

utmost respect for the families of the military's men and women; specifically, the children of our Nation's military, who are the bedrock of military families. These children make sacrifices—relocations, new schools, and the absence of a parent on deployment—and they deserve our gratitude.

Due to the unique circumstances the children are put under, I stand before you today to commend the children of those currently serving in my district at Fort Riley in Kansas, and the children of those serving around the Nation. I call on my colleagues to provide continued support of our military children and families whose sacrifice is not always recognized, but certainly is revered.

CONGRATULATIONS TO READING RED KNIGHTS' VICTORY

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

Mr. SMUCKER. Mr. Speaker, I rise today to congratulate the Reading High School men's basketball team on their first State championship in school history. The Red Knights finished their historic season with a 30-3 record, and beat Pine-Richland 64-60 in the Class 6A Boys Final to bring a championship to the city of Reading.

This is a group of outstanding young men led by senior guard and McDonald's All-American Lonnie Walker. This team is a staple in the Berks County community.

Lonnie may have said it best himself after the championship victory: "What we did wasn't even about Reading High basketball. It was about the city of Reading. It was about the community, all the schools, the young kids we inspired. This is for them."

I couldn't be more proud today to represent these young men. I look forward to the continued success of this team, and I look forward to watching Lonnie continue his basketball career at the University of Miami.

Congratulations to the Reading Red Knights team, the coaches, their families, the faculty, staff, and students that made this championship possible.

REMEMBERING MARTIN LUTHER KING, JR.

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

Mr. LAMALFA. Mr. Speaker, I rise today to recognize that on this day, April 4, 49 years ago, Martin Luther King, Jr., was assassinated on a hotel balcony in Memphis, Tennessee.

We all know the story: the most prominent civil rights activist in the sixties, if not of our entire Nation's history, was shot dead in cold blood at the still very young age of 39 years old. It is a tragic tale of a man who had accomplished much and still had more to

accomplish, but we should note this day as remembrance to honor the sacrifice he risked and he made during a very difficult time in our Nation's history.

He demonstrated to the world that it was not the color of a person's skin that we should be judged, but by the nature of their character. He led by example in an era of violence that violence was not the answer.

The peaceful protests he organized were an illustration of how to go about achieving social change in America, building bridges of understanding. The image of the Selma bridge comes to mind.

His strong Christian beliefs helped him to see what many others could not, and opened the doors for millions to follow in his path.

Mr. King's work is not done. It is very saddening to still see so many in racial strife in these days in our Nation, but he showed the right way to lead, the right way to peacefully protest, and the right way to inspire to fulfill his famous dream.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 4, 2017.

Hon. PAUL D. RYAN,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on April 4, 2017, at 9:28 a.m.:

That the Senate passed S. 89.

With best wishes, I am,

Sincerely,

KAREN L. HAAS.

PROVIDING FOR CONSIDERATION OF H.R. 1343, ENCOURAGING EM- PLOYEE OWNERSHIP ACT OF 2017

Mr. BUCK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 240 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 240

Resolved, That upon adoption of this resolution it shall be in order to consider in the House the bill (H.R. 1343) to direct the Securities and Exchange Commission to revise its rules so as to increase the threshold amount for requiring issuers to provide certain disclosures relating to compensatory benefit plans. All points of order against consideration of the bill are waived. An amendment in the nature of a substitute consisting of the text of Rules Committee Print 115-11 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 amend-

ment 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 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 Colorado is recognized for 1 hour.

Mr. BUCK. 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. BUCK. 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 Colorado?

There was no objection.

Mr. BUCK. Mr. Speaker, I rise today in support of the rule and the underlying legislation. Americans have always been a people known for taking ownership. We take ownership of our lives and livelihoods, working hard to provide for our families. We take ownership in our communities, setting standards of conduct. We take ownership in all our political process, voting for the right candidates. We have even taken ownership in our world, fighting evil actors and regimes to maintain peace.

□ 1230

H.R. 1343, the bill we are discussing today, allows employees to take ownership in their companies. This is the American way.

Under SEC rule 701, private companies can offer their own securities to employees, enabling those employees to take a stake in the company. This is a great deal for both businessowners and employees. I doubt either side of the aisle would disagree.

Rule 701 allows employers to better recruit talented employees and pay them without having to borrow money or sell securities. For some companies, especially younger ones, compensating employees through equity is vital for survival.

These younger companies need the top talent but often can't pay the top salaries. Rule 701 allows them to offer potential recruits a tradeoff: accept a lower salary now for more equity in the company later.

By giving the employees a stake in the company, businessowners reward the employees for their continued hard

work and innovation. Workers have an opportunity to buy into the mission and future of the company. They have the opportunity to reap what they sow, making their work more meaningful and fulfilling.

