working hard to improve the economy and to help to create an environment that allows for new jobs.

This morning we received some more good news that shows that the economy is improving and that the President's economic growth package is working. The Labor Department reported that initial claims for unemployment benefits fell by 6,000 last week. This is the lowest level in more than 3 years.

By cutting taxes for every American taxpayer and job provider, we are making it easier for employers to create new jobs and certainly to help our families meet their needs. We cannot turn back the momentum in the recovery as some on the other side have suggested.

No tax increase ever created a job. The only way to continue to grow our economy and to create new jobs is to hold the line on taxes.

Today's good news is welcome, and we will continue the fight for lower taxes and for more jobs.

## PENSION FUNDING EQUITY ACT

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

Mr. FLAKE. Mr. Speaker, when the savings and loan industry was in the depths of its problems in the 1980s, Congress created a statutory requirement for deficit reduction contributions to be made where these pensions were underfunded. This was renewed in 1987 and actually made more stringent.

Recently, the House has considered H.R. 3108. In fact, it is in conference with the Senate at this time; and there are rumors by the Senate to actually grant waivers for these employment contributions to a couple of airlines and a couple of steel companies. To me, the only thing worse than a bailout of an industry is a bailout of certain segments or certain companies within an industry, and that is exactly what the Senate version of the bill purports to do.

We should not be going this direction. The taxpayers will be put at risk here just like they were with the savings and loan industry, and we should have no part of it; nor should we have any part of actually having government pick winners and losers in the economy, saying that you are favored but you are not. That is far worse than actually bailing out an entire industry.

I urge the House conferees to reject the Senate version and for all conferees to accede to the House version of the bill.

## JOBS MOVING OVERSEAS

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

Mr. DUNCAN. Mr. Speaker, last month Siemans announced that it was moving most of its 15,000 software jobs to China, India, and Eastern Europe. We have now lost 229,000 computer jobs since 2001. Pfizer and Levis now produce none of their products in this country, even though this is where they make most of their money.

Yesterday, The Washington Post carried a story about a chemical plant in West Virginia closing this month, just after its 75th anniversary. The story said we have lost 100,000 chemical jobs in the last 5 years because of cheap foreign competition and soaring natural gas prices.

The Clinton administration locked up 213 trillion cubic feet of natural gas due to pressure from environmental extremists. Conservative columnist Paul Craig Roberts, a Reagan Treasury Department official, wrote recently, ''The combination of war, job and income loss, unprecedented trade deficits, and the creation of Social Security entitlements for foreign nationals will break the U.S. long before another generation passes.

''Before the U.S. can reconstruct the world,'' he wrote, ''it must cease deconstructing itself.''

## PROVIDING FOR CONSIDERATION OF H.R. 1375, FINANCIAL SERVICES REGULATORY RELIEF ACT OF 2003

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 566 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 566

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1375) to provide regulatory relief and improve productivity for insured depository institutions, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill (except those arising under provisions of the Congressional Budget Act of 1974 other than section 302(f)) are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on 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 the amendment in the nature of a substitute recommended by the Committee on Financial Services and the Committee on the Judiciary now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute (except those arising under provisions of the Congressional Budget Act of 1974 other than section 302(f)) are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each 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 the 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 committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Texas (Mr. SESSIONS) 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 Massachusetts (Mr. MCGOVERN), my friend, pending which I yield myself such time as I may consume. During consideration of this resolution, all time is yielded for the purposes of debate only.

The resolution before us is a structured rule providing 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. The rule waives all points of order against consideration of the bill. However, the only Budget Act waiver granted in this rule is for section 302(f).

It also provides that the substitute amendment provided by the Committee on Financial Services and the Committee on the Judiciary is considered as read as an original bill for the purpose of amendment.

□ 1030

This rule also waives all points of order against consideration of the substitute, however, the only Budget Act waiver granted in this rule is for section 302(f). It makes in order only those amendments printed in the Committee on Rules report accompanying the resolution. These amendments shall be considered as read, and may only be considered in the order printed in the report, may only be offered by the Member designated in the report, and shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent; not to be subject to amendment and not to be subject to a demand for a division of the question in the whole House or in the Committee of the Whole.

Finally, this rule waives all points of order against the amendments printed in the report and provides one motion to recommit with or without instructions.

Mr. Speaker, today, I rise to introduce the rule for H.R. 1375, the Financial Services Regulatory Relief Act. This bill is commonsense legislation

that will diminish or eliminate outdated statutory banking provisions to reduce the regulatory compliance burden faced by our Nation's financial institutions to improve their productivity, as well as to make necessary technical correction to current statutes.

America's banking laws are full of outdated and burdensome regulations, some dating back to the Great Depression, that have long outlived their usefulness. To address the problem of outdated rules and the rapidly advancing and highly competitive financial services industry, in 2001, Committee on Financial Services chairman, the gentleman from Ohio (Mr. OXLEY), asked the State and Federal regulators of our Nation's financial institutions to provide him with a list of regulations that they believed have outlived their usefulness.

The regulators answered the chairman's call, along with the rest of the financial services community, providing the chairman with a number of suggestions that, when enacted, will benefit consumers and regulators alike by lowering the cost of transacting financial services.

This wide-ranging list of proposals affecting banks, savings associations, and credit unions was first passed by the committee as H.R. 3951, but unfortunately the 107th Congress expired before it could be considered on the House floor. The bill that is being considered on the floor today is a new and updated version of that original legislation and remains true to the original vision of providing regulatory relief in financial services that the gentleman from Ohio (Mr. OXLEY) and the bill's chief sponsor, the gentlewoman from West Virginia (Mrs. CAPITO) had when they began this process more than 3 years ago.

This legislation accomplishes a number of important things, and in the interest of time I will only mention a few. For instance, for banks, H.R. 1375 removes the prohibition on national and State banks from expanding across State lines by opening branches. It eliminates unnecessary and costly reporting requirements on banks regarding lending to bank officials; and it streamlines bank merger application regulatory requirements.

