There was no objection.

AMENDING HOUSE RULES TO PLACE LIMITATIONS ON COPYRIGHT ROYALTY INCOME FOR HOUSE MEMBERS, OFFICERS, AND EMPLOYEES

Mr. SOLOMON. Mr. Speaker, pursuant to House Resolution 322, I call up House Resolution 299 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 299

Resolved,

SECTION 1. AMENDMENT TO HOUSE RULES.

(a) Clause 3(e) of rule XLVII of the Rules of the House of Representatives is amended to read as follows:

''(e) The term 'outside earned income' means, with respect to a Member, officer, or employee, wages, salaries, fees, and copyright royalties earned while a Member, officer or employee of the House, and other amounts received or to be received as compensation for personal services actually rendered but does not include—

''(1) the salary of such individual as a Member, officer, or employee;

''(2) any compensation derived by such individual for personal services actually rendered prior to the effective date of this rule or becoming such a Member, officer, or employee, whichever occurs later;

''(3) any amount paid by, or on behalf of, a Member, officer, or employee, to a tax-qualified pension, profit-sharing, or stock bonus plan and received by such individual from such a plan;

''(4) in the case of a Member, officer, or employee engaged in a trade or business in which the individual or his family holds a controlling interest and in which both personal services and capital are income-producing factors, any amount received by such individual so long as the personal services actually rendered by the individual in the trade or business do not generate a significant amount of income; and

''(5) copyright royalties for works published before becoming a Member, officer, or employee of the House.''.

(b) Clause 3 of rule XLVII of the Rules of the House of Representatives is further amended by adding at the end the following new paragraphs:

''(g) A Member, officer, or employee of the House may not—

''(1) receive any copyright royalties pursuant to a contract entered into after becoming a Member, officer, or employee—

''(A) unless the royalty is received from an established publisher pursuant to usual and customary contractual terms; and

''(B) without the prior approval of the contract by the Committee on Standards of Official Conduct; or

''(2) receive any advance payment for any such work. However, the rule does not prohibit literary agents, research staff, and other persons working on behalf of the Member, officer, or employee, from receiving advance payments directly from the publisher.

''(h) The Committee on Standards of Official Conduct, subject to such exceptions as it deems appropriate, shall not approve any contract which permits the deferral of royalty payments beyond the year in which earned.''.

SEC. 2. EFFECTIVE DATE.

The amendments made by this resolution shall apply to copyright royalties earned by a Member, officer, or employee of the House of Representatives after December 31, 1995.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the Nature of a Substitute offered by Mr. SOLOMON:

SECTION 1. AMENDMENT TO HOUSE RULE XLVII (LIMITATIONS ON OUTSIDE EMPLOYMENT AND EARNED INCOME).

Rule XLVII of the rules of the House of Representatives is amended by redesignating clause 3 as clause 4 and by inserting after clause 2 the following new clause:

''3. A Member, officer, or employee of the House may not—

''(1) receive any advance payment on copyright royalties, but this paragraph does not prohibit any literary agent, researcher, or other individual (other than an individual employed by the House or a relative of that Member, officer, or employee) working on behalf of that Member, officer, or employee with respect to a publication from receiving an advance payment of a copyright royalty directly from a publisher and solely for the benefit of that literary agent, researcher, or other individual; or

''(2) receive any copyright royalties pursuant to a contract entered into on or after January 1, 1996, unless that contract is first approved by the Committee on Standards of Official Conduct as complying with the requirement of clause 4(e)(5) (that royalties are received from an established publisher pursuant to usual and customary contractual terms).''.

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall take effect on January 1, 1996.

Mr. SOLOMON (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 322, the gentleman from New York [Mr. SOLOMON] and the gentleman from Massachusetts [Mr. MOAKLEY] will each be recognized for 15 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that my 15 minutes of general debate be controlled by the gentleman from Washington [Mr. MCDERMOTT].

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

There was no objection.

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

Members, we have already had an extensive 1-hour debate on this issue, and I think most people know the alternatives there. The substitute I have offered presents the House with a clear-cut alternative to the Johnson resolution.

House Resolution 299 would bring royalty income, for the first time, under the outside earned income cap of 15 percent of a Member's salary of approximately $20,000. My substitute recognizes, as does the House Ethics Manual, and as does the Office of Government Ethics in the executive branch, that royalty income is a return on an author's intellectual property and, therefore, should be treated as any other investment income without being subject to arbitrary limits. It is what this debate is all about.

My resolution is identical to the Johnson resolution in that it prohibits any advances on royalty income beginning next year. And that next year is simply a week away.

And just like the Johnson resolution, my substitute requires prior approval of any future contracts after January 1, 1966, to ensure that they are in compliance with current House standards. We do not change those at all. And that the contract be with an established publisher. That is the rule today. That is the rule under the Johnson resolution, and it is the rule under my resolution. And that they be pursuant to usual and customary contract terms. All that stays the same.