Mr. Speaker, H.R. 1343 simply raises the reporting threshold for companies who issue securities to their employees as compensatory benefits. Right now, any company that issues more than \$5 million of securities in a yearlong period faces significant reporting requirements, including financial statements and disclosure of risk factors. These requirements cost small businesses time and money, making them less likely to issue stock as compensation for their employees. That is why this legislation moves the threshold up to \$10 million.

The original \$5 million threshold was added to rule 701 in 1999 and hasn't been updated since. By easing the threshold and indexing it to inflation every 5 years, we allow companies to increase the amount of stock they offer to employees. Additionally, raising the threshold will prevent private companies from having to disclose confidential financial information.

America is known for taking ownership, but we are also known for innovation. Our technology industry, especially, has propelled our economy and quality of life forward. But so many great tech companies started as small startups, struggling along from month to month before the financial rewards of their hard work could be achieved.

Thinking about the young companies right now that have grand innovative visions for improving our quality of life, this legislation will help them thrive. The employees already pour so much of their livelihoods into the venture. This bill will reward those workers with equity so that their perseverance and investment will pay off.

Mr. Speaker, before I close, I would like to discuss the broad support for this bill. I indicated earlier that both sides of the aisle can support this legislation, and I want to highlight that bipartisan support for the bill.

H.R. 1343 has equal numbers of Republican and Democratic sponsors. Further, the bill passed out of the Financial Services Committee 48-11. A majority of the Democrats on the committee supported the bill. A similar bill passed with a bipartisan vote last Congress, with more than two dozen Democrats joining Republicans to pass the bill. And in the Senate, this same basic proposal passed the Senate Banking Committee by a voice vote just a few weeks ago.

Mr. Speaker, it is clear to see why this proposal is generating so much bipartisan support. With a higher threshold, companies can focus their time on innovating and creating jobs instead of filling out paperwork. Employees, meanwhile, can take a stake in their company and their own future. I urge my colleagues to vote for this important rule and the underlying legislation.

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

Mr. POLIS. Mr. Speaker, I thank the gentleman for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the rule, one that provides for consideration of H.R. 1343, the Encouraging Employee Ownership Act.

I strongly support the underlying legislation. I wish it had been brought forward to the floor under an open rule that allowed Democrats and Republicans to freely offer amendments that could be adopted by a simple majority vote.

Before we get to the specifics of the bill, I want to talk about the importance of employee ownership. I join my friend and colleague from my neighboring district in Colorado in extolling the virtues of employee stock ownership, of ensuring that employees in the company are stakeholders and able to benefit from the value that is being created.

You know, we have different stakeholders in our economy, and when you look at a company, you have different stakeholders that that company is responsible to and caters to: You have the shareholders, you have the employees, and you have the customers. In running a company, as I have done, it is always a constant balancing act to make sure that you are able to satisfy the legitimate demands of all those various stakeholders.

Now, one of the things that has been out of whack in our economy the last few decades is that a disproportionate share of the value creation has gone to the shareholders and the customers, often to the detriment of the employees.

Now, everybody has benefited as consumers and as customers with revolutions in prices and consumer technology. It is so exciting to see people, you know, where a flat screen television used to be out of reach, you now see them in nearly every home; and, in many cases, they cost less than a television would have cost that was significantly smaller 10 years ago—not to mention the remarkable mobile computing devices that middle class families and working families carry in their pockets with them that contains more processing power than a \$3,000 computer did just a decade ago.

Consumers have benefited and shareholders have benefited. There has been an unprecedented increase in private equity markets, in stocks, a huge amount of value creation in the American economy, both on the balance sheet as well as in the market valuation of companies.

Now, the issue is that, while all of this has happened, wages have largely stagnated. A lot of the increases in efficiency and economic growth have gone to benefit consumers and shareholders. Employees and workers have felt, legitimately so, that they haven't seen their share of value creation.

Now, there are a number of reasons for that. One of those has been the weakening of the union movement that gave workers a collective voice. But if you look at what some of the remedies are, really none can make a bigger impact than employee stock ownership. This bill doesn't change the ball on that. It is a positive step.

There are a lot of other ideas that I hope we can talk about in a bipartisan way. Fundamentally, we need to create an economy that works for everyone, one in which employees and workers can directly benefit from the increase in value of the firm that they helped create. And what better way to do that than employee stock ownership in a variety of models and options for that. This bill deals with one; but we have ESOPs, we have co-ops, we have employee stock option plans, to name a few.

Companies find that it is in their interest to help improve morale and maintain a stable employee base to align the incentives of employees with shareholders and, of course, to help align the success of our economy with the success of all the stakeholders in our economy.

H.R. 1343 is a bipartisan bill. It was passed last year; it will pass again overwhelmingly this year. It sends a strong statement that Democrats and Republicans in the House of Representatives want to make employee stock ownership easier. Hopefully, this is a starting point rather than an ending point.

The two other bills the Chamber is considering are also bipartisan, and I am hopeful that they can move forward expeditiously.