For savings associations, the bill removes lending limits on small business and auto loans, and increases the limit on their business loans. It gives these institutions parity with banks with respect to broker-dealer and investment adviser SEC registration requirements; and it gives thrifts the same authority as national and State banks to make investments primarily designated to promote community development.

For credit unions, the bill expands the investment authority of Federal credit unions. It increases the general limit on the term of Federal credit union loans from 12 to 15 years, and it eases restrictions on voluntary mergers between healthy credit unions.

Finally, for the Federal financial regulatory agencies, the bill provides agencies with the discretion to adjust the examination cycle for insured depository institutions to use agency resources in the most efficient manner. It modernizes agency recordkeeping requirements to allow the use of optically-imaged or computer-scanned images. It clarifies that agencies may suspend or prohibit individuals charged with certain crimes from participation in the affairs of any depository institution and not only institutions for which that individual is associated.

By fixing these and many other technical and outdated problems, H.R. 1375 will allow financial institutions to devote more resources to the business of lending to consumers and less to the compliance with outdated and unneeded regulations. Reducing these regulatory burdens will lower the cost of credit for consumers and help our economy to grow and to provide more jobs even more quickly.

And while there are a number of things that Congress still needs to accomplish, like creating a uniform and cutting-edge national privacy standard for consumers, this legislation is a great step in the right direction. It will make all of our country's financial institutions more efficient, while balancing the additional regulatory burden they face each day as a result of the USA PATRIOT Act, and it will help our banks, savings associations, and credit unions to focus their compliance efforts on combating money laundering and terrorist financing, not on wasteful and duplicative regulations.

I strongly support this rule and the underlying legislation, and I urge my colleagues to do so. I would like to congratulate the members of the Committee on Financial Services who have made great contributions to this bill, including the chairman, the gentleman from Ohio (Mr. OXLEY), the gentlewoman from West Virginia (Mrs. CAPITO), the ranking member, the gentleman from Massachusetts (Mr. FRANK), the gentleman from Pennsylvania (Mr. TOOMEY), and the gentleman from Alabama (Mr. BACHUS). These are the people who have helped to bring this bill to the floor today. I am proud of what they have done.

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

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Mr. MCGOVERN asked and was given permission to revise and extend his remarks.)

Mr. MCGOVERN. Mr. Speaker, the Committee on Financial Services and the Committee on the Judiciary referred an imperfect bill to the full House. However, in a rare bipartisan move, the chairman, the gentleman from Ohio (Mr. OXLEY), the ranking member, the gentleman from Massachusetts (Mr. FRANK), and the gentleman from Ohio (Mr. GILLMOR) joined together to try to fix what is one of the more controversial elements of this bill. And they deserve credit for trying to work in a bipartisan way and to build consensus and to bring something to this floor that a majority of this House will be able to support.

Unfortunately, last night, the Committee on Rules failed to follow the lead set by our three distinguished colleagues. In what has become a very disturbing standard of operating procedure in the people's House, the Committee on Rules once again issued a restrictive rule. Now, this is the 12th rule considered by this body this year so far, and only one of them has been open. Mr. Speaker, a restrictive rule on a noncontroversial bill, and I think it is fair to say if the manager's amendment gets approved, this is a fairly uncontroversial bill, is simply undemocratic.

Every day, the people I talk to grow more and more outraged with the way this Republican leadership shuts down the democratic process in this House. This restrictive rule I think is also an insult to the former chairman of the Committee on Financial Services, the gentleman from Iowa (Mr. LEACH), who I have great admiration for. The major controversy with the underlying bill is the regulation of industrial loan companies, or ILCs. The manager's amendment includes the compromise that I mentioned, worked out among the chairman, the ranking member (Mr. FRANK), and the gentleman from Ohio (Mr. GILLMOR).

The gentleman from Iowa (Mr. LEACH), as he testified last night in the Committee on Rules, was not satisfied with the compromise language on ILCs. And as is his right, he came to the Committee on Rules last night to offer an amendment regulating these businesses. Now, during their testimony, I asked the chairman and I asked the ranking member if they supported the right of the gentleman from Iowa (Mr. LEACH) to offer his amendment on the floor today. And while they said that they had some issues with the substance of his amendment, and they would not be able to support it, they both agreed that the former chairman of the Committee on Financial Services deserves the right to offer his amendment before the full House, an amendment that deals with a very important aspect of this bill.

Now, if the chairman of the Committee on Financial Services and if the ranking Democrat on the Committee on Financial Services do not have a problem with the offering of the gentleman's amendment, why in the world does the Committee on Rules have a problem with the gentleman from Iowa being able to offer his amendment?

The amendment that was brought before the Committee on Rules was completely in accordance with the rules of this House. There were no waivers that were required in order for it to be considered on the floor today. In fact, if

this was an open rule, he would be able to offer the amendment. There would be no problem. The gentleman from Iowa (Mr. LEACH) is a distinguished Member of this House who drafted this amendment in a thoughtful way, and I believe that the former chairman of the Committee on Financial Services deserves more than he is getting here today.

There are other amendments that were brought before the Committee on Rules last night that were not made in order. In addition, the Committee on Rules set a deadline for submitting amendments to the committee of 10 a.m. yesterday morning. By the time the Committee on Rules convened to report the rule last night, the Republican leadership knew full well that only 10 amendments would be offered today. Instead of granting an open rule so that all 10 amendments could be considered under regular order, the Committee on Rules granted this rule which provides for 1 hour of general debate and 70 minutes for consideration of the amendments.

With this restrictive rule, the Republican leadership not only shuts out one of their more distinguished Members but other Members who would like to offer amendments to this bill. Again, during the hearing last night in the Committee on Rules, both the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Ohio (Mr. OXLEY) made mention of the fact that all these amendments could be dealt with in a relatively short period of time; that there was no reason why some of these amendments needed to be shut out of the process.

