret over their inability to sell their shares. In September and October, two former employees promoted possible opportunities to join together to sell a block of shares, including an unsuccessful attempt to organize a sale in China.

Numerous other former employees shared personal stories: Some said they needed the cash to buy a house or pay down debt, while another said they took out a loan to fund the process of turning the options into shares. One said it was "infuriating" trying to sell their shares in a "crap" market.

Compared with last year, when the stock was highly sought after, demand among big investors for Palantir shares has recently gone cold, two brokers who specialize in startup shares told BuzzFeed News.

This chill reveals more about the fickle and sometimes inscrutable nature of markets for startup stock than it does about the business health of Palantir," which makes money by analyzing data for government and corporate clients. But it has stirred frustration among current and former employees.

A complaint about Palantir's below-market compensation was the most upvoted question in an internal question-and-answer session in the first part of this year, with 259 votes from employees, an internal document reviewed by BuzzFeed News shows. "Our cash compensation + bonuses are below the market for tech and our equity growth has slowed significantly," the question, posed anonymously by an employee, said. "The total comp is not competitive; even more so due to the illiquidity." The questioner continued, "Are we planning to change our compensation model?"

Palantir did move to address such concerns in April, announcing it would raise salaries for many employees by 20% and offer to buy back a portion of employee shares.

But on Wednesday, Oct. 26, in another move that seemed aimed at placating employees and investors, Karp gave the strongest indication yet that an IPO could be on the horizon—though it is hardly a certainty. “We’re now positioning the company so we could go public,” he said from the stage of a tech conference hosted by the Wall Street Journal in Laguna Beach, California. “I’m not saying we will go public, but it’s a possibility.”

An IPO would provide a payday to major investors, including Palantir co-founder and chairman Peter Thiel. “Of course I want my investors to be happy,” Karp said, “but the primary people I care about are the wide-eyed people at Palantir who are working day and night.”

A Palantir spokesperson declined to comment.

With a \$20 billion valuation, Palantir is the third biggest American tech startup, behind only Uber and Airbnb. It is also by far the oldest of that elite group, meaning its workers have waited a long time for their stock-option payday. Founded in 2004, Palantir is as old as Facebook—which went public in 2012. In tech years, it is a generation older than Airbnb, founded in 2008, and Uber, which was founded in 2009. The much younger Snapchat, which was founded in 2011, is reportedly laying plans for an IPO early next year that could cause its valuation to leapfrog Palantir’s.

Stock options have long been central to compensation at Palantir. A 2015 template for a Palantir offer letter gave new hires the ability to choose among three different pay packages, with lower cash salaries corresponding to higher amounts of stock options. “It is our hope and belief that these options will ultimately constitute the bulk of your overall compensation,” says this internal Palantir document, which was reviewed by BuzzFeed News.

To illustrate the potential value of the options, the offer letter template invites new hires to imagine a scenario in which Palantir’s valuation were to grow to \$50 billion, or \$100 billion—or even \$200 billion. “Although the values in the table below are hypothetical and inherently uncertain, we want to emphasize our belief in Palantir’s potential to become a \$100 billion company,” the letter says.

While it waits for this dream to materialize, the company has sought to ease financial angst among its employees. It held a “liquidity event” this year that gave current and former employees an opportunity to sell a fraction of their shares. But Palantir also indicated it wanted to curb share sales done outside of its official channels, warning that selling to outsiders could make staff ineligible for future liquidity events.

That outside market hasn’t exactly been humming with deal activity anyway. Trading in private company shares is opaque and fragmented, and data is hard to come by. But the two brokers who spoke with BuzzFeed News said Palantir’s prolific fundraising—the company has raised more than \$2.5 bil-

lion in capital, according to data provider PitchBook—may have dampened investor appetite. A number of big investors who would want a piece of Palantir already have one, they said.

In May, BuzzFeed News revealed some of the setbacks Palantir has experienced as it seeks to expand beyond its roots as a government contractor and woo major corporations. The article, based on internal documents and insider interviews, reported that Palantir had lost some blue-chip corporate clients, was struggling to stem staff departures, and had recorded revenue that was a fraction of its customer bookings.