Now, that stands in stark contrast to some of the other actions of this Chamber, for instance, the 15 Congressional Review Act resolutions which simply sought to undo some of the positive steps that President Obama took rather than put forward a proactive agenda of where Republicans actually want to lead the Nation.

We also spent countless hours debating healthcare legislation that, thankfully, didn't go anywhere because it would have left 24 million Americans without health insurance and increased premiums by 15 to 20 percent for those who were lucky enough not to lose their insurance altogether.

I am glad that we have been able to move past that towards a more bipartisan discussion here that will fundamentally help American innovators and entrepreneurs and help lead to a fair economy that works better for everybody, that shows that Democrats and Republicans can work together to create a real solution that addresses a real problem and takes a first step towards creating an economy that works for workers, consumers, and shareholders.

I am hopeful that we can continue this trend after the district work period and move forward on bipartisan legislation that will simplify our complex Tax Code and realign incentives in

a positive way, fix our broken immigration system, and make sure that we have the infrastructure we need for our country to succeed in the 21st century. I hope that my colleagues are encouraged by the strong bipartisan show of support for H.R. 1343 and we can work together to bring more bipartisan legislation to the floor instead of divisive bills that make problems even larger.

This bill, very simply, updates an SEC rule from 1999 that will allow private companies to offer employees a greater stake in the place they work without requiring additional paperwork or regulation—a simple and good idea.

Currently, a private company that offers over \$5 million in securities through compensation for employees is required to provide additional disclosures which can, A, often serve as a detriment to going over the \$5 million in compensatory stock for their employees, and, B, take up costs, administrative overhead, should they choose to proceed. H.R. 1343 simply raises that threshold from \$5 million to \$10 million, and this legislation gives a private company more flexibility to reward and retain employees of all levels.

Employee ownership of various structures has benefits to both the company, the employees, and the overall economy. It helps align the interests. It results in more productivity, higher employee retention. It can help make a business more profitable and more sustainable. It helps make the American economy and the amazing value that is created work for everybody rather than just one of the stakeholder groups.

For many startups and small businesses, giving employees a stake in the business is a great way to provide an additional benefit, an incentive. It gives companies flexibility to attract new employees when they are starting up, to retain talent as a company grows and matures.

Providing workers stakes in their company helps strengthen their retirement savings. Employee stock ownership plans, or ESOPs, are a type of retirement plan that offers employees an ownership stake without upfront costs. In Colorado, there are 118 businesses that use employee-owned ESOPs as a way to promote employee ownership.

A good example of an ESOP is Fire Safety Services. The owner, Jeff, wanted to offer his employees a stake in the business. He converted his business to an ESOP, an employee-owned company, that allowed him to create a succession plan so the business can stay locally owned by the people who worked to create the value. Jeff noted that, after the conversion, employee morale was up and sales were up.

One of our most famous examples of employee-owned companies is in my district in Fort Collins, Colorado: New Belgium Brewing. From the perspective of the employees, New Belgium has a very strong corporate culture of personal and collective growth. The employee owners are concerned about

their own professional development and that of their colleagues. They have a vested stake in the management, economic health, and stability of the company.

This bill is a commonsense approach and makes it easier for companies to give their employees ownership opportunities. It is a small first step towards encouraging an economy that works for everybody.

Now, I want to make sure that this legislation helps employees at all income levels have access to ownership opportunities and that workers' retirement savings are not put in jeopardy by an overconcentration in company stock. That is why I offered an amendment requiring GAO to do a study on the impact of this legislation on employee participation and ownership and the effect this legislation has on securities held by retirement plans that are governed by ERISA.

I very much look forward and am grateful that the rule has made in order my amendment. This study will give us important information on how these changes impacting employee ownership also affect retirement. It will give this body information that we need to move forward.

The example of my amendment is an example of the many great ideas that Democrats and Republicans could have brought forward had this been brought forward under an open rule. What better bill to bring forward under an open rule than this kind of bipartisan bill where there is nobody in this body who is trying to undermine or sabotage this bill?

There may be some Members who vote against it on both sides, I don't know, but the overwhelming majority are for it. I think there are Democrats and Republicans with great ideas who would love the opportunity to take 10 or 15 minutes—10 minutes as I am afforded under this rule. How many other Republicans and Democrats would love that same opportunity to offer amendments to improve this bill to make it even better?

The good news is employee ownership is not a partisan issue. Employee ownership strengthens our economy, helps small and medium-sized and large businesses across our entire economic spectrum create and retain jobs, and promotes an increased retirement savings for the middle class. These companies are often anchor businesses in our communities that go beyond offering jobs but are involved with sponsoring Little League or being involved with community nonprofits by giving back, by helping local charities and helping support an ecosystem of entrepreneurship by helping other entrepreneurs get off the ground through mentorship networks and angel funding networks.

