

cities, you have to have an automobile to get around. In the 10 years I've been in Congress, I have not had any issue that has upset my constituents more, including the wars, than the gas prices we had 3 years ago. Yet here we are back in the same situation, with the prices of \$105 for a barrel and \$3.75 for a gallon of gas, and nothing has been done over the last 3 years by this administration to deal with this issue. More recently, the Keystone pipeline, which would have helped bring a lot more oil into the marketplace by bringing it down from Canada to our refineries on the coast, has been denied by the President.

He needs to be doing some things to help us. He says that people say, Drill, drill, drill, and that that won't solve our problem. Well, the fact is it might have if we'd started 3 years ago when we had the last burst of high gas prices. He's right, it won't help deal with the current problem, but this is going to continue to be a perpetual problem if he doesn't make some changes. He needs to authorize the drilling in the Outer Continental Shelf and in ANWR, and he needs to pass the Keystone pipeline.

GAS PRICES ARE RISING

(Ms. HANABUSA asked and was given permission to address the House for 1 minute.)

Ms. HANABUSA. Gas prices are rising. We'll see an average, some predict, of \$5 per gallon by this summer. Some places are already there.

Voices are rising, asking us, What are we doing to bring gas prices down?

Mr. Speaker, we can agree that we must go beyond short-term fixes and that we must cure ourselves of this Nation's petroleum addiction. Yes, it is an addiction.

Our constituents are asking, What's causing it? What's causing these gas prices?

We know, when Iran threatens to close the Strait of Hormuz, prices soar. This is because one-fifth of the world's oil supply goes through those straits.

Mr. Speaker, America's vision of our energy future must go beyond the next gas pump. We must look at the fundamentals of a new policy. Yes, diplomacy is part of that, but more importantly, it's us. We must join hands to self-sufficiency and truly be committed to renewable resources. The President proudly pointed out to the marines and Navy in the State of the Union: 50 percent sustainability. Let's adopt that policy.

WE MUST PUT FREEDOM AND HUMAN RIGHTS FIRST

(Mrs. DAVIS of California asked and was given permission to address the House for 1 minute.)

Mrs. DAVIS of California. Mr. Speaker, I rise today to speak on an international issue that merits our attention here in Congress. This month,

hundreds of thousands of concerned citizens, 140,000 and counting, have signed a petition to the White House. The petition calls on the administration to stop expanding trade with Vietnam at the expense of human rights.

I know it's hard for all of us here in this Chamber to imagine, but in Vietnam, the mere act of composing songs can be sufficient grounds for the Communist government to put someone in jail. In fact, that's exactly what happened to Viet Khang, a Vietnamese citizen who was arrested and who is currently being detained for merely composing and singing two protest songs about his own country. This arrest and many others in recent years are issues that have to be at the forefront of our trade negotiations with the Vietnamese Government.

I urge my colleagues to join me in urging the President to put freedom and human rights first.

COMMENDING PRESIDENT BARACK OBAMA'S COMMITMENT TO AMERICAN ENERGY

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

Mr. FALEOMAVAEGA. Mr. Speaker, President Obama recently announced \$30 million in new funding as part of his energy research strategy to reduce our reliance on foreign oil and to provide Americans with new choices for vehicles that do not rely on gasoline. This crucial investment in advanced energy research will promote American innovation to diversify our Nation's energy resources and create new jobs.

Under President Obama's leadership, America is now producing more oil than at any time in the last 8 years, and our dependence on foreign oil is at a 16-year low. Over the last 3 years, the Obama administration has approved dozens of new pipelines and has opened millions of acres for oil and gas exploration. The Obama administration has also implemented the toughest fuel economy standards in history, which will cut oil consumption by 12 billion barrels and save American families \$1.7 trillion over the next 10 years.

Mr. Speaker, I commend President Obama for taking these important steps to promote and to enhance our Nation's energy needs.

□ 1230

PROVIDING FOR CONSIDERATION OF H.R. 3606, JUMPSTART OUR BUSINESS STARTUPS ACT

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 572 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 572

Resolved, That at any time after the adoption of this resolution the Speaker may, pur-

suant 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. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies. 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 Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill, an amendment in the nature of a substitute consisting of the text of the Rules Committee Print 112-17 shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived. No further amendment to the bill, as amended, shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such further amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such further amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill, as amended, and any further amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. THOMPSON of Pennsylvania). The gentleman from Texas is recognized for 1 hour.

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

GENERAL LEAVE

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

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

There was no objection.

Mr. SESSIONS. Mr. Speaker, today I rise in support of this rule and obviously the underlying bill. House Resolution 572 provides a structured rule for H.R. 3606, that Jumpstart Our Business Startups, or what we also call the JOBS Act. The bill was introduced on December 8, 2011, by my friend, a bright young man who is one of the

brand-new leaders of our conference, a freshman, the gentleman from Tennessee, STEPHEN FINCHER, and was ordered reported by Chairman BACHUS and the Committee on Financial Services on February 16, 2012, by a near-unanimous vote of 54-1.

Members on both sides of the aisle have had an opportunity and will have opportunities to submit perfecting ideas. Thank goodness the Rules Committee allows this sort of thing to happen now that Republicans are in charge. The structured rule before us allows for 17 amendments, Mr. Speaker: 13 from Democrats, 3 from Republicans, and one which is a bipartisan amendment, meaning that Republican and Democrat Members of this House have a chance to work together on legislation for jobs for our country.

The chairman of the Rules Committee, DAVID DREIER, has once again allowed the House to work its will through this important legislation by allowing us to have a rule not only where Members of Congress can come and share their ideas with the Rules Committee but, once again, have them made in order so they can come down on the floor, express their ideas, work with colleagues to perfect the legislation and then to vote for the bill, because they were a part of it. Those are ideas that I think are good for this body. DAVID DREIER, as chairman of the committee, deeply believes this is the way the floor should operate.

Today, we're going to consider a package of commonsense job-creating bills that stand out for a unique reason, and that unique reason is the President of the United States now supports what we're doing, also. Unfortunately, Senate Democrats have yet to give their blessing on this bill and the package that's included. So we're just going to have to do the best we can and then hope for the best. Maybe the Senate will decide they want to take action on bills that will not only better enable our country to have jobs and job creation, but also a chance to work for the best interests of the American people.

House Republicans are on the floor again today, as we have been doing now for a year and a few months, to persistently make the case about job creation, why jobs are important to our country, why the Congress should be all about trying to work with the free enterprise system, work with Members of Congress who see the big need for jobs, not only at home, but all across this country in every single State so that we can have job creation as a major goal of what this Congress and hopefully the President would be for. Over 30 bills that we've already passed through this body over the last year and a couple months await consideration by Senate Democrats. That means that this body, just like the bills we are going to handle today, we have been on the floor for a year talking about jobs, job creation, the way we can aid and abet the free enterprise

system, investors, and opportunities back home. Those bills are waiting over in the Senate, and today we're simply going to add to that.

The big difference is the President has now said, You guys have got a good idea. The day the President agrees with House Republicans and House Democrats is a great day for our country. So, the good news out of Washington today is STEPHEN FINCHER had a good idea the President agrees with, and we're going to do something about that.