For the life of me, I cannot figure out why the Committee on Rules and the Republican leadership continues to insist on shutting down democracy in this House of Representatives. Sometimes, like today, it seems as though they stifle debate just because they can. It is like a bad habit they cannot break. Mr. Speaker, the Republican leadership is addicted to their own power, and I urge them to take the first step toward recovery by admitting that they have a problem, a big problem. And it is not too late. Democrats stand ready to help you, there are thoughtful Members on the Republican side who stand ready to help you.

There is no reason why this bill needs to come to the floor today under this restrictive process. This should be an open process. This should be a relatively noncontroversial process, but you have made it more controversial than it needs to be. So I hope the Republican leadership at some time comes to their senses and does the right thing, but I am not holding my breath. But we are going to continue to insist that this process be more open and be more democratic.

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

Mr. SESSIONS. Mr. Speaker, I yield myself such time as I may consume, and I would stand to be corrected, Mr. Speaker, but as I recall the testimony last night in the Committee on Rules, it was that the chairman of the Committee on Financial Services said that he had no problem making the amendment of the gentleman from Iowa in order, but would defer to the Committee on Rules to make that decision. And, in fact, we did.

Mr. MCGOVERN. Mr. Speaker, will the gentleman yield?

Mr. SESSIONS. I yield to the gentleman from Massachusetts.

Mr. MCGOVERN. Mr. Speaker, maybe we need to go get the text of the hearing last night. I asked specifically whether or not either the gentleman from Massachusetts (Mr. FRANK) or the gentleman from Ohio (Mr. OXLEY) had a problem with the gentleman from Iowa (Mr. LEACH) offering his amendment, and the answer was no. There was no qualification.

So that is why I asked the question. And I repeated it several times during the hearing to make the point that even though they had some problems with the substance of the gentleman's amendment, they had no problem with him offering his amendment.

Mr. SESSIONS. Reclaiming my time, Mr. Speaker, I thank the gentleman for his comments, and as part of that same openness to the gentleman from Davenport, Iowa, I yield 8 minutes to the gentleman from Iowa (Mr. LEACH), the former chairman of the Committee on Financial Services, or perhaps it was the Committee on Banking and Financial Services at that time.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding me this time, and let me just say that it is with the greatest sadness and discomfort that I rise in opposition to the rule, and because of the rule, I am also obligated to oppose, with every degree of intensity I can, the underlying bill.

□ 1045

Let me explain what is happening before this House. The underlying bill is a bill that is a deregulatory bill. It is good in many ways for virtually every sector of the financial community in parts. It is not necessarily good in all parts for the public interest. Some of this bill I very much support. Other parts of it I very much object to. But embedded in the bill is a new empowerment, an empowerment that goes to a charter that virtually nobody in the public has ever heard of called industrial loan companies. Industrial loan companies will now be able to offer virtually every feature and service of a commercial bank, but they will be able to offer it without the protections to the public comparable to that authorized for commercial banks.

What this implies is that we have a breach of what is called commerce and banking; that is, industrial loan companies can be owned by commercial entities. We also have a breach of standards of regulation that have come to be commonplace in the United States and now in Europe, what is called consolidated regulation. In America, we do this in the Federal banking statutes in which the Federal Reserve Board is the consolidated regulator of holding companies.

What we have here is an exception to that rule. What it means, and I think this Congress should understand this, is that there are a number of problems that occur in banking now and again, or financial services. One relates to incompetence, and so you have regulatory authority. In this case, the FDIC will be a partial regulator of these institutions. Then you have a problem that relates to very sophisticated new instruments of finance, particularly those described as derivatives kinds of products. Historically these are the province of larger institutions. Now they are increasingly used by smaller institutions. Industrial loan companies used to be very small, mom-and-pop in the financial services industry kinds of institutions. None up to 1987 was as large as $400 million in assets. Most were under $50 million. Now we have one that is $60 billion and we have eight that are over $1 billion in size. It is becoming the obvious charter of choice to a lot of companies.

But then let me also mention that you have a problem of criminality and criminalities of many kinds. It can be American-derived; it can be foreign-derived. One of the roles of the Federal Reserve of the United States is the gatekeeper to access to the American financial system, which is the Federal Reserve system, and what this statute will say is that the Federal Reserve system can be tapped by institutions, foreign or domestic, which the Federal Reserve will not have the power to regulate. And so if you take a Latin American bank, a Russian bank, if they get chartered by one of the five States allowed to authorize industrial loan companies, they will be able to tap into the payment system and to Federal deposit insurance and without Federal Reserve oversight.

I will tell you, this is a scandal. It is nothing less. It is an embarrassment to the committee of jurisdiction; it is an embarrassment to the Committee on Rules. Because all I asked the Committee on Rules to do was allow a single, short amendment that simply said if the new powers under this act come to be applied, an institution would have to come under the Federal banking statutes, meaning Federal Reserve oversight of the holding company. But the fix was in. The power groupings did not want this to happen. I will say to you in my time in the United States Congress, this is the greatest microcosm evidence of special interest reasoning that does not even allow debate on this subject in an amendment on the House floor.

I happen to be the senior member of the committee of jurisdiction, a former chairman. I consider it not particularly uncivil to me that I am not allowed to offer this amendment, but I consider it an embarrassment to the House that

this issue cannot be debated on the most important banking bill that is going to be before this Congress this year. Just so that no one is under any disillusionment, I am not on a hare. Chairman Greenspan and the Federal Reserve could not feel stronger about an amendment.

Mr. Speaker, we have seen in finance over the last decade some difficulties that have arisen. They have arisen because we have empowered the big without appropriate oversight. A legislative body really has a great deal of difficulty of understanding the subtleties of modern day finance. That is why we establish institutions in America that are designed to be the experts in this area. Most particularly we look in finance at very large levels, for example, in derivatives products, in money laundering, to holding company oversight to the Federal Reserve of the United States.