I am a strong supporter of this bill and, of course, want to point out that it is simply a starting place. We have a long way to go with encouraging employee ownership in all of its forms—ESOPs, co-ops, stock options, outright

stock grants—and any other ways that we can come up with or that the private sector can come up with that allow a stake in the company and in the value being created to reside with the employees, aligning their incentive, making our economy work for everybody, and ensuring that stakeholders have balanced benefits from our overall growth.

I support this bill. I wish it had been brought to the floor under an open rule. I oppose the rule.

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

□ 1245

Mr. BUCK. Mr. Speaker, I just want to respond briefly to my friend from Colorado's comments about the nature of the rule. The Rules Committee did make in order every single germane rule that was offered to this bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. HULTGREN).

Mr. HULTGREN. Mr. Speaker, I want to thank my friends, colleagues from Colorado for their work on this, for their support of this important legislation.

I rise today to speak in support of the rule providing for consideration of H.R. 1343, the Encouraging Employee Ownership Act of 2017. I am proud to be a sponsor of this legislation, and I am grateful for the consideration it has been given by the House, and I am encouraged by its strong record of bipartisan support. The bill has passed the House in prior Congresses as part of larger capital markets packages, but this is the first time the legislation will be considered on its own.

We have had very constructive debate on the bill in the Financial Services Committee over the last few years. This debate has allowed us to build a strong consensus around this uniting principle: What is good for the company should also be good for the employee, and vice versa.

We want it to be easy for companies to offer stock compensation to their employees. This is a company issue, and this is a jobs issue, but this is also a workforce issue. The title of this legislation does not betray its intent. We believe encouraging employee ownership is important.

Agreement on the benefits of employee ownership has contributed to the strong bipartisan support enjoyed by this legislation. It has three Republican and three Democratic original cosponsors. Furthermore, the majority of Republicans and Democrats voted in favor of the Encouraging Employee Ownership Act when it was considered in the House Financial Services Committee just last month. We are simply expanding on something that is working.

The Securities and Exchange Commission, the investor protection regulator, has never raised issue with reduced disclosures available under rule 701, so we are simply saying this tool

should be made available to more companies and to their employees. We do this by adjusting for inflation the threshold for the amount of securities that can be issued each year under rule 701.

Again, I want to thank my colleagues from Colorado. I want to thank all for the work in the Financial Services Committee, and I look forward to the House's consideration and, hopefully, passage of this important legislation.

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

You know, the beauty of an open rule, which we did see when the Democrats had the majority and we have not seen since the Republicans took the majority, is it allows the floor debate to inspire good ideas. It allows Democrats and Republicans to bring forward amendments, subject to germaneness, that can be considered and voted upon.

Frankly, it seems like the Republicans didn't have much for us to do this week. This would have been a perfect week to try an open rule; and I know that Democrats and Republicans would have, consistent with the spirit of an open rule, brought forth good ideas and offered them. Good ideas would have been included in the bill.

But most importantly, we could have set a precedent that open rules work and an open process that values our contributions as legislators and as representatives of 750,000 Americans who would be able to work to improve legislation. So I think that we need to move in that direction. Let the debate on the floor and the back-and-forth inspire new collaboration between Democrats and Republicans, new ideas, new ways of working together.

Here you have a concept that Democrats and Republicans join together in support of. How can we reduce the costs or the red tape around administering employee ownership? We would love to remove barriers to employee ownership that exist across all forms of employee ownership.

We would love to see an economy that works for everybody, one that values employees and workers as stakeholders that share in the economic growth that they helped create. That is a big part of the answer to the discrepancies in our economy and the simple fact—yes, fact—that the majority of the benefit of our economic growth has resided with a few and, generally, with shareholders and executives rather than workers.

So at the same time we can continue to move forward with conveying value to consumers, I think we can also find a way to make sure that workers are able to participate in the value that is created in our economy. But to be able to do so, we should have an open process that allows Democrats and Republicans to bring forward germane amendments that improve the bill, to create an even better and more comprehensive effort to encourage employee ownership.

Employee ownership ultimately touches a number of different commit-

tees. There are issues around employee ownership that affect government procurement. There are issues that would reside in the Ways and Means Committee under taxes. There are issues that reside in the Judiciary Committee, and, yes, Financial Services and regulator issues as well.

I am hopeful that Democrats and Republicans can work together to create a comprehensive omnibus approach to improving access to employee ownership for firms across our country.

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

Mr. BUCK. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. HUIZENGA).

Mr. HUIZENGA. Mr. Speaker, small businesses and entrepreneurs are what drive the American economy. I meet with these folks all the time when I am back home in the Second District, as I know my colleagues do when they are back in their districts, and we see firsthand the benefits that these people's dreams, their innovations, their hard work, and as they provide to our communities that inspiration.