Our economy has a credit problem, too, Mr. Speaker, not just a jobs problem. Companies are unable to receive the credit they need to grow their businesses, and as banks and other traditional credit providers face stricter Federal restrictions by the Obama administration, it decreases the ability for lending to take place, and companies that need lending and cash and capital available to them are looking for innovative funding mechanisms that will provide the liquidity necessary so they can keep their businesses current, so they can expand their business, so they can meet the needs of the marketplace. This administration continues to promote policies that slow economic growth and make it more difficult for businesses and, in particular, small business, to obtain capital and have a source of funding. Republicans believe that we must create an environment that changes that, that encourages investment in small business. Small business, as we know, is really the engine of our economy and really the national job creator. The underlying bill does just that.

The JOBS Act consists of numerous pro-growth provisions, and I would like to talk about those because it's important for us to remind our colleagues that a pro-growth bill or a pro-growth environment that our free enterprise system would be involved in encourages not just the creation of capital, but also the ability of that formation of capital to make jobs in America to come about as a result of that.

□ 1240

This bill from Congressman FINCHER creates a new category of what's called emerging growth companies that will reduce costs for small companies to go public. Great idea.

There is legislation from our majority whip, KEVIN MCCARTHY from California, that will allow small businesses to advertise for the purpose of soliciting capital from potential investors. In other words, this was not allowed by law. Small companies that have great ideas need the opportunity to advertise in the marketplace and have people see that there are good ideas. KEVIN MCCARTHY is right.

A bill from Congressman MCHENRY from North Carolina would allow what is called crowdfunding for initial public offerings under \$1 million. In other words, it opens up the ability to gather more capital to come in. And Congressman MCHENRY is right, we need to uti-

lize market-based solutions, and we need to make it legal.

There are two bills from Congressman SCHWEIKERT from Arizona: one that would allow more businesses to go public, gathering investment and growth, and a second bill which raises the threshold number of shareholders required from mandatory Securities and Exchange Commission registration for all companies.

And finally, there is a bill by Congressman QUAYLE from Arizona which increases the threshold number of shareholders permitted to invest in community banks; in other words, bringing more investors to an important part of our economy, and that is called community banks, banks that exist for the purpose of trying to make our communities, local communities, stronger and better.

The banks and small businesses of the district which I represent, the 32nd Congressional District of Texas, which is primarily Dallas, Richardson, Addison, and Irving, Texas, consistently describe to me about how they have an inability to raise capital investment, not due to a lack of willing investors, but as a result of burdensome regulations that are placed on them by the Federal Government. Oftentimes we discuss the need for the SEC limit on individual investors, and we know that it restricts their ability to raise funds through community participation in local business creation. I am proud to tell them now that, as a result of this bill today and the legislation included, help is on the way.

These important changes not only provide businesses with the necessary ability to expand, but also they provide individuals with new mechanisms to invest and grow with their own personal assets in companies that they know best.

The rules adjusted in the underlying bill have proven restrictive to economic growth, so we've got to adjust these problems in the marketplace and come up with new and creative ideas. We must push these constructive proposals without political delay. This is why Members of this body, including, I believe, the gentleman from Colorado (Mr. POLIS), support this bill. The reason why we can work together is to make sure we push constructive ideas that are good for people back home.

Mr. Speaker, our Nation is still in crisis. We do not have enough jobs. We are in a dwindling marketplace because of the excessive number of rules and regulations that have been passed by prior Congresses. With unemployment persistently over 8 percent, we cannot continue the failed policies of government spending, rules, and regulations, and the inability to pass laws that help job creation to overcome these problems. The underlying bill will do exactly that. It will help foster not only an environment, but provide the underpinning through law that will allow the private sector to more fully participate.

The future success of our economy rests in the hands of small, private business, not the Federal Government. What we are doing today is unleashing their potential so that they can focus on the things that they do best. This is part of having a Republican majority: pro business, pro economic development for jobs, the formation of capital, and the ability for American entrepreneurship to flourish. The result is going to be an economic environment that promotes growth and generates more revenue for the Federal Government.

I am delighted not only to be on the floor once again talking about economic growth, but once again trying to act as a soundpiece for the American people who are asking the United States Congress to please understand the plight that we are in, to please help work on what will help the free enterprise system job creation.

So today as we are on the floor, we offer a hearty reminder to the American people that there are people who get what this is about. That's partially why this Republican majority has been and will continue to be successful. We will push for reform, a pro-growth environment, and the opportunity to help people back home, instead of with a handout, to give them the ability to do things on their own.

I urge my colleagues to vote for this fair rule, and I reserve the balance of my time.

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

I rise in support of this bill, Mr. Speaker. I would like to thank my colleagues on both sides of the aisle who have worked long and hard on a number of these bills.

In my remarks today, Mr. Speaker, I want to talk about the good, the bad, and the ugly: the good that these bills can do to free up our capital markets, but the bad and the ugly of issues that are more substantial to job creation and the fiscal integrity of our country, which this Congress continues to ignore.

First, to respond to my colleague from Texas who several times blamed one particular party in the Senate for advancing these bills, I would just like to remind my colleague that many of these bills are sponsored by Democrats in the Senate. It's not Democrats or Republicans in the Senate; it is the Senate that needs to pass this. And as we know, the Senate requires 60 votes. So I would hope that the gentleman from Texas would amend his future remarks and call upon the Senate to pass the JOBS Act rather than just the Democrats in the Senate, of course recognizing that Republican votes are needed to reach the necessary 60 votes to advance any legislation.

Mr. SESSIONS. Will the gentleman yield?

Mr. POLIS. I am happy to yield.

Will the gentleman amend his remarks?

Mr. SESSIONS. I remind the gentleman that the Republican minority

leader, Mr. MCCONNELL, has been asking for some 30 jobs bills to at least go through committee or to be on the floor, and I do not think that a jobs bill would be a problem for a Republican to object to.

So I would once again advise the gentleman that I think my statement was correct. The Senate minority leader has asked for every single one of these 30 bills that have been passed by the House to be debated and voted on, and Republicans have pledged their support of all 30.

Mr. POLIS. Reclaiming my time, again, just as many of them are sponsored by Democrats as by Republicans. It will take votes from both sides to get to 60 votes. I think they can do that. And many of these bills before the House have had 400 votes, 90 percent of this body. Hopefully, they will command similarly large supermajorities in the Senate, comprised of both Democrats, many of whom sponsored these bills, and Republicans, who may be opposed to certain elements but hopefully, in the name of moving the country forward, will pass this JOBS Act.

Here's what this bill will do.

First of all, it's not a JOBS Act, *per se*. The JOBS name is an acronym. It actually is called Jumpstart Our Business Startups Act, or JOBSA, but I guess JOBS sounds better. But what it really affects is capital markets. It is really a capital market bill. It is a good bill. It has several components that have already passed the House. My colleague from Texas outlined several of them. I want to explain why they are so important.

First and foremost, it makes it easier for many small companies to go public. It rolls back some of the Sarbanes-Oxley regulations that were put in place in 2002 for small and medium-cap companies. Again, when you're looking at the compliance cost of Sarbanes-Oxley, they don't scale with the business. So it's de minimis for a \$10 billion business, but it's substantial and, in fact, a deterrent to accessing the capital markets for a \$100 million or a \$300 million business. So this, in fact, rolls them back in a very thoughtful way.

And I would further call for reexamination, of course, of the requirements for businesses of all sizes, but this will allow many small and mid-cap businesses to access the public capital markets.

□ 1250

In addition, it allows people to invest in start-ups, a concept that's called crowdfunding, which is very exciting. Of course, heretofore, essentially, investing in start-ups has been restricted to what are called accredited investors. Now, an accredited investor is not just some investor that goes through some process of getting accredited; it's basically somebody who's wealthy. They have to be worth several million dollars; and then, all of a sudden, they're accredited.