This Congress is saying that we do not want to see that oversight. This Congress is saying in this bill that we want to loosen things up. Here let me go to the structure of the bill because we have an interesting grandfather provision. We will say some will have these powers. Others after given dates of incorporation will not. Part of this is derived from a desire among some to stem a particular institution to get certain powers. I am not against any single institution. I am for everyone coming under the same law of the United States. This puts inequality under the law between financial institutions, ILC versus others, and then between types of ILCs. It is really preposterous.

All I am suggesting to this body is let us have evenness of law, let us have credible law to protect the public, and let us also recognize that when you make it easier for people to tie into the payment system that are foreign, you are inviting money laundering, among other things. You are inviting criminality. You are making it easier for the national security of the United States to be jeopardized. It is in that context that I would say to the committee of jurisdiction, I am deeply disappointed that this simple amendment could not be offered on this floor and, therefore, I must oppose this rule. I hesitate to oppose rules of my political party, but I have no option except to do so. I have to oppose the underlying bill even though there are a number of provisions in it that I strongly support. But this jeopardizes the United States public and the United States national security and I am deeply appalled.

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

I just want to commend the gentleman from Iowa for his comments. Again, I wish that he had the opportunity to offer his amendment because I think there were a lot of Members who share his concerns. Maybe before this debate is over with, we can get an explanation from someone on the Committee on Rules as to why his amendment which was perfectly in order, required no budgetary waivers, was not allowed here, which I think is really unfortunate. We certainly have the time to be able to debate it and every Member should have the right to vote up or down on it.

Mr. Speaker, I yield 8 minutes to the gentleman from Massachusetts (Mr. FRANK), the ranking Democrat on the Committee on Financial Services who most recently David Broder in a Washington Post article referred to as one bold thinker among Democrats, one of the most effective Members of this House.

Mr. FRANK of Massachusetts. Mr. Speaker, I deeply appreciate my colleague and neighbor's generous remarks and I am abashed that I bring nothing bold to this debate. I apologize, but sometimes boldness is not appropriate. I think this legislation is a very well balanced one and I will be, when we get into the substantive debate, arguing for it. There are a couple of amendments that will be offered. The gentlewoman from California has a good one that I believe will prove noncontroversial. The gentleman from New York has one that I think is a good consumer protection amendment that we will have some controversy about.

What this bill tries to do is to continue what I believe has been the pattern in the committee which we dealt with last year with regard to the extension of the rules governing credit. That is, recognize the importance of market forces while at the same time providing those consumer protections and those public interest protections that the market is not designed to do. That is, I think our posture ought to be that the market works, the market is a great mechanism for creating wealth and providing services and creating goods but that you cannot leave it entirely alone, and our job is to try and do such regulation as vindicates important public interests but not to the point where you might become a burden on the market. This is a bill that tries to fine-tune that sum, that cuts back in some areas in regulation in ways that I do not think cause trouble.

Let me just address the gentleman from Iowa for whom everyone in this House has a great deal of respect both for his own commitment to the legislative process as a very serious effort and from his own expertise on the committee. I differ with him substantively on this and we will get into it more when we get into the manager's amendment. I did, as my friend from Massachusetts said, agree that the amendment ought to be offered. I would have voted against it. We debated it fully in the committee.

I do want to just respond briefly. One of our differences, I think, between myself and the gentleman from Iowa is that I think he equates not regulation by the Federal Reserve to not regulation by anybody else. There is, after all, under the existing law regulation, for example, by the Federal Deposit Insurance Corporation. It is not simply in this area, but there have been other areas where I think the notion of the Federal Reserve being the only regulator is a problem.

Mr. LEACH. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Iowa.

Mr. LEACH. The gentleman is correct. The FDIC will regulate the depository institution but it cannot regulate the holding company. And what the Federal Reserve would do is regulate the holding company and would leave the FDIC as the primary regulator of the institution as it would be under the current law.

Mr. FRANK of Massachusetts. I understand that. But I believe that in this case, the entity that has a claim on the deposit insurance, that gets into the payment system, will be the entity that is regulated by the FDIC. Let us be clear in this bill, we are not creating ILCs. ILCs have been in existence for a considerable period of time. They are especially important in the States of California and Utah. I believe we will hear from some of our colleagues from California and Utah who think we are being unduly restrictive toward institutions which they say, experience has shown, play a useful role and do not interfere.

Mr. LEACH. If the gentleman will yield on that point, I think the Congress ought to be made aware that under law only five States can have ILCs. One is Utah, one is California, with Utah being the dominant one. But to vote for this approach means that people from 45 other States are going to see their institutions disadvantaged and devalued based upon our empowering institutions that can only operate in five States. It is really a quirk in the law that ought to be thought through.

Mr. FRANK of Massachusetts. Yes, I understand that. But I would differ that they were disempowered. I must tell the gentleman, here we may have some difference. I do not think our function here ought to be to worry about institutions. Our job is to worry about the economic function that institutions perform and what they offer consumers.

I understand that institutions will say this puts them at a disadvantage. I have been dealing with businesses in America for my 24 years here, in the Committee on the Judiciary with one set of businesses, in the Committee on Financial Services with another. Economists have downward sloping curves and upward sloping curves. We have a downward sloping metaphor. I am convinced from listening to testimony all this time that every single business in America is at a competitive disadvantage versus every other business. It is like in Lake Wobegon where everybody is above average. Here everybody is below in competitive advantage. Everyone argues that they have got a competitive disadvantage.

We are not here to protect institutions or to listen, I believe, to complaints that, gee, this one is a little unfair compared to the other in the way it ought to function. We also should note that in this bill which would allow them to extend to other States, there is a new restriction and that is the one that the gentleman referred to with the grandfathering, the institutions, any new ones would have to meet a certain test, others will have been in existence.

The other thing I would mention, though, is this. To the extent that we are talking about institutions that are not regulated by the Federal Reserve but have access to various advantages that we give banks, there is nothing unique about the ILCs in that regard. There are other banks in this country of various sorts that are regulated. As the gentleman knows, we have the Office of the Comptroller of the Currency, we have the FDIC, we have the Office of Thrift Supervision, we have State bankers. There are other banks that do not have Federal Reserve supervision. There is a difference between us. I understand there is a view, and the gentleman from his own long years of study and I differ, for example, with regard to the Basle Accords internationally. Many of us found an overreach by the Federal Reserve. There is a view that says the Federal Reserve is the kind of lead regulator and the others are relegated. I disagree with that.