These innovators, entrepreneurs, and risk-takers are critical to our country's economic growth and prosperity. In fact, small businesses are responsible for more than 60 percent of all of the net new jobs. Let me repeat that. Small businesses are responsible for more than 60 percent of all the net new jobs over the past two decades. This isn't just a one-time blip. This is over the last two decades.

So if our Nation is going to have an economy that provides opportunities for every American, then we must promote and encourage success and growth for our small businesses, our startups, and our entrepreneurs. It is this notion that I think brings us to this legislation we are discussing here today.

H.R. 1343, the Encouraging Employee Ownership Act, would simply level the playing field for small companies by updating Federal rules that allow small businesses to better compensate their employees with ownership in those businesses.

Currently, the SEC rule 701 permits private companies to offer their own securities as part of written compensation agreements with employees, directors, general partners, trustees, officers, or other certain consultants without having to comply with rigid Federal securities registration requirements. The SEC rule 701, therefore, allows small companies to reward their employees.

Despite the SEC having the authority to increase the \$5 million threshold via a rulemaking, the SEC has once again chosen to prioritize what, I would argue, are highly politicized regulatory undertakings instead of focusing on its core mission, which includes the facilitation of capital formation. That is one of the key core jobs of the Securities and Exchange Commission. Well, if the SEC isn't going to focus its

priorities, then Congress will help them do that. So that is why we are here today on this bill.

I believe it is imperative that small businesses not only in West Michigan, but across America, have the ability to compete. A critical element of competition and success is, first, that small businesses be able to offer compensation packages that attract and retain top-tier talent in their fields. In today's world, that includes rewarding employees with stock options. To me, this is common sense. Small-business employees have a clear and vested interest in the success of their employers, and oftentimes they are attracted to it.

I know, having some younger children myself that are coming into adulthood, they are looking for that excitement. They are looking for that opportunity. They are looking to be builders themselves.

Well, by increasing the rule 701 threshold to \$10 million, it will give these private companies more flexibility to attract, reward, and retain those employees. This simple change would allow companies to offer twice as much stock to their employees annually without having to trigger additional disclosure information to investors about those compensation packages that include securities offerings.

By reforming this regulatory burden, Mr. Speaker, startups, small businesses, and emerging growth companies will be better equipped to attract highly talented individuals from companies that are better capitalized and able to provide cash compensation. By incentivizing employees with stock options, small businesses will now be able to compete on a more level playing field in order to retain those valuable employees rather than seeing them flee to cash, frankly.

This bill is an example, I believe, of positive, bipartisan results that can be achieved when Republicans and Democrats reach across the aisle. I commend our sponsors of the bills, Representative HULTGREN, who spoke a little earlier; Representatives DELANEY, HIGGINS, MACARTHUR, SINEMA, and STIVERS, for their leadership on this issue; and my friend from Colorado, as well, and what he is doing.

I encourage all my colleagues to support this rule and the underlying bill.

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

Mr. Speaker, I have had the opportunity to convene several roundtables in my district featuring employee-owned businesses, and it has been great to hear their stories, whether it is New Belgium Brewing, talking to employee owners who are excited to spend their time building value for themselves and creating stability in their own job and bringing a wonderful craft brew product to people in all the States in which they distribute, or medical care companies and so many others that have different variations of employee ownership.

As a private sector entrepreneur before I came to Congress, I founded several companies in the technology sector. My companies used stock options for every employee, ranging from entry-level front desk and telephone all the way to executive positions; and, frankly, Mr. Speaker, that has become the standard in the tech industry.

So many venture-backed companies and technology companies provide stock options across the board such that people who participate in building that value are able to also participate in sharing the value that is created. That is one of the great aspects of the technology sector, in particular, and the startup sector that I hope can export to other sectors.

On the margins, this bill will make it a little bit easier for small and mid-sized companies to provide equity compensation to employees. But again, we need to do a lot more. We need to do a lot more culturally to make this the norm. We need to do a lot more from a tax perspective and from a regulatory perspective to make it easier for companies to share ownership with employees so that employees can benefit from the value that is being created.

It is considered the cultural norm and the best practice within the technology entrepreneurship sector, and I hope that that can carry across to other sectors as well. It is very important to have an economy that works for everybody, and employee ownership is a critical linchpin of that effort.

Mr. Speaker, we are debating on a rule and a bill that makes it easier for companies to offer employee stock as part of their compensation; but, unfortunately, the backdrop to this discussion is that there continues to be an enduring wage gap in which women are simply not paid the same as men for doing the same job. Any efforts by us to strengthen compensation packages continue to remain hollow for 51 percent of the country—women.

Today is Equal Pay Day. I wish you, Mr. Speaker, a happy Equal Pay Day, and it is time that we do something to address pay and equity in our country.