Now, we all know that some wealthy people are poor investors and some are good investors. One's wealth has nothing to do with how accredited or how good an investor one is. And families who are worth \$100,000 or families that are worth \$300,000 are perfectly within their rights under current law to go to Las Vegas or Atlantic City and bet their entire lifesavings on one roll of the dice; and yet they're not allowed, under current law, to invest in start-ups.

So, we, with this bill, would allow families of all means to invest in start-up companies, some of which will work out and some of which will not. American families will enter this being aware of the risks. But, again, it is their money, they earned it, they've paid taxes on it, and they should be able to invest it and/or gamble it as they see fit.

Another thing we do under this bill is increase the number of shareholders that is required for mandatory registration with the FCC from 500 to 1,000. This is very important because many companies use stock options, which is a good practice. It gets the employees to own part of the company, to own part of the fruits of their labor, and to have some of the upside on the equity. But companies have effectively been limited on this because once they have 500 shareholders, they're forced to file as public. So we're allowing them to stay private longer, as the need fits them, and not have to scale back on their option policy with their employees. Inevitably, some of those options get exercised, and employees become outright owners over time. This would prevent them from being forced into a backdoor IPO.

In addition, we, again, allow community banks to raise additional capital. We remove some of the requirements around that. Community banks are important lenders in our community; and that's an important step, as well, towards allowing capital to flow more freely.

So, in sum, the several bills, most of which have already passed this House, that we are packaging in the JOBS Act, this act that we're doing here today, are good bills that will free up the capital markets. And, yes, in the medium and long term, there will likely be some jobs created, because where will that capital go? It will flow to businesses that will encourage job growth. This is not something that happens overnight, but this is something that happens as a fruit of the investment. Some of these start-ups that are funded through crowdfunding might, in fact, be employers of 1,000 people in 5 years or 10 years. And that's what's so exciting about the potential of these mechanisms to create value in the economy.

But what are we not doing? And what would be a real jobs bill? In my opinion, there's really several things that are holding back our private sector recovery. First and foremost is our budget deficit and the questions about the

fiscal integrity of this country. This Congress continues to avoid taking action on a default scenario under which debt as a percentage of GDP would rise from about 70 percent where it is now to about 200 percent of our GDP by 2040, a far worse situation than many of the fiscally beleaguered nations in Europe that are currently undertaking bailouts.

This is widely known on both sides of the aisle, and, in fact, the solution is widely known, as well. There are several that have been presented. There's a bipartisan group that emerged from the Senate, including Democrats and Republicans, that proposed a plan to reduce the deficit as a percentage of GDP down to 1.9 percent by 2021. There's been a similar effort on behalf of the Bowles-Simpson Commission, again, to rein in fiscal spending so that debt as a percentage of GDP would be 35 percent instead of 200 percent by 2040.

This Congress has not advanced either and, in fact, quite to the contrary, has passed an operational budget that only serves to continue these deficits through the next 10 years. Again, giving fiscal certainty around the integrity of our Nation would do a lot more to free up capital and improve the flow of capital and credit markets and create jobs than these relatively minor, but still important, bills that we're considering here today.

The other reform that would create a lot more jobs in this bill, and I think would better be called a Jobs Act, if they could come up with a fancy acronym for it, is business tax reform.

I'd like to submit to the RECORD a recent report from the White House and the Department of the Treasury on a framework for business tax reform.

INTRODUCTION

America's system of business taxation is in need of reform. The United States has a relatively narrow corporate tax base compared to other countries—a tax base reduced by loopholes, tax expenditures, and tax planning. This is combined with a statutory corporate tax rate that will soon be the highest among advanced countries. As a result of this combination of a relatively narrow tax base and a high statutory tax rate, the U.S. tax system is uncompetitive and inefficient. The system distorts choices such as where to produce, what to invest in, how to finance a business, and what business form to use. And it does too little to encourage job creation and investment in the United States while allowing firms to benefit from incentives to locate production and shift profits overseas. The system is also too complicated—especially for America's small businesses.

For these reasons, the President is committed to reform that will support the competitiveness of American businesses—large and small—and increase incentives to invest and hire in the United States by lowering rates, cutting tax expenditures, and reducing complexity, while being fiscally responsible.

This report presents the President's Framework for business tax reform. In laying out this Framework, the President recognizes that tax reform will take time, require work on a bipartisan basis, and benefit from additional feedback from stakeholders and experts. To start that process, this re-

port outlines what the President believes should be five key elements of business tax reform.

PRESIDENT OBAMA'S FIVE ELEMENTS OF BUSINESS TAX REFORM

I. Eliminate dozens of tax loopholes and subsidies, broaden the base and cut the corporate tax rate to spur growth in America: The Framework would eliminate dozens of different tax expenditures and fundamentally reform the business tax base to reduce distortions that hurt productivity and growth. It would reinvest these savings to lower the corporate tax rate to 28 percent, putting the United States in line with major competitor countries and encouraging greater investment in America.

II. Strengthen American manufacturing and innovation: The Framework would refocus the manufacturing deduction and use the savings to reduce the effective rate on manufacturing to no more than 25 percent, while encouraging greater research and development and the production of clean energy.

III. Strengthen the international tax system, including establishing a new minimum tax on foreign earnings, to encourage domestic investment: Our tax system should not give companies an incentive to locate production overseas or engage in accounting games to shift profits abroad, eroding the U.S. tax base. Introducing a minimum tax on foreign earnings would help address these problems and discourage a global race to the bottom in tax rates.

IV. Simplify and cut taxes for America's small businesses: Tax reform should make tax filing simpler for small businesses and entrepreneurs so that they can focus on growing their businesses rather than filling out tax returns.

V. Restore fiscal responsibility and not add a dime to the deficit: Business tax reform should be fully paid for and lead to greater fiscal responsibility than our current business tax system by either eliminating or making permanent and fully paying for temporary tax provisions now in the tax code.

The President has proposed eliminating loopholes and special interest tax deductions in our corporate Tax Code to lower the rate to 25 to 28 percent from 35 percent. American corporations are currently among the highest taxed in the world. Most of our peer countries tax their corporations in the 20 to 25 percent range, and capital can flow across borders, operations of companies in a global economy can flow across borders. Why would a for-profit company with a fiduciary responsibility to its shareholders choose to domicile in an area where they have to pay a 35-percent tax rate when they can pay a 20- or 25-percent tax rate and also exist in an environment that ensures the surety of law?

What the President's tax reform proposal will do—and many of us on both sides of the aisle have been calling for similar reforms over the last several years—is, again, on a revenue-neutral basis remove many of the special interest tax considerations that were put there by lobbyists in our Tax Code and bring down the overall rate to 25 to 28 percent so that companies can reinvest in their growth. It tends to be the more profitable companies, the companies that are therefore paying corporate tax, that are the highest growth companies.

So it directly affects job creation to say that profitable American companies should be paying 25 to 28 percent instead of 35 percent, discouraging them from outsourcing jobs, discouraging them from domiciling overseas, and also discouraging the improper allocation of capital through special interest tax breaks in our Tax Code that give money arbitrarily to everybody from wooden arrow manufacturers to the oil and gas industry simply because some central planner in Washington determined that that's where capital should go.