Mr. LEACH. If the gentleman will yield further, what is being established by this law is the notion that comparable institutions in 45 States will come under Federal law and in five States will not in a very significant area of Federal law and, that is, holding company regulation.

□ 1100

That is really bizarre. We are saying five States will not operate under Federal law; 45 States will.

Mr. FRANK of Massachusetts. Mr. Speaker, reclaiming my time, I would differ with the gentleman. There is this problem we have here, which is, certainly, the notion of grandfathering is not unique. If one is doing something that might pollute the air in California, they are subject to different laws than if they are doing it in Iowa. We do not have this absolute uniformity. And part of the problem we have is this: when we decide to change laws in any area, banking, pollution, other cases, we sometimes find that there are existing patterns in particular States, and we have this dilemma. We do not want to necessarily nationalize them, but we do not want to disrupt existing arrangements. So the notion in this very diverse country that we will sometimes have a lack of uniformity is inevitable if we are going to be able to legislate sensibly; otherwise every time we try to do something new, we will be faced with the notion that we have to uproot what exists. I do not think that is a problem, but I do want to stress again the fact that there will be financial institutions that are not regulated by the Federal Reserve, which is nothing new; and leaving aside ILCs, there are other financial institutions not regulated by the Federal Reserve. I know we will debate this later because my understanding is when we get to the manager's amendment, which is to restrict ILCs to vis-a-vis the bill, we will have some opposition from people who think we are being too restrictive.

But I just wanted to get back to my central theme, and I just would add one other thing to my friend from Iowa. As my friend from Massachusetts said, when I was asked, I said I thought his amendment ought to be in order, and the gentleman from the Committee on Rules said that I defer to the Committee on Rules. That is the wrong verb. Being a man of some awareness of my surroundings, I often find that I submit to the Committee on Rules. There is not anything voluntary about it. That is a fact of life. But I would say to my friend from Iowa I appreciate the feeling he has now. I hope the next time a rule comes up in which significant Democratic amendments are restricted that his indignation might carry over a little bit and that he will not necessarily vote for such rules.

What this bill does in summary is to say that we understand the need both to have regulation and to keep it updated so that it meets its public interest requirements and does not become excessive.

Mr. SESSIONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Duluth, Georgia (Mr. LINDER), from the Committee on Rules.

Mr. LINDER. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS), my friend and colleague, for yielding me this time. I rise in support of the rule and urge my colleagues to join me in approving it.

H. Res. 566 is a structured rule that makes in order a total of six amendments. Of that total, three are sponsored by Democrats and three by Republicans. This is a fair and balanced rule that will allow the House to work its will on a number of different issues, and this rule should be overwhelmingly approved by the House.

With respect to the underlying legislation, H.R. 1375, it would streamline the regulatory compliance process for banks, thrifts, and credit unions and would eliminate or alter outdated, ineffective, and duplicative regulations. Removing existing burdens on depository institutions has become even more necessary since the enactment of the 2001 USA PATRIOT Act which mandates that depository institutions, in addition to other functions, focus compliance efforts on combating money-laundering and terrorist financing.

Some highlights of H.R. 1375's provisions relating to credit unions include streamlining procedural requirements and voluntary mergers between healthy credit unions, providing an exemption to existing law to allow private insured state-chartered credit unions to join a Federal Home Loan Bank, and increasing the general limit on the term of Federal credit union loans from 12 to 15 years.

H.R. 1375 would also remove ineffective regulations governing banks and thrifts. Under the legislation, the prohibition on national and State banks expanding across State lines to open branches would be eliminated, bank merger application requirements would be simplified, limits on thrifts for small business and auto loans would be removed, and thrifts would be given the same authority as national and State banks to make investments primarily designed to promote community development.

In conclusion, H.R. 1375, sponsored by the gentlewoman from West Virginia (Mrs. CAPITO), streamlines some of the outdated and ineffective regulations that have been hindering the financial and business activity of depository institutions. Removing these burdensome regulations will not only encourage productivity but will also save depository institutions valuable time and money.

Mr. Speaker, I urge my colleagues to support the rule so that we may proceed to debate the underlying legislation.

Mr. MCGOVERN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York (Mr. WEINER), one of the more thoughtful Members of this House and a member of the Committee on the Judiciary.

Mr. WEINER. Mr. Speaker, I want to express my gratitude to the Committee on Rules for making my amendment in order and to the sponsors of the Financial Services Regulatory Relief Act, which seems to be an excellent piece of legislation, although somewhat complex for those of us who are not familiar with banking law.

My amendment is both very simple, very easy for average consumers and businesses to understand. In fact, I believe when many of my colleagues are confronted with my amendment, they are going to be shocked that what I proposed to ban is even permitted in the first place.

We all know that when someone writes a check to someone, let us say they are buying an air conditioner at a local appliance store, they write a check. If they do not have sufficient funds to cover that, very often in addition to having to make up the funds for the bounced check, they get a fee from the bank. I think many of us can quibble about whether that fee is too high or not, whether it is fair. However, that is reasonable. They have violated the essential rules of the transaction by not having enough money in the account.

What many Americans do not realize is that small business who is selling them that air conditioner, also when they have the check bounce, they are

out the money. They have lost their air conditioner because they have already turned it over to the customer. But little known to many Americans is they also pay a fee. Banks charge the victim of a bounced check fees in the magnitude of $10 to $25 and in some cases $30. Seventy-five percent of all banks in the country charge this fee to the victim. We may hear arguments that, well, it costs us some money for the transaction. I do not dispute that. In fact, the person who is bouncing the check is paying a fine. What is unique about this practice that my amendment seeks to ban is it takes a customer who has done nothing wrong, they have followed every single rule of their bank, every single rule of trust, every single rule of good faith, and there is no way they can avoid this fine. And who is getting it? Average consumers get it from time to time when someone purchases something from someone and they accept a check, but more often than not it is small businesses who are victimized. That is why so many small business groups are in favor of this amendment. The Consumer Federation of America representing consumers is supportive of this amendment.