If we defeat the previous question, I will offer an amendment to the rule to bring up Representative DELAURO's Paycheck Fairness Act in addition to the legislation we have been debating, H.R. 1343. So what that means is I will still bring forward this legislation. I will just also bring forward the Paycheck Fairness Act, which I am a proud cosponsor of.

Sometimes when we move the previous question, we bring forward a piece of legislation in lieu of the legislation that we bring to the floor under the rule. In this case, once we defeat the previous question, I will offer both of those bills: this employee stock ownership bill and the bill to address paycheck inequity, the Paycheck Fairness Act.

Mr. Speaker, I ask unanimous consent to insert the text of my amendment in the RECORD, along with extra-

neous material, immediately prior to the vote on the previous question.

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

There was no objection.

Mr. POLIS. Mr. Speaker, the gentlewoman from Connecticut (Ms. DELAURO) may be joining us on the floor in a few minutes to talk about her proposal.

I have an article written by Ms. DELAURO that I include in the RECORD.

[From *Cosmopolitan*, Apr. 4, 2017]

WE WILL WIN THE FIGHT FOR EQUAL PAY

(By Rosa DeLauro)

Think about 20 cents. It doesn't feel very significant—there isn't much you could buy with it. But over a lifetime, those 20 cents add up in a major way.

Today, we have reached yet another Equal Pay Day—the day on which the average woman's earnings finally catch up to what the average man made last year. This year's Equal Pay Day falls 94 days into 2017—94 days too late.

Women are nearly half the workforce—yet they still only earn about 80 cents on average, to a man's dollar. The gap widens even further when you consider women of color—African-American women make 63 cents on the dollar, while Latinas make only 54 cents on average, compared with what white men earn. This is unacceptable.

The National Women's Law Center found that based on today's wage gap, a woman starting her career now will lose \$418,800 over a 40-year career. For African-Americans, the losses are \$840,040. And for Latinas, the lifetime gap is over \$1 million.

These disparities exist at all levels of education and occupation—even at the very top. The world champion U.S. women's soccer team is fighting for pay equality, as are Academy-Award winning actresses from Emma Stone to Viola Davis and Patricia Arquette, who have used their platforms to call for equal pay in Hollywood.

Men and women in the same job should have the same pay. Period. Wage discrimination takes place not just on the soccer field or the silver screen, but in the board room, on the factory floor, and in countless other workplaces across the country. That is why I am fighting for equal pay—for all women.

I am fighting for AnnMarie in Massachusetts, who found out, years into her job, that the university she worked for was paying men more for the same work. I am fighting for Terri in Tennessee, who only discovered she was making less than she deserved because her husband held the exact same job and was paid more! And I am fighting for ReShonda in Iowa, who discovered that her own father was paying women less when she went to work in the family business. Pay discrimination in the workplace is real—and it is happening everywhere.

Pay inequity does not just affect women—it affects children, families, and our economy as a whole. That is because women in this country are the sole or co-breadwinner in half of families with children. The biggest problem facing our country today is that families are not making enough to live on—and closing the wage gap would help address that problem.

Over 50 years ago, Congress came together—in a bipartisan fashion—to pass the Equal Pay Act and end what President John F. Kennedy called “the serious and endemic problem” of unequal wages. The Equal Pay Act made it illegal for employers to pay men and women differently for substantially equal work. Yet we still have so far to go to close the wage gap.

In 2009, we took a critical step forward with the passage of the Lilly Ledbetter Fair Pay Act, which kept the courthouse door open to sue for pay discrimination. But we must continue the fight and finish the job by passing into law the Paycheck Fairness Act.

I first introduced the Paycheck Fairness Act on June 24, 1997—almost 20 years ago. The Paycheck Fairness Act will mean real progress in the fight to eliminate the gender wage gap and help families. The act ensures that employers who try to justify paying a man more than a woman for the same job must show the disparity is not sex-based, but job-related and necessary. It prohibits employers from retaliating against employees who discuss or disclose salary information with their coworkers. The bill would also allow women to join together in class-action lawsuits where there are allegations of sex-based pay discrimination.

The bill actually passed the House twice, with bipartisan support. Yet it has never made it to the president's desk—despite the fact that this is an issue that affects every single state in this country. In the last session of Congress, I was proud to have every single Democratic member of Congress signed onto the Paycheck Fairness Act—and even one Republican!

But we need to keep fighting. When women raise their voices, we get results. Take the recent victory for the U.S. women's national hockey team who were able to negotiate a historic new contract to address pay inequality. They spoke up—even threatening to boycott the International Ice Hockey Federation World Championship games—and their voices were heard.

In January, I attended the Women's March in Washington. The organic energy—the real, tangible power of the people—was unlike anything I have ever seen. It was a stark reminder of what we can achieve together, when we speak with one voice and demand what we deserve.

When I looked out at the sea of pink hats and powerful, handmade signs, I thought of my mother. When she was born, women could not even vote. Yet today, her daughter is a congresswoman. When we fight for equal pay for equal work, we carry on the legacy of all the women who have fought before us. And when we finally succeed, we will create a better future for all the women who will follow us.