So, again, if we really want a jobs act, let's solve the deficit, let's reform our uncompetitive business Tax Code, as the President has indicated; but, yes, let's also move forward with these bills to free up capital flow for startups that will hopefully lead to the next great American companies.

But by no means should somehow this Congress think that just because there's some letters that stand for the word "jobs" that somehow the jobs issue is solved or addressed by allowing companies to stay private with 1,000 instead of 500 shareholders, allowing a few small and mid-cap companies in the margins to go public because of relaxed Sarbanes-Oxley requirements. These are great things.

Let's pass this bill. I'm confident it will pass overwhelmingly. Let's call upon the Senate to pass it. But let's not pretend that this is some kind of jobs bill for our country or that this, in any way, shape, or form restores the fiscal integrity of our Nation.

Mr. Speaker, I rise in support of the rule and the underlying bill, the Jumpstart Our Business Startups Act, which consists of six separate pieces of legislation: the Access to Capital for Job Creators Act, the Entrepreneur Access to Capital Act, the Small Company Capital Formation Act, the Private Company Flexibility and Growth Act, the Capital Expansion Act and the Reopening American Capital Markets to Emerging Growth Companies Act.

This package will further American job creation and economic growth by improving small businesses and startups' access to capital. At the same time that this bill eases restrictions on capital formation to help our struggling economy and enhance our nation's global competitiveness, this bill also maintains necessary protections for investors. This is exactly the approach long advocated for by President Obama in his American Jobs Act and in the Startup America Legislative Agenda. And just yesterday, the President announced his support for the underlying package. I am pleased that the House leadership has brought this bill to the floor and urge my colleagues to vote in favor of this bipartisan package.

While I strongly support the passage of the underlying legislation, make no mistake that the package of bills before us today cannot be called a comprehensive "jobs" bill no matter how you dress it up. Of the six bills we are considering today, four of these bills have already been overwhelmingly approved by this body only months ago. And one of these bills looks remarkably similar to a bill sponsored by my good friend and Democrat from Connecticut, Mr. HIMES, which passed the House

420–2 last November. The meat of both the bill before us and Mr. HIMES' bill are identical. The only difference between the two pieces of legislation is that the bill before us does not require an SEC study of certain public reporting requirements.

Indeed even the legislation's name is a misnomer. The acronym for the Jumpstart Our Business Startups Act is not J-O-Bs. A more appropriate name for this jobs package would be a suspension sandwich.

While this bill lacks the spark to turn around our troubled economy, it will help raise needed capital to small businesses and startups. According to the Kauffman Foundation, since 1980, startup firms less than five years old have created almost 40 million new jobs—the majority of the new jobs created in this country. Research shows that 90 percent of this job growth occurs after companies go public. Unfortunately, over the last decade, startups companies are taking more time than ever before to go public because of certain administrative and compliance regulations currently in place. The bills included in the underlying package would put in place reforms that would address some of the challenges startups face today.

Part of this legislative package includes the Entrepreneur Access to Capital Act introduced by Representative MCHENRY. This bill permits "crowdfunding" which enables individuals investing up to \$10,000 in small businesses over the internet to pool their funding without requiring the business to register first with the SEC. By loosening the current SEC restrictions on crowd funding, this legislation would help empower entrepreneurs and start ups to pursue their innovative ideas.

The Small Company Capital Formation Act of 2011 would make it easier for small and medium-sized companies to raise more funds through SEC's streamlined security offering process, instead of the more complicated and costly full registration requirements that larger issuances have to use. This bill, sponsored by Rep. SCHWEIKERT, strikes the right balance between allowing these companies to access capital and maintaining sufficient investor protections.

The underlying bill also includes the Access to Capital for Job Creators Act sponsored by Representative MCCARTHY. This bill would remove the SEC ban that prevents small privately held companies from using advertisements to solicit investments for private offerings as long as the securities are ultimately sold only to "accredited investors," or sophisticated investors who don't require the SEC's protection.

In addition, the package before us contains the Private Company Flexibility and Growth Act. This bill, introduced by Rep. SCHWEIKERT, would raise the requirement for mandatory registration with the SEC for privately held companies from 500 shareholders to 1,000, expanding companies' ability to access capital and provide companies with flexibility in attracting and maintaining employees.

The measure also consists of the Capital Expansion Act, a bill introduced less than two weeks ago by Rep. QUAYLE, whose language is nearly-identical to a bill sponsored by Rep. HIMES and passed by this House under suspension last November. Rep. QUAYLE's bill—which was never marked up—would increase the number of shareholders that a community bank can have before it must register with the SEC.

The only truly new bill before us is the Reopening American Capital Markets to Emerging Growth Companies Act introduced by Reps. FINCHER and CARNEY, which I am proud to cosponsor. This bill will help lower the costs for certain small and medium-sized companies, called "emerging growth companies," to access the public markets. The cost of "emerging growth companies" to go public would be reduced by phasing in some regulatory procedures including prohibitions on initial public offering (IPO) communications and independent audits of internal controls over financial reporting. Importantly, these provisions would incentivize IPOs while ensuring that as they expand they come into compliance with these regulations.

Collectively this package is a good first start towards rebuilding our economy in the medium and long term—but not right now. Even after these bills are enacted, the SEC must issue new regulations, accredited investors must start buying these private securities and then startups and small businesses must do something constructive with that capital before any jobs are ever created. Realistically, this bill could take years to produce meaningful results.

CLOSE

Mr. Speaker the underlying package will undoubtedly have a positive impact on our economy and create a more accessible capital market for the benefit of small businesses and investors. The legislation we are considering today will encourage more entrepreneurs to grow businesses and allow more start-ups to go public and hire more American workers.

But simply labeling it a comprehensive jobs bill does not make it so.

Let's not pull the wool over the American peoples' eyes and make-believe that we are passing real jobs-stimulating legislation today. Our number one priority should remain sincere job growth—not just reconsidering bills previously debated and adopted by this House.

To get serious about growing our economy we should be working together to pass the President's American Jobs Act which consists of common sense proposals that have been supported by both parties, such as modernizing our public schools and investing in our nation's infrastructure.

Instead of spending time on stale bills, we should be debating real tax reform legislation. President Obama has put forth a solid business tax reform plan that would stimulate job creation and investment in the United States. The Administration's tax plan would reduce the corporate rate to ensure American companies remain competitive, eliminate overseas deductions and other tax expenditures and simplify the tax code. Obama's plan would also strengthen American manufacturing and innovation, double the deduction entrepreneurs can deduct for start-up costs and cut certain taxes for small businesses to help them expand and hire. President Obama's proposal would generate American jobs without adding to our deficit and demands serious consideration by this body.

We can also boost our economy by addressing our debt challenges. We should be considering and enacting a bold and balanced deficit reduction plan that puts all options on the table. An outline to achieve comprehensive deficit reduction already exists in the Bowles-Simpson plan. I urge the Republican Majority to work with Democrats in the House

to find a deficit reduction agreement that can be brought to this floor for a vote.

For more immediate job creation we need look no further than the federal highway authorization which is fast approaching down the track at the end of this month. We desperately need a new federal transportation bill to put Americans back to work, repair our crumbling roads and bridges and improve our mass transit systems. Yet Republicans have struggled for weeks to bring a transportation bill before this House.

I urge my colleagues on the other side of the aisle to work quickly to bring a bipartisan transportation bill to the floor to assist with our economic recovery in the very near future.

Passing the underlying bill will put us on the path towards a fruitful economy. I encourage Republicans to continue further down this path and bring to the floor the job-creating legislation that the American people want and deserve.