I, frankly, would defy anyone to tell me why the person who received the check should be penalized or sanctioned. Do not argue to me that they need to be disincentivized or discouraged from accepting a check. Believe me, no one intentionally takes a bad check. They are already harmed in many ways. Do not tell me that there is money that it costs to process the transaction. That could very well be the case. The only point I am making is why should the person who has already been harmed once be harmed again?

And perhaps the worst possible reason is the one that underlies all of the opposition to this amendment to the extent that there is any. Banking institutions said, Hey, Congressman WEINER, we make a lot of money on this. That is not a good enough reason. Frankly, the rules of the banking system, like any rule, like any law, should provide people fundamental rules of the road, should provide disincentives to do something bad, should punish someone who does something bad; and at the end of day in the final analysis if they are a good citizen, a good consumer, they should be able to avoid the sanction.

In the case of this fee, there is no way that any of those four things apply. They cannot avoid the fee. They cannot do anything. They can ask, I want to see ID, I want to see their driver's license. You cannot even call up the bank and say, hey, does Mr. Smith have enough money in his account, because privacy laws now prohibit releasing that type of information. Simply put, there is no rational reason why the victim, the small business that is the victim, should have to pay this fee, and there is no reason why the consumer who is the victim of a bounced check should have to pay this fee.

I will be offering an amendment that, as I said, I am grateful to the Committee on Rules for making in order which will say they simply cannot charge this fee. This is one that is not fair. I do not care if they disclose it in bold print, it is simply not fair, and anyone who believes it is have them come to this floor and say during this debate that we believe it is fair. It has no more connection to the person who received that check than it is to someone walking by the bank that day, charging them the fee. There is no connection with what they did either, other than being in the wrong place at the wrong time.

If the banking community believes that they need additional money to pay for these transactions, there are plenty of ways that they can deal with this. They can charge more at the front end. They can have interbank relationships that say, You have a customer that wrote a bad check and we want a few dollars from you to help cover it, or they can spread out the cost throughout if it is that substantial, which I frankly do not believe it is. Some estimates say it is as low as 62 cents, even when the banks themselves say that they have a case where someone can test and I want a copy and I want to debate it; even that only costs them $4 or $5 or $6. The simple fact is this is a way that victims are victimized again, and I urge support of the Weiner amendment.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume to close for our side.

Let me just again get back to the issue of the rule. I understand that there may be occasions for rules to come before the Members of this House that are not completely open, and the majority does after all have the responsibility of making sure that this House runs, that the legislative agenda moves forward. And I would prefer that any rules that come to the floor that have any kind of restrictions in them be done in consultation with the chairman and ranking members of the appropriate committees and subcommittees.

But here we have a situation where the ranking member of the Committee on Financial Services and the chairman of the Committee on Financial Services said that they had no problems with the amendments that were being offered last night; and specifically in response to a question by me regarding the gentleman from Iowa's (Mr. LEACH) amendment, they said they had absolutely no problem with his offering that amendment on the floor today. And I do not understand why the majority of the Committee on Rules decided last night to cut the gentleman from Iowa (Mr. LEACH) out of the process.

There has been a very interesting dialogue between the gentleman from Iowa (Mr. LEACH) and the gentleman from Massachusetts (Mr. FRANK). This is obviously a very important issue. Members have strong feelings on both sides. This is the kind of amendment that we should have a debate on on the floor and Members of both sides should be able to vote up or down on. And it is not like we do not have the time. According to the schedule that the majority put out today, we are going to be out of here by three o'clock. I do not think this would take very much time.

They do not want to deal with issues of substance. We cannot deal with the extension of unemployment benefits. We cannot deal with a trade bill to stop sanctions against U.S. products. I do not know where the transportation bill is or health care bills or anything else, but we do have this bill on the floor. We do have the time. And it just seems to me to be somewhat puzzling that they could not find it within their wisdom last night as the majority to allow this amendment to come to the floor and for Members to vote up or down on it. Maybe it is just because they are in the habit of restricting things and closing things down.

But it just seems to me on a bill that is relatively noncontroversial where the chairman and the ranking member have no problem with the gentleman from Iowa (Mr. LEACH) offering his amendment, I do not understand why the Committee on Rules has such a big problem. And I think it is unfortunate, and I think Democrats and Republicans need to continue to point out the unfairness of this process. We can do much better. And on bills like this, there is absolutely no reason why this should not have been a wide-open rule. We could have handled this in a reasonable period of time, and we could have respected all the Members of this House, both Republican and Democrat; and I just think it is unfortunate that this is becoming a trend in the Committee on Rules.

We only had one open rule this year, notwithstanding all the great speeches those guys give about how they are committed to openness. This is not how we should be doing this, and I apologize to the gentleman from Iowa (Mr. LEACH) and others who did not have their amendments made in order last night, but I hope in the future that we do better.

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

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

Mr. Speaker, the gentleman from Massachusetts does raise many very important points including that the distinguished chairman, former chairman, of the banking committee did appear before the Committee on Rules last night. The gentleman from Iowa (Mr. LEACH) is a very valuable and important and thoughtful member of our conference. The fact of the matter is the Committee on Rules has, in our own judgment, a lot of things which we consider on a regular basis, and some of those things do deal with whether a

person chose to have a vote in the committee of jurisdiction or not. The fact of the matter is that the gentleman did not request a vote in the committee of jurisdiction that he came from.

□ 1115

And we felt like that in the interests of us moving things on the floor, that it would be best in this circumstance to let the committee of jurisdiction speak on that matter. They chose not to; the gentleman chose not to. We do not always feel that bringing it to the floor is the correct place.