At the conference Wednesday, Karp was asked about those customer losses, which included Coca-Cola, American Express, and Nasdaq. “We date heavily before we marry,” he answered.

Even before the article was published, members of the private Facebook group for Palantir alumni voiced concern about selling their shares in the so-called secondary market. BuzzFeed News is withholding the names of former employees to protect their privacy.

“Any 2nd market shares going on right now? My broker disappeared,” one former employee posted in April.

“There are still periodic deals happening,” another replied. “One that I know of right now, but it’s full already.”

“Yeah, the demand has evaporated,” another said.

More recently, however, some of the posts took on an urgent tone, as sales appeared to grow scarcer. Options are contracts to buy shares at a certain price; to use them, the owner must pay this price in addition to applicable taxes—which can amount to a large bill. What’s more, options expire at a certain point if they’re not used, adding time pressure to the equation.

In the public market, owners of options can easily sell a portion of their holdings to cover the tax bill and the exercise price. But this strategy is much trickier in the private market, and there was some debate in the Facebook group over whether Polar would even allow it.

In September, one former employee asked the group whether anyone was “coming up on their 3-year expiration,” soliciting advice on “approaches people are taking given the less-than-stellar private market.”

Among the replies, one former employee reported taking out “a personal loan to meet my exercise deadline.”

Another wrote: “I’m in the same boat: 3 years coming up in April, market is crap, and I probably don’t have the resources available for a loan. The fact that it’s so difficult to sell is infuriating and I’m wishing that I’d taken the ‘high’ salary option (which TBH wasn’t that high to begin with).”

“On the same boat,” wrote another. “Hoping to buy a house next year and really couldn’t wrap my head around throwing so much money in addition to the stress and work needed to process.”

The former employee who started that thread apparently didn’t receive much sol-

ace. In response to a later post, which asked whether there were “any secondary market sales brewing,” this former employee wrote, “Sorry to be the bearer of bad news, but the market is completely dead at the moment.”

This person then quoted an unidentified broker as saying, “There is absolutely nothing moving in Palantir. People who have bought through us are trying to sell now. I don’t see it changing without the company changing their tone on an IPO.”

Others in the thread shared snippets of information they said they had heard from brokers. According to one, a broker “told me that there are a few ‘price insensitive’ sellers satisfying what little demand exists.”

Another former employee wrote: “I’m interested in joining any sales going down too, I’ve got a year to pay off a hefty debt with the proceeds.” The person added a neutral face emoji.

With buyers scarce, one former employee tried looking across the Pacific.

“I spoke to someone that brokers sales in China, they said they might be willing to get something together if there’s enough of us,” they wrote above a link to a Google Doc that asked others to report information about their holdings.

One of the repliers questioned whether this process would actually turn into a sale—potential investors might just be “fishing for information on prices”—and another cautioned the original poster against “acting as an agent for a group of sellers.” (The poster said the query was “just intended as an interest check.”)

In the end, none of that mattered. “Not likely to go anywhere in the next couple of months,” the former employee who posted the opportunity wrote later. “Sorry if I got anyone’s hopes up.”

Early this month, another member of the group posted about an opportunity to sell options through EquityZen, a startup that arranges small transactions of private company shares. This former employee advised others to contact the EquityZen CEO, providing the CEO’s email address. But less than 12 hours later, another former employee replied to say that the deal “has been already submitted,” meaning the opportunity had passed.

“Dang,” another member wrote.

Discussions in the group about news related to Palantir often come back to a familiar theme. In September, for example, the Department of Labor accused Palantir of discriminating against Asian job applicants, a claim Palantir later rejected as “flawed and illogical.” In a thread discussing the allegations, one former employee found a financial angle.

“I sure hope this isn’t an expensive lawsuit for them to defend,” this person wrote. “I don’t claim to understand how the legal system works in cases like this, but geeeee this doesn’t bode well for any of us looking for liquidity at a fair price over anytime soon.”