I strongly support the underlying bill and encourage its passage.

I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

THE SPEAKER pro tempore. The Chair would ask Members not to traffic the well while another Member is under recognition.

Mr. SESSIONS. Mr. Speaker, I applaud the gentleman, my friend, Mr. POLIS, for not only coming to our defense and aid in this but also aiming for things that people all across this country need, and it's called action by Congress for jobs.

Mr. Speaker, at this time, I'd like to yield 4 minutes to the young gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. Mr. Speaker, I thank my colleague from Texas for yielding and keeping the main theme the main theme—jobs and the economy. As an original cosponsor to H.R. 3606, the Jumpstart Our Business Startups Act, I rise in support of this rule.

Since last year, the gentleman from Delaware and I, along with many members of the Financial Services Committee, have worked in a bipartisan manner to develop legislation that would enhance job creation and expand access to capital for America's job creators.

Title I of this bill's legislation I introduced with Congressman CARNEY, the Reopening American Capital Markets to Emerging Growth Companies Act, which will help more small and mid-size companies go public.

During the last 15 years, fewer and fewer start-up companies have pursued initial public offerings because of burdensome costs created by a series of one-size-fits-all laws and regulations. According to testimony from IPO Task Force Chair Kate Mitchell, from 1990 to 1996, there were 1,272 U.S. venture-backed companies that went public on U.S. exchanges during that 6-year time frame.

□ 1300

However, in 6 years, from 2004 to 2010, there were just 324 offerings.

Even the President's Jobs Council, in its 2011 end-of-year report, cited that

the United States ranks 12th now in ease of access to venture capital behind Israel, Hong Kong, Norway, and Singapore, among others. The bottom line is that fewer and fewer companies are choosing to go public, and those that do are not necessarily going public on exchanges in the United States.

H.R. 3606 would reduce the costs of going public for small and medium-sized companies by phasing in certain regulatory requirements. Reducing these burdensome regulations will help small companies raise capital, grow their business, and create private jobs for Americans.

I have reviewed the amendments made in order by the Rules Committee to H.R. 3606, and I will be supporting some and opposing others. Also, the gentleman from Delaware and I will be offering a manager's amendment which will make some technical improvements to the bill.

I look forward to a lively debate here in this Chamber, and I support the rule to consider this bill.

Mr. POLIS. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. FRANK), the ranking member of the Financial Services Committee.

Mr. FRANK of Massachusetts. Mr. Speaker, this is a perfectly nice bill, but things are sometimes judged in comparison. It is being hailed as a bigger bill than it is, but that's what happens when you grade on a curve as we grade on a curve.

One of the great philosophers of the 20th century was a man named Henny Youngman. One of his philosophical bits of wisdom was expressed in the question and answer:

How's your wife?

Compared to what?

Well, compared to the output of this House so far, this is a very, very, very major bill. Compared to our economy in general, it's a good bill, but of no immediate significance in terms of jobs, and useful for the future. But as I said, I think it's important just getting pumped up a little bit so we can avoid here, as a collective body, the charge that we haven't done anything.

I do have one criticism of the rule, and I had expressed this hope yesterday and I was frustrated. A number of amendments were made in order, and I appreciate that, but every single amendment is to be debated for only 10 minutes. That's unworthy of a deliberative body. There are important questions here that are involved in these issues. And if you think these bills are important, then the amendments to them are important.

Now, that's within the context of support. In most cases, we are talking about people who support the concept but have some differences about what should be there. But to say that every amendment gets debated for only 10 minutes, 5 minutes on each side, is to denigrate the deliberative function to a point which is of great concern to me. It is not as if we've been so busy that

we couldn't carve out time for 20 minutes or even a half hour of debate. So I regret the dumbing down of the House, which is represented by saying that no issue will be debated for more than 10 minutes.

Then I only have one other question of a procedural sort as the ranking member of the Financial Services Committee. Most of these bills have been through the committee. There were six bills; four have even passed the House. Two bills, I was told, were from the committee. But one of the bills, H.R. 4088, it's got a new sponsor, the gentleman from Arizona (Mr. QUAYLE), and we've never seen that in our committee. I've checked. That bill was introduced February 24 or something. It's never had a hearing. It's never been through committee. So why are we getting a bill on the floor now that has never been seen in our committee?

I would yield to the gentleman from the Rules Committee.

Mr. SESSIONS. Well, I'm not seeking recognition, but I would say that the gentleman from Arizona has a good bill, and I encourage you to read it.

Mr. FRANK of Massachusetts. Well, I have read the bill. But to be told that we're going to, in a party that says they're devoted to regular order, bring out a bill—H.R. 4088 has had no committee consideration whatsoever; the other bills have, the other five. But it's never been brought up in a hearing; it's never been in subcommittee; it's never been in committee. The notion that it's a good bill and therefore should be immune from any committee process is very discouraging.

This is a bill that's only been in existence for a couple of weeks. The gentleman says, well, it's a good bill; read it. Well, then I guess we don't need committees. We don't need to do anything. If it's a good bill, you read it. But the process is supposed to be one where these things go through some vetting. So I am disappointed that we have a rule that brings a bill to the floor that has literally had no committee consideration whatsoever—brand-new bill, apparently, because it's got a brand-new sponsor. We've seen nothing like this. There have been some other bills that we've had, but I've seen no bill from the gentleman from Arizona (Mr. QUAYLE). I've seen no bill like H.R. 4088 that hasn't had a hearing, that hasn't been to committee.

At the same time, the Rules Committee thinks that we can take all these interesting questions—should there or shouldn't there be an examination, say, on pay? Is the billion number right?—and debate them all in only 10 minutes, 5 minutes on each side. That hardly serves the deliberative process.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. POLIS. I yield the gentleman an additional 30 seconds.

Mr. FRANK of Massachusetts. I'd say that some Members think the bills may have more impact than I do. I hope I'm

wrong and they have it. But if you really believe the bills are this important, why then is the debate only for 10 minutes on every single amendment, on the size, on the reporting requirements?

We have amendments that have been requested by the North American Securities Administrators, the State regulators; 5 minutes on the side. That is hardly a mark of people who take the deliberative process in the U.S. House of Representatives very seriously.

I thank the gentleman from Colorado.

Mr. SESSIONS. Mr. Speaker, just so you know, the gentleman is correct, and I appreciate his viewpoint of this.

This is a copy of Mr. QUAYLE's bill right here. It's about one-third of a page long. It's a good idea that says we're going to increase the number of people who can invest in a community bank. I hope that should not require us to have to go back and do too much thinking about how great this would be. We're trying to perfect, instead of by just having an amendment, to allow all Members to take part in these things with their good ideas.

So I do take that what the gentleman said is correct, but good ideas are part of this bill. That should be what we're about here on the floor, just as an amendment that may not have gone through.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. SESSIONS. I wish I could. I'm out of time. I've got a whole bunch of speakers. But I appreciate the gentleman. He'll have plenty of time.

At this time, Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. MCHENRY).

Mr. MCHENRY. I want to thank my colleague, Mr. SESSIONS, for his leadership on the Rules Committee and otherwise in this House. I also want to commend Mr. FINCHER from Tennessee for offering this legislation. It's a very important bill.

Mr. Speaker, I rise today to support and speak in favor of the JOBS Act. What this legislation does is address a key concern that I hear from my constituents in western North Carolina.