Mr. MCGOVERN. Mr. Speaker, will the gentleman yield?

Mr. SESSIONS. I yield to the gentleman from Massachusetts.

Mr. MCGOVERN. Mr. Speaker, I am just trying to figure all of this out because, in the past, the Committee on Rules has used the excuse that Members have brought amendments up in their relevant committees of jurisdiction and they have not passed, so therefore we should make them in order. Now you are saying that because he did not, the gentleman from Iowa did not bring his amendment up in his committee of jurisdiction, that it should be made in order. So I do not understand.

Mr. SESSIONS. Mr. Speaker, reclaiming my time, as a matter of fact, the gentleman is correct. But there are circumstances many times related to how close a vote is, whether it is controversial; there are a number of things which identify that as what we might call or term a jump ball. It is important at various times for the Committee on Rules to look at and to weigh those things which we believe are important to the efficiency of the use of this time on the floor.

In this case, we made a determination as to what we were going to do. We have made 3 Democrat amendments in order, we have made 2 Republican amendments and a manager's amendment in order. I believe that the time which we took yesterday in the Committee on Rules was appropriately done by the young chairman of the Committee on Rules, the gentleman from California (Mr. DREIER), and I am very proud of what we have done.

Mr. Speaker, I urge my colleagues to join me in supporting this rule and the underlying legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of the rule as reported out of the Committee for H.R. 1375. While portions of this bill that fall under the jurisdiction of the Judiciary Committee came for review and analysis, I generally supported the version of H.R. 1375 as reported out of the Committee; however, I shared one reservation about a provision that was not addressed at the Committee markup. Section 609 of H.R. 1375 amends section 11(b) of the Bank Holding Company Act of 1956, 12 U.S.C. 1849(b), and section 18(c)(6) of the Federal Deposit Insurance Act, 12 U.S.C. 1828(c)(6), by reducing the minimum waiting period from 15 calendar days to 5 calendar days for banks and bank holding companies to merge with or acquire other banks or bank holding companies. Although no amendment was offered at the Committee, we feel that this provision should be struck from the bill.

Community organizations have raised concerns about this provision, which reduces to five days the pre-merger, mandatory 15-day waiting period with the Attorney General's approval. During the course of a bank merger process, both the Federal financial supervisory agency and the Department of justice review the merger proposal for competitive concerns. After a Federal Banking agency approves a merger, DOJ has 30 days to decide whether to challenge the merger approval on antitrust grounds. At a minimum, the merging banks must now wait 15 days before completing their merger. Currently, banking law allows third parties, other than Federal banking agencies or DOJ, to file suit during the post-approval waiting period. As proposed, section 609 would reduce the minimum 15-day waiting period to 5 days when DOJ indicates it will not file suit challenging the merger approval order.

This provision is anti-Community Reinvestment Act, CRA, and strips the organizations' right to seek judicial review of Federal bank merger approval orders. Without such review, community organizations will be deprived of impartial means and mechanisms for ensuring that CRA performance obligations are taken into account when considering merger approvals. Community-based organizations use such suits to obtain information about the merger and ensure that the merger will not result in disproportionate branch closures in low-income or minority communities. These organizations play an important role in the public interest. The mandatory 15-day waiting period should remain intact and section 609 should be removed from the bill, if passed today.

My amendment, number 9, would amend section 607 of H.R. 1375 as drafted. The specific language of this amendment reads:

SENSE OF CONGRESS.—It is the sense of Congress that, when a requesting agency requires expeditious action on an application for a merger transaction, consideration should be made as to the impact the merger transaction will have on corporate and individual customers in an effort to ensure that no harmful effects will result from the merger transaction.

This amendment, while very substantive, is also a less intrusive attempt to ensure that the emergency expedited application process for merger transactions called for in section 607 of this legislation will not allow applicants to harm customers and/or communities with the increased share of the respective market that will result from the transaction formed, as compared to my other amendment, Jackson-Lee No. 9. Under this "sense of Congress" provision, Congress will make clear its intent to retain an important degree of oversight over the expedited process provided for in section 607 as drafted. The import of this amendment only spells out what should already be inherent in the operation of our Federal Reserve Board. It is clear, however, that such a provision is necessary because so many individuals and communities are suffering from disparate treatment by lending institutions.

When we allow expedited review of a corporate act so substantial as a merger and of an act that will affect so many consumers, we must be very careful in conferring latitude to institutions or in curtailing our own oversight authority. The banking institutions covered under this legislation play a vital role in the lives of many individuals and corporations who receive their services.

In the case of the recent JP Morgan and Bank One merger, Bethel New Life, Inc. expressed on the Federal Reserve Board's record the fact that this transaction had a tremendous impact on the Chicago area. It was explained that the loss of a bank headquarters would result in job loss, less civic interest and commitment, and less detailed knowledge of the local community. Furthermore, there would be less interaction between senior bank staff and the variety of people involved in community development in underserved communities. A bank, merger if the bank is willing, may give community groups the opportunity to engage in discussion with the bank(s) about future community reinvestment goals. The Jackson-Lee Amendment No. 9 seeks to ensure that this kind of respect for the underserved communities remains intact with sufficient Congressional oversight.

While this legislation purports to facilitate the work of lending institutions by allowing them and other depository banks to devote more of their resources to the business of lending, section 607 makes it possible for some transactions to escape very important scrutiny.

As we see in the recent merger of J.P. Morgan Chase & Co., JPMCC, and Bank One Corporation, the capture of large portions of consumer markets in quick and easy transactions allow many individual and corporate customers to experience a negative impact of the transaction. The consolidation of the finance industry so rapidly allows institutions to exclude large parts of their activities from requirements set forth in the Community Reinvestment Act, CRA. CRA has been instrumental in increasing affordable housing, and making sure that banks throughout this country play a more responsible role in their communities. The CRA is working extremely well and must not be weakened by provisions such as those found in section 607. Instead of diminishing the CRA and other oversight tools that are in place, we must strengthen them. If this legislation passes as drafted, potentially fewer people will realize the dream of homeownership, fewer small businesses will get off the ground, fewer jobs will be created, and fewer neighborhoods will be rebuilt.