Mr. Speaker, I think we have to ask ourselves in considering any kind of ethics rule what is the perceived ethical problem and how can we best deal with it? When it comes to royalty income, we must ask ourselves is there an ethical problem involved with receiving income over which we have no control? Think about that. Is there a problem or conflict involved with Members receiving income from books that are purchased by persons that the author does not even know? Who is going to buy those books out there? We are not going to know who they are. The will be in Philadelphia or Los Angeles or St. Louis. I do not even know anybody in St. Louis.

Does earning royalty income detract from the time a Member can devote to his or her official duties? We should ask ourselves that. The answer to all of these questions is, clearly, an emphatic, no.

The income is derived from the marketplace, from the popularity of the book, from the value of the book, as perceived by the public that is going to buy that book and not from persons who might pose a conflict of interest. We do not even know them, so how could there be a conflict of interest? And certainly not from the time a Member must devote to persuading people to buy that book. Those are facts.

Mr. Speaker, I know there are some who argue that the mere publication of a book by a Member of Congress is somehow capitalizing on that office, but let me tell Members something. The public does not rush out to buy a book simply because it is written by a Member of Congress. The public could care less, my friends. Let us get our egos back down to where they belong. And there are several Members here today, believe me, who could attest to that. I am the author of books and I can attest to it.

Mr. Speaker, Members have had books bomb and they did not make a

dime. And given the current public approval rating of Congress, that is not too surprising, really; right? Right? We are not considered to be leading intellectual lights of our society, let us get our egos back down, let alone literary geniuses. I do not see a literary genius in the room.

Members, an argument can be made that advances, now think about this, that advanced royalties might be perceived as posing a conflict since they can come from a single source, the publisher, and are based on expectations of sales rather than what the actual value of the book might be. And that is really what the Committee on Standards of Official Conduct had in mind when they put this out here on the floor.

Therefore, it is legitimate for us to prohibit advances, because they may pose potential conflicts of interest or even the perception of a conflict of interest that a Member is being rewarded for the office he holds rather than for the actual value of the book.

Mr. Speaker, if we begin down this road of defining unearned income as earned income because someone thinks it poses an ethical problem, then maybe we should place limits, and Members better listen to this, because it is out there right now with some of these Members here, maybe we should place limits on how much in dividends a Member can receive from stock investments, from stocks and bonds that we have earned and paid taxes on and now that is a Member's personal property. Think about that.

Mr. Speaker, stock income can certainly be argued as posing potential conflicts of interest since we often vote on matters that affect stock prices. Members should think about that for a minute now. Whether we are talking about defense contracts, and I own GE stock. They get involved with defense contracts. Is there a conflict of interest there? We better start thinking because we are going down that road. Or how about the telecommunications bill, Mr. Speaker, that will be on this floor, hopefully, sometime soon. But book income is nowhere close to posing the potential conflicts that stock income does. We do not cast votes on this floor that affect how well our books might sell at the local book store, my friends.

Mr. Speaker, let us not go overboard here today and vote for an ethics rule that has no relationship to potential ethics problems, particularly if we deal with the advance problem. Let us not punish or discourage Members, and staff, too, from writing books and disseminating their opinions and their ideas, wisdom and knowledge developed over a lifetime. Please think about that.

If we do that, Mr. Speaker, we will be the first parliamentary body, the first democracy in history that penalizes literacy by stigmatizing the writing of books. Instead, Mr. Speaker, and I will say this with just all sincerity, let us put this House on the same plane as the President of the United States, and I am not being political, the Vice President of the United States, Cabinet members, and other Presidential appointees who are prohibited from receiving advances on books, but who may still receive royalty income under the Constitution of the United States, and that has been upheld by the courts.

To quote from an Office of Government Ethics advisory letter of September 26, 1989, on this subject, ''We have drawn a distinction between those events creating intellectual property, such as the writing of a manuscript, and the subsequent retention of a royalty interest after the book is published.''

The advisory letter goes on, and I quote:

> Income attributable to the former, such as an advance on royalties, is earned income; while the retention of a royalty interest following publication is a mere property right in the residual income stream.

That is what the debate is all about here today.

Let us agree to prohibit up-front advances on all books while retaining the right of receiving a return on our investment of intellectual property, subject not to some arbitrary limit but only to the limits that the people place on it by purchasing those books.

Let us not make Members of Congress second-class citizens, and we are about to do that, by adopting a rule that places less value on our ideas and our writings than the executive branch rule places on the President and his top people. If Members want to change this law, we have a law, an ethics law written into law signed by the President, the 1989 ethics law. If we want to change that, we want to have our hearings, let us to do that and then treat us all exactly the same. That is a possibility. That is what I had in mind. But let us not demean ourselves or this institution any further by stigmatizing the value of what we are willing to be able to communicate to the public by simply writing books in our spare time.

Mr. Speaker, that is what this is all about. It is so terribly important. I do not want to go down that road of all of these other things, because this institution has to be