We know that entrepreneurship here in the United States is at a 17-year low. We also realize that the rest of the world has caught up to us in terms of their capital markets and business formation. We also know that small businesses create the majority of new jobs in the United States. So it's very important for us, in light of the new regulatory changes that have happened in the last couple of years here in Washington—the advent of Dodd-Frank that increases the cost of lending and makes it less available for small businesses, the CARD Act that makes credit cards less available to the average person who tries to start their business, like my father did, on his credit card. We also realize that the regulatory changes, the more, higher red tape that we have here in Washington makes it

more expensive to do business here in the United States.

These are major concerns. These are major concerns for my constituents in western North Carolina.

I want to commend Mr. FINCHER for offering the JOBS Act. We've got some very important pieces of information and policy changes in this bill.

If you look at the 1990s, we had 530 IPOs, on average, every year. We had fewer than 65 in the year 2009. We realize that going public is not the avenue for every business, though the dream of many small business folks. So an important component of the JOBS Act is a piece of legislation we passed that I authored here in the House, with the help of my colleague from New York (Mrs. MALONEY), the crowdfunding act, which allows small businesses to access the capital markets to sell equity, rather than ask for debt, sell equity in their great start-up or new idea.

Crowdfunding takes the best of microfinance and crowdsourcing and uses the power of the Internet for small businesses to have offerings in their company. Now, it could be used for a tech company, certainly, to raise up to \$2 million, but it could be used for a coffee shop in Hickory or in Asheville in western North Carolina to raise \$50,000 and sell equity in their business.

These regulatory changes are very important. We have regulations and laws on the books—the 1933 Securities Act, the 1934 Securities and Exchange Act—that really were the reaction to the problems and challenges of their day.

□ 1310

They put in restrictions in terms of advertising about your security. Well, that was a problem when the telephone was the new technology of the day. But we have the power of the Internet, and people are more informed today than they were 100 years ago about investing. So we're changing these regulatory structures so that small businesses can get the capital they need to grow and expand. That's what this is all about.

It doesn't fix every problem that we face today, but this is a bipartisan bill. It's a good idea. The President has spoken in favor of many of the components of this legislation, and we hope, not to simply pass it out of the House on a bipartisan basis, but to ensure that we pass it through the Senate and the President signs it.

These are good ideas that can have an impact and help us grow and create jobs. It helps entrepreneurs. It helps small businesses. Those folks are the lifeblood of economic growth, and that's what we need to be focused on.

I urge the adoption of the rule, and ask my colleagues to vote for passage.

Mr. POLIS. Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Mrs. MALONEY), an author of key provisions of this bill.

Mrs. MALONEY. I thank the gentleman for yielding, and for his leadership on the Rules Committee.

I rise in support of this rule and the underlying bill. It's a package of bills designed to encourage the growth of smaller companies and start-ups, and it contains six separate bills, four of which have already passed this body by overwhelming majorities.

I share the concerns of the ranking member, Mr. FRANK, that these 17 amendments that were put in place, adequate time has not been given to fully debate them.

I do want to take issue with my good friend from North Carolina in his criticism of the CARD Act, saying that it has made it harder for Americans to receive cards. This bill that passed this body overwhelmingly, with Democratic leadership, I was proud to be the lead sponsor on it, working with all of my colleagues on the Democratic side. And what it did is it stopped unfair deceptive practices.

Money magazine called this bill the best friend a credit card holder ever had, and The Pugh Foundation came out with a report earlier this year saying that this Democratic bill alone saved consumers in our country \$10 billion in 1 year. I would say that's an advantage for consumers, an excellent goal that was championed by our President and by the Democratic leadership.

I would like to take issue with this comprehensive jobs agenda. I do support it, but I think that we should be working on major job-creating opportunities, such as the transportation bill and the President's Jobs Act, and these two bills would create half a million jobs. Here we are repackaging a group of old bills that we've passed before, and it does not constitute a comprehensive jobs bill.

As I said, four of the six bills have already passed the House with major support on both sides of the aisle. And I'm disturbed that one bill was taken from my Democratic colleague, JIM HIMES.

I would like to quote The Washington Post. The Washington Post said:

The JOBS Act is not new legislation but is instead a grab bag of items that have already passed at the committee level or on the House floor by wide bipartisan votes.

These previously-passed bills make some useful yet modest steps forward, but they are no substitute for a major job-creating highway bill or passage of the full American Jobs Act. These bills make modest changes for start-up companies, making it easier for them to raise capital through the Internet and the solicitation of accredited investors, and loosening certain filing and regulatory requirements for start-ups and small banks.

I would say the prime goal of the Democratic leadership is to reignite the American Dream by building the pillars of success for small businesses, our entrepreneurs, and by making our economy stronger. These bills before us do help in many ways, although they are not a comprehensive jobs package. It rightly gives smaller companies and start-ups greater flexibility to grow and flourish.

I urge the adoption of the rule and the underlying bills. I do want to mention the Entrepreneur Access to Capital Act, which creates a new exemption from registration for crowdfunding securities. It permits a company to raise up to \$2 million a year, with investors permitted to invest the lesser of \$10,000 or 10 percent of their income annually in such companies.

I was pleased to work with my colleague, Mr. MCHENRY, on this bill. It has a number of others that would reduce the cost of going public, and would aid in the capital formation for job creation in our country.

I do want to note that the President of the United States, his administration, is supporting these bills, and I urge passage of them.

Mr. SESSIONS. Mr. Speaker, the gentlewoman from New York makes a good point about the President's jobs bill, except it picks winners and losers, and has hundreds of billions of dollars of tax increases that will continue to kill the free enterprise system, along with the other administrative things that this President is doing to the free enterprise system. So this body will not, will not pass hundreds of billions of dollars of tax increases and then say we're trying to help people doing that.

The President, I'm sure, is entitled to his own beliefs. We're going to do the things which work, that empower the free enterprise system.

Speaking of working and empowering the free enterprise system, I yield 4 minutes to the gentleman from Arizona (Mr. SCHWEIKERT), who has brought great ideas to this bill and they are included in this.

Mr. SCHWEIKERT. First, I want to thank my good friend from Texas. I appreciate him yielding me 4 minutes.

Mr. Speaker, I rise in support of the rule and also the underlying bill, and I may have somewhat of a unique perspective here. Being on the Financial Services Committee, we actually started building and moving these bills and working on them, I think, as early as a year ago, last March. So almost everything that's in here has been well vetted, well understood, even down to the amendments and the concepts and the discussion from the last year.

And why is it important, doing this JOBS Act and bringing it together, in many ways, as a single piece of legislation? Because conceptually, they all link together. It is about capital formation. It is about those small-growth companies that create the next wave of employment.

Let's face it, this truly is about jobs. It is about economic growth. The creativity we need in our economy that creates that next generation of excitement and employment comes from the types of business that need access to capital, and these are the very ones that this bill moves forward.

There's also another point that I hope sort of moves universally from right to left here. I'm one of the believers that capital formation is going to

look very different in the future. You know, the old days of you go find an angel investor, and then you go find VC capital, and then you go public, are going to look different. Some of this is because of Dodd-Frank. Some of this is because of what's happened in the regulatory environment.

And the beauty of this legislation is going to provide opportunity and options, particularly for those growing employers, those small companies that want to grow, want to employ in my home district in Arizona.