Equal pay is an idea whose time has come—in fact, it is long overdue. But we have the power. We have the momentum. And I believe that we will win.

Mr. POLIS. Mr. Speaker, Congresswoman DELAURO's article from *Cosmopolitan* magazine, dated April 4, 2017, today, talks about how, over a lifetime, the 20 cents that women are missing every paycheck on a dollar earned by men adds up. In fact, the National Women's Law Center found that a woman starting her career now will lose over \$400,000 over a 40-year career. That could be a house. That could be college for two kids or three kids. That could be a family vacation every year. That means a lot, which is why we need to defeat the previous question and move forward on both of these worthy bills.

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

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Mr. BUCK. Mr. Speaker, I have no other speakers, and I reserve the balance of my time.

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

say to the gentleman that I do have one other speaker on the way.

Mr. Speaker, this bill under consideration is a small but significant step to help companies increase worker ownership to help improve the overall equity of our economy. I hope that this bill, along with the other two coming to the floor later this week, are the start of something. I hope they are a sign that this body will actually consider meaningful, bipartisan, practical, and commonsense legislation to address the issues the American people sent us to Washington to fix: creating jobs, growing our economy, reforming our Tax Code, and fixing our broken immigration system.

I hope my colleagues support the underlying legislation, H.R. 1343, oppose the rule, and defeat the previous question so I can bring forward not only the employee stock ownership rule, but also the Paycheck Fairness Act here on Equal Pay Day across America so that we can make sure as we are talking about making sure that women receive the same cash and ownership in recognition of their efforts as employees across the country.

This bill will hopefully pass overwhelmingly. I just wish it could be an example of how we could work under an open rule and give Democrats and Republicans a chance to build upon and improve legislation. There have been zero open rules under Speaker RYAN since he has taken over the Speaker's gavel promising, ironically, a more open process. It is about time.

If not this bill, what bill, Mr. Speaker? If not a bill with strong bipartisan support that Democratic and Republican leaders are committed to bringing across the finish line, when can we have an open process that allows us as legislators to bring forward our amendments in response to debate on the floor in realtime?

I wish that this would have been that bill. And I hope that by defeating this rule, we can send a message back to the Rules Committee that we should consider open rules for these kinds of bipartisan legislation.

Promoting employee stock ownership is incredibly important. To have a multistakeholder economy that works for everybody will help address a lot of the legitimate concerns that Americans have, that workers and employees have not shared, and the great amount of value that has been created.

Mr. Speaker, I yield 4 minutes to the distinguished gentlewoman from Connecticut (Ms. DELAURO) to further discuss our proposal on the previous question on Equal Pay Day and the Paycheck Fairness Act.

Ms. DELAURO. Mr. Speaker, I rise in strong opposition to the previous question and to the rule. If we defeat this rule, we can enable the House of Representatives to vote on the Paycheck Fairness Act.

Today is Equal Pay Day. This is the day that the average woman's earnings finally catch up to what the average

man made last year—and we are 94 days into 2017.

Women are nearly half the workforce, yet they still only earn about 80 cents, on average, to a man's dollar. The gap widens even further when you consider women of color. African-American women make 63 cents on the dollar, while Latinas make only 54 cents, on average, compared with White men.

This is unacceptable. The National Women's Law Center found that, based on today's wage gap, a woman starting her career will lose \$418,800 over a 40-year career. For African-American women, the losses are \$840,000. For Latinas, the lifetime gap is over \$1 million.

This disparity, by the way, exists at all levels of education and occupation—even at the very top. The world champion U.S. women's soccer team is fighting for pay equity, as are Academy Award-winning actresses like Emma Stone and Viola Davis, who have used their platforms to call for equal pay in Hollywood. The fact that women at the top of their field feel the repercussions of this issue speaks to its pervasiveness. Women from the boardroom to the factory floor and in every industry in every State are hurt by the wage gap.

The biggest issue of our time is that people are not making enough to live on, and their jobs just don't pay them enough money. Pay inequity does not just affect women; it affects children, families, and our economy as a whole, and that is because women in this country are the sole or co-breadwinner in half of families with children today.

I first introduced the Paycheck Fairness Act on June 24, 1997, almost 20 years ago. The Paycheck Fairness Act will mean real progress in the fight to eliminate the gender wage gap and help families. The act ensures that employers who try to justify paying a man more than a woman for the same job must show the disparity is not sex-based but job-related and necessary. It prohibits employers from retaliating against employees who discuss or disclose salary information with their coworkers. The bill would allow women to join together in class action lawsuits where there are allegations of sex-based pay discrimination.