The CRA was enacted in 1977 to address these concerns by requiring banks to make loans in neighborhoods where they collect deposits.

Section 607 as drafted could allow for the virtual elimination of the oversight authority conferred through measures such as the Community Reinvestment Act relative to Houston businesses and individuals, as most of the authority will be vested in New York and diverted from Houston. Significant Community Reinvestment dollars are necessary for home loans for minorities, the development of affordable housing, small business loans for minorities, procurement opportunities for minority businesses, community lending for minorities, and community investment for industrial, commercial and social facilities in minority communities. It is absolutely essential that you thoroughly examine this merger in order to ensure that proper conditions are made to mitigate the imminent adverse affects on Houston's minority community.

The CRA is only enforced in connection with banks' merger and expansion applications as

is the subject of section 607. The Federal bank regulatory agencies periodically evaluate banks for their compliance with CRA and assign them one of four ratings: Outstanding, Satisfactory, Needs to Improve or Substantial Non-Compliance. In 1998, the agencies rated over 98 percent of banks as either Outstanding or Satisfactory, despite that fact that, for example, the banking industry has continued to deny the mortgage loan applications of African Americans and Latinos twice as frequently as those of whites. Thanks to databases compiled under the Home Mortgage Disclosure Act, HMDA, data are made available to show stark statistics about loan approvals and loan denials that banks are required to make public each year.

Mr. Chairman, I urge my colleagues to support Jackson-Lee No. 9 and support the legislation with this amendment and that of Mr. OXLEY.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3800

Mr. LINDER. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3800.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Georgia?

There was no objection.

## GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1375 and to insert extraneous material thereon.

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

There was no objection.

## FINANCIAL SERVICES REGULATORY RELIEF ACT OF 2003

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Pursuant to House Resolution 566 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1375.

□ 1119

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1375) to provide regulatory relief and improve productivity for insured depository institutions, and for other purposes, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I am pleased to bring to the floor today H.R. 1375, bipartisan legislation making a number of changes to Federal banking, thrift, and credit union laws that will enable these sectors of the financial services industry to operate more productively and provide a higher level of service to their customers.

I want to begin by recognizing the efforts of the principal sponsor of this legislation, a valued member of the Committee on Financial Services, the gentlewoman from West Virginia (Mrs. CAPITO), as well as her primary democratic cosponsor, the gentleman from Arkansas (Mr. ROSS). In putting together this legislation, the gentlewoman from West Virginia (Mrs. CAPITO) and the committee consulted extensively with the Federal banking and credit union regulators, as well as affected private sector parties, to fashion a package that, by removing unneeded or outdated legal restrictions, helps to maintain the competitive standing of the U.S. banking and financial services system that has no equal in the world.

In the aftermath of the September 11 terrorist attacks on America, President Bush and this Congress have called upon the financial services industry to play a major role in the effort to starve al Qaeda and like-minded organizations of the funds they need to inflict terror on the civilized world. Title III of the USA PATRIOT Act enacted shortly after the September 11 attacks imposes a host of new mandates and due diligence requirements on financial institutions designed to identify and block the movement of terrorist funds through the global financial system. Committee on Financial Services has conducted extensive oversight on the implementation of title III, and I think I speak for many members of the committee in applauding the seriousness and sense of commitment with which the financial services industry has gone about fulfilling the front-line responsibilities it has been asked to assume in the financial war against terrorism.

Shouldering these burdens is not without significant costs, of course. The changes made by the PATRIOT Act require banks and other depository institutions to devote significant compliance resources to monitoring and examining transactions, verifying the identities of new customers, and responding to inquiries by law enforcement authorities seeking to track terrorist finances through the U.S. banking system. Both as a way of offsetting these new expenses and freeing institutions to devote sufficient resources to PATRIOT Act compliance and serving their customers, the committee began during the last Congress to try to identify regulatory or statutory requirements that could have outlived their useful purpose and could be eliminated without any adverse affects on the safety and soundness of the banking system or on basic consumer protections. H.R. 1375 is the end result of that process.

The legislation, which enjoyed bipartisan support in the Committee on Financial Services, reflects significant contributions from several members of the committee. For example, the bill incorporates legislation authored by the gentleman from California (Mr. OSE) which would permit credit unions to offer check-cashing and wire transfer services to individuals who are not members of the credit union, but are within its field of membership, thereby promoting alternative sources of banking services for many low- and moderate-income Americans. An important amendment offered in committee by the gentleman from Oklahoma (Mr. LUCAS) would greatly improve coordination between home and host State supervisors of State-chartered banks that operate branches in multiple States.

I also want to commend the gentleman from Ohio (Mr. GILLMOR) and the ranking member, the gentleman from Massachusetts (Mr. FRANK) for their hard work in crafting a compromise on an issue that was the subject of spirited debate in the committee: the extent to which certain commercially owned industrial loan companies, which are insured depository institutions chartered in a handful of States, should be permitted to exercise the new branching authority provided for in section 401 of the bill. I will offer a manager's amendment later today that incorporates the good work of the gentleman from Ohio (Mr. GILLMOR) and the ranking member on this difficult issue.

Finally, I want to thank the gentleman from Alabama (Mr. BACHUS), the chairman of the Subcommittee on Financial Institutions and Consumer Credit, for quarterbacking this effort in his subcommittee and helping to shepherd it through the full committee.

Thanks to hard work of the gentlewoman from West Virginia (Mrs. CAPITO) and the gentleman from Arizona (Mr. ROSS) and many other members of our committee, the House will have an opportunity to vote later today on legislation that improves the productivity and efficiency of our financial services industry. A vote for this bill is a vote to allow banks, thrifts, and credit unions to channel their resources away from complying with unneeded regulatory mandates and toward making loans and providing other financial products and services to consumers and to their small business customers, which can only help fuel economic growth in local communities across this country.