Mr. POLIS. Mr. Speaker, if we defeat the previous question, we'll offer an amendment to the rule to provide that, immediately after the House adopts this rule, it will bring up Mr. BISHOP's bill, H.R. 1748, the Taxpayer and Gas Price Relief Act and that would simply do it, in addition to this bill, with broad bipartisan support. I know there is also broad bipartisan concern about gas prices, a very substantial issue that many on my side of the aisle, Mr. BISHOP included, would like to do something about so that American consumers have more of their money to take home.

So to talk about his proposal, I yield 3 minutes to the gentleman from New York (Mr. BISHOP).

□ 1320

Mr. BISHOP of New York. Mr. Speaker, I thank my friend from Colorado for yielding.

I rise in opposition to the rule and in support of moving the previous question. This motion would amend the bill with strong provisions to stop price gouging at the gas pumps and remove unwarranted tax subsidies from the Big Five oil companies.

We're long overdue for a serious debate about gas prices. Scoring political points on this issue serves no one and doesn't solve the problem.

Here are the facts: domestic production is at an 8-year high; imports of oil are at a 17-year low; there are more oil and gas rigs drilling in the United States today than in the rest of the world combined. Let me say that again: there are more oil and gas rigs drilling in the United States today than in the rest of the world combined. The number of oil rigs in operation right now has quadrupled since President Bush left office. Last year, the U.S. became a net exporter of oil for the first time in 62 years. Clearly, rising gas prices do not result from a U.S. supply-driven problem, and this administration cannot be blamed for doing enough to encourage and to facilitate drilling. Nor is rising gas prices a U.S. demand-driven problem. Demand is down by 6½ percent in just 1 year and 17 percent since 2008. There are several factors that contribute to rising gas prices, but U.S. supply and U.S. demand are not among them.

Gas prices in the eastern part of my district are up over 60 cents in a matter of weeks. Rampant speculation accounts for most of that, with over 60

percent of the market controlled by speculators. The speculators' overriding goal is profit-taking, which our legislation targets. Nothing is wrong with profits. They made our Nation strong, but profits should not be pursued at the expense of middle class families, nor at the expense of our fragile economic recovery. This legislation makes sure it doesn't by cutting out speculators. It strengthens penalties for manipulating the market, which forces up gas prices and leads to price gouging. The legislation also cuts out subsidies for Big Oil, and we should reinvest those dollars in a long-term strategy focused on clean and renewable sources.

Mr. Speaker, our debate should focus on a green-energy policy free of market speculation and subsidies our Nation can't afford. We must tackle this problem rather than use it to point fingers and to try to score political points.

Thus I urge my colleagues to vote "no" on the previous question and vote "no" on the rule.

Mr. SESSIONS. Mr. Speaker, at this time I would like to yield 4 minutes to the gentleman from Indiana (Mr. PENCE), a man who I believe is one of the clearest thinkers in this Congress. He is a person who studies well, applies logic, and comes out with a deduction for making things better for people who are not in this town, but rather people who are the real part of America.

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

Mr. PENCE. I thank the gentleman for yielding, for his leadership, and for his gracious esteem.

I rise in support of H. Res. 572, the rule supporting the JOBS Act and underlying bill.

Mr. Speaker, everywhere I go across the Hoosier State, I hear job creators struggling in this economy, talking to me about the obstacles to growth, the obstacles to getting this economy moving again for their business. And again and again, I hear about the weight of Federal red tape that stands in the way of capital formation, business expansion, and jobs.

Just today I was talking to a manufacturer in the State of Indiana who said to me, MIKE, the environment in Indiana is very positive. Our problem is Washington, D.C.

And I was able to report to him that in a bipartisan manner today, the Congress was going to take a small, but significant, step in lifting a regulatory burden on capital formation. And that Hoosier, like I hope all Americans looking in today, was encouraged.

The JOBS Act will actually facilitate capital formation, business expansion, and growth by lifting the burden from job creators in a number of ways. It exempts emerging growth companies from certain SEC regulations; it raises offering thresholds for SEC registration; it exempts securities issued through innovative crowdfunding

sources from SEC regulation. All of those in plain English mean that we are going to change the regulatory environment to help start-ups and small businesses access public markets.

I've always believed throughout more than a decade of working on this floor that politics is the art of the possible, and today we will not do everything those of us on this side of the aisle believe that we should do to jump-start this economy. But we will do what we can do in a bipartisan fashion in passing this rule and moving the bipartisan Jumpstart Our Business Startups, or JOBS, Act, H.R. 3606.

On behalf of the hardworking taxpayers in Indiana, on behalf of that job creator I talked to this morning, I urge my colleagues to come together today to join us in supporting the JOBS Act. Let's give entrepreneurs and investors all across this country the incentive and the regulatory relief they need to get this economy back on track.

Mr. POLIS. I would like to inquire if the gentleman from Texas has any remaining speakers.

Mr. SESSIONS. I thank the gentleman for asking.

We did have one person who we believe is attempting to get here, to run here; but I would at this time tell you he is not here. So I would encourage the gentleman to go ahead and close as he would choose, and I would then do the same.

Mr. POLIS. Thank you.

I will certainly extend the courtesy to the gentleman. If the gentleman in his closing wants to yield some time to his speaker, I will not object to that.

Mr. SESSIONS. I appreciate that. Thank you very much.

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

Mr. Speaker, this bill here today is a good bill, an important bill. It's not a job solution for our country. It's not a jobs bill. In fact, I think the frustration of some is that to a certain extent it represents the spinning of the wheels that has typified this Congress in that most of these bills have actually already passed this House. That being said, if packaging them together and passing them again and trying to put pressure on the Senate to pass it is a constructive step towards making them law, then let's do it. I think a strong bipartisan vote of support will help do that. President Obama said he will sign this bill.

I call upon my colleagues of both sides of the aisle to support these bills. These bills help free up our capital markets in positive and constructive ways by allowing small investors the same opportunities as large investors, allowing companies a little bit more flexibility on remaining private over who their investors are, allowing small and mid-cap companies easier access to public marketplaces. This in turn makes it easier for venture capitalists and angel funders to invest in start-up companies, knowing that there's a better prospect of an exit should they succeed at smaller mid-cap stages.

We all know there's a number of contributing factors to the decrease in public offerings that have occurred over the last 10 years, a trend that I think is beginning to reverse. One of those aspects—certainly not the only aspect—is the excess regulation that we abolish through this act. Other things include simply the appetite of the capital markets for public offerings at any given time and other legal and administrative risks that are not dealt with in this bill that perhaps call for additional legislation.

This is not by any stretch of the imagination a recovery or a jobs bill, but these are very constructive steps that, again, cycling our wheels, yes, we've already passed. We are passing two new ones as well. Let's package them together; let's put pressure on the Senate to send them to President Obama's desk where he has said he will sign these bills.

But let us not, in our effort to continue to push these important pieces of legislation for capital formation, forget that our country faces even more important critical risks before us. We need to get serious about growing our economy, and we need to work hard in a bipartisan basis to implement real tax reform legislation, tax reform that would create a more competitive Tax Code, allowing companies to reinvest in their growth rather than taking their money in an arbitrary way or encouraging them to distort the economic reality and the allocation of resources by having certain tax preferences for industries that may be in or out of favor of government officials. Let's allow companies to invest in their own growth and encourage private sector job creation and have real corporate tax reform as the President has proposed and the chair of the Ways and Means Committee, Chairman CAMP, has proposed and many on both sides of the aisle have proposed.

I call upon our House to move forward a bill that will fundamentally make American businesses more competitive and that, Mr. Speaker, we can call a jobs act.