This bill, by the way, has passed the House of Representatives twice in a bipartisan way. Today we have 198 cosponsors of that bill, and, yes, it is bipartisan. We can pass this piece of legislation in this body. We have not been able to get it to the President's desk despite the fact that this is an issue that affects every single State in this country.

Every year I hope we never have to recognize this day again because equal pay will be the law of the land. Men and women in the same job deserve the same pay. It is true in the House of Representatives; it should be true all over this country. We are men and women in this body who come from dif-

ferent parts of the country with different skill sets, different educational backgrounds, and different philosophies, and, yes, we get paid the same amount of money. Let's make sure that the Paycheck Fairness Act is the law of the land. The time has come for equal pay.

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

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

I want to thank Ms. DELAURO for her tireless advocacy on behalf of equal pay. I would also encourage my colleagues to join me in cosponsoring the Equal Rights Amendment to the U.S. Constitution. It is about time. Today, on Equal Pay Day, let's enshrine equality between men and women into the U.S. Constitution.

If we can defeat the previous question, we will bring forward H.R. 1343, the employee stock ownership bill, but we will also bring forward the Paycheck Fairness Act so that we can do a little more work of the people's work here in the House of Representatives and help make sure that we can look ourselves in the mirror knowing that men and women will both benefit equally from a hard day's work.

Mr. Speaker, I encourage my colleagues to vote "no" on the rule to defeat the previous question and to vote "yes" on H.R. 1343 as a first step to encouraging an economy that works for everybody and employee stock ownership.

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

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

Mr. Speaker, we often talk about coming together in support of good policy. We all have friends on both sides of the aisle, and we routinely promise to work together on issues upon which we agree. Most of us speak in front of our constituents about our desire to work with the other party. However, we all know that Americans perceive us to be constantly engaged in partisan conflict.

It is unfortunate that we are not able to work together on good legislation more often. It is understandable that Americans feel disappointed by Washington's partisan sniping. But here before us today is a bill with wide bipartisan support. Not only has it already received numerous bipartisan votes, there were only two amendments offered to the bill. One amendment was withdrawn because it was not germane. The other amendment from my good friend from Colorado and the Rules Committee, Mr. POLIS, is simply requiring a report.

Why is this bill so noncontroversial?

I believe it has to do with the process by which we received this legislation. The Committee on Financial Services held hearings as far back as 2015 in which problems with the SEC rule were raised by small-business owners.

The sponsor of this bill, Mr. HULTGREN, worked with his Democratic

colleagues on the committee and introduced a proposal to reform the SEC rule. Chairman HENSARLING held a full committee markup last month which allowed for full debate and amendment, and now we have the bill on the floor this week. Good process produces good policy. But perhaps equally as important, good process helps instill faith in this institution. When Americans see us take up an issue, hear their concerns, and work together to find a commonsense solution, they will trust us to tackle even bigger problems.

This may not be the largest legislative product that Chairman HENSARLING and the Financial Services Committee produce in this Congress, but, nevertheless, it is an important work that is helping us solve problems faced by American small businesses. This legislation ensures that the employees of America's small businesses can take ownership in their companies and their jobs. It reduces regulatory encroachment on America's job creators and helps our small businesses expand and grow.

I thank Representative HULTGREN for bringing this bill before us. I commend Chairman HENSARLING for working with both sides of the aisle and for following a good process on this legislation.

Mr. Speaker, I urge my colleagues to vote "yes" on the rule and vote "yes" on the bill.

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

AN AMENDMENT TO H. RES. 240 OFFERED BY
MR. POLIS

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

SEC. 2. 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. 1869) to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes. 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 Education and the Workforce. 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 final 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. 3. Clause 1(c) of rule XIX shall not apply to the consideration of H.R. 1869.

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. BUCK. 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.

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

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

PROVIDING FOR CONSIDERATION OF H.R. 1304, SELF-INSURANCE PROTECTION ACT

Mr. BYRNE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 241 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 241

Resolved, That upon adoption of this resolution it shall be in order to consider in the House the bill (H.R. 1304) to amend the Employee Retirement Income Security Act of 1974, the Public Health Service Act, and the Internal Revenue Code of 1986 to exclude from the definition of health insurance coverage certain medical stop-loss insurance obtained by certain plan sponsors of group health plans. All points of order against consideration of the bill are waived. The amendment in the nature of a substitute recommended by the Committee on Education and the Workforce 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 Education and the Workforce; and (2) one motion to recommit with or without instructions.

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

Mr. BYRNE. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), 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. BYRNE. 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 Alabama?

There was no objection.

Mr. BYRNE. Mr. Speaker, in 2010, then-President Obama said: "If you like your health insurance plan, you can keep it."

Unfortunately, at least 4.7 million Americans now know that was simply not true. ObamaCare was a takeover of the American healthcare system. The law's mandates have been burdensome, destroying 300,000 small-business jobs and forcing an estimated 10,000 small businesses to close. Premiums are skyrocketing, and choices are dwindling.