What else can we call a jobs act? We can call a jobs act doing something about our national deficit, the fact that the current fiscal integrity of our Nation is at stake if we do not take action. Over the next 10 to 15 years, yes, our Nation faces an immense financial crisis.

□ 1330

We need a balanced approach, a big, bold and balanced approach, as has been outlined by both the Gang of Six and the Bowles-Simpson Commission. There are a number of people on both sides of the aisle who have been calling for real deficit reduction, and yet this House has not reduced the deficit and has continued to pass and operate, in fact, under a budget that simply continues these record deficits for the next 10 years.

Providing that certainty around the fiscal integrity of our country—to

allow for long-term borrowing, to ensure that businesses have access to capital and predictability over time—will, again, do more to create jobs and grow our economy than will freeing up the capital markets around a few key areas that these bills accomplish.

So, yes, these bills are an important step in the right direction, including the only one truly new bill before us—the others have already been passed by this House. This is a good package, a good package which is a first start to rebuilding our economy. But even after they're enacted, there is nothing that instantaneously happens. They have to be implemented, and credited investors have to start buying private securities and start-ups. It will be several years before this can translate into actual job growth, which it will, and produce meaningful results. Again, corporate tax reform and showing some interest among this body in actually balancing our budget deficit would send an indication now to the marketplace that would immediately lead to job growth.

Mr. Speaker, I ask unanimous consent to insert the text of the previous question into the RECORD, along with extraneous material, immediately prior to the vote on the previous question.

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

There was no objection.

Mr. POLIS. I urge my colleagues to vote "no" and to defeat the previous question.

These are important bills, and I strongly support the underlying bill. I encourage its passage, and again encourage my colleagues to be fully aware that, by passing this bill, we are not creating a single job. Yes, by pressuring the Senate and by getting the bill to Obama's desk, it can eventually lead to the enhancement of our capital markets and some job creation, but this doesn't get us off the hook.

Passing this bill and not balancing the budget deficit, as this Congress is currently doing, as well as passing this bill and not reforming our Tax Code by making it more in line with the international standard, is not a recipe for American competitiveness or jobs. In fact, this bill alone, if it means the absence of balancing our budget and the absence of making our Tax Code competitive, is just an anti-jobs bill. You can't bail out a sinking ship. This country needs fundamental change. We need to balance our budget deficit. We need corporate tax reform. We need individual tax reform.

I call upon my colleagues on both sides of the aisle to take those items up. Yes, it is a small positive measure to help free up capital flow, particularly for start-ups and small- and mid-cap companies. Let's pass this jobs bill now. I encourage my colleagues to support the bill.

I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. SESSIONS. Mr. Speaker, to hear the gentleman's strong voice, not only as an entrepreneur before he came to Congress, but in Mr. POLIS' dustup as he speaks in the Rules Committee in which he talks about America wanting to have a bright future, he is the father of a new young son, and he looks forward to the day that his son will have a bright future in this country. I appreciate his words today. He is also correct that we do not create jobs in this town, as it is the free enterprise system that does that. Yet with that comes an equal recognition that this town gets in the way of jobs and job creation.

Our taxes are preparing to be raised. The President, the Democratic Party are all about raising taxes on entrepreneurs, and people who get up and go to work every day, and small business, and taking away a Tax Code that benefits women, in particular married women, with the marriage penalty, as well as job creation through incentives that might deal with depreciation. All of these things are part of a pro-growth jobs package, and unfortunately, this House is not together on that. This House is having to, as the gentleman Mr. PENCE said, make incremental progress as we move forward.

Mr. Speaker, this body is big enough to be able to recognize that this country is in trouble. I don't care if you live in Orlando, Florida, or in Pensacola, Florida, or whether you live in Dallas, Texas, or whether you live in California. The needs of this great Nation are about job creation and about ensuring in a competitive marketplace that we keep jobs, that we have ample credit that's available, that we have new ideas like we're handling today in this bill, but that we also go to some old ideas, one of which is, when you tax companies or when you tax something, you get less of it.

What the President of the United States and the Democratic Party want to do is to tax America—the free enterprise system—to pick winners and losers and then try to call that "new revenue" to this country when, in fact, all it does is offset it with higher unemployment.

We need a pro-growth economy. We need a pro-growth agenda from the United States Congress. It's not just the House but the Senate, also. We need the President of the United States to understand that his temptation to talk about economic growth should be about job creation, not just about picking winners and losers. We need someone who will bring this country together, not attack our free enterprise system, not stand up in front of people and say that we can work together but then not actually become responsible enough to become engaged in legislation that will pass so that we can make this country stronger.

The Republican Party is here today, leading this bill on the floor. We've got

a rule which allows for 17 amendments—13 from Democrats, 3 from Republicans, 1 bipartisan. Once again, our Speaker, JOHN BOEHNER, and the gentleman from California, DAVID DREIER, who is the chairman of the Rules Committee, are intensely interested in having this House work in a bipartisan fashion, but making progress for the American people. The American people expect us and want us to do better. Today is a chance to work together, pass a bill, put it across the aisle to the Senate, and ask them to please join us in making life better for Americans.

Mr. Speaker, I hope all of my colleagues support this rule. It's a great rule. It does the right thing. The underlying legislation is wonderful, and I urge a "yes" vote on the previous question and on the rule.

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

AN AMENDMENT TO H. RES. 572 OFFERED BY
MR. POLIS OF COLORADO

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. 1748) to provide consumers relief from high gas prices, 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 among and controlled by the chair and ranking minority members of the Committee on Energy and Commerce, the Committee on Ways and Means, and the Committee on Natural Resources. 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 the bill specified in section 2 of this resolution.

(The information contained herein was provided by the Republican Minority on multiple occasions throughout the 110th and 111th Congresses.)

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 opposition, at least for the moment, 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), de-

scribes 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."

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

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

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

Mr. SESSIONS. 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 pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 4105. An act to apply the countervailing duty provisions of the Tariff Act of 1930 to nonmarket economy countries, and for other purposes.

BUREAU OF RECLAMATION SMALL CONDUIT HYDROPOWER DEVELOPMENT AND RURAL JOBS ACT OF 2011

The SPEAKER pro tempore (Mr. MILLER of Florida). Pursuant to House Resolution 570 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R. 2842.

□ 1337

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 further consideration of the bill (H.R. 2842) to authorize all Bureau of Reclamation conduit facilities for hydropower development under Federal Reclamation law, and for other purposes, with Mr. MCCLINTOCK (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose on Tuesday, March 6, 2012, amendment No. 3 printed in the CONGRESSIONAL RECORD by the gentleman from Minnesota (Mr. ELLISON) had been disposed of.

AMENDMENT NO. 1 OFFERED BY MRS.
NAPOLITANO

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, the unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Mrs. NAPOLITANO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 168, noes 253, not voting 11, as follows:

[Roll No. 98]

AYES—168

Ackerman	Brady (PA)	Cicilline
Altmire	Braley (IA)	Clarke (MI)
Andrews	Brown (FL)	Clarke (NY)
Baca	Butterfield	Clay
Baldwin	Capps	Cleaver
Bass (CA)	Capuano	Clyburn
Becerra	Carnahan	Cohen
Berkley	Carney	Connolly (VA)
Berman	Carson (IN)	Conyers
Bishop (NY)	Castor (FL)	Cooper
Blumenauer	Chandler	Costello
Bonamici	Chu	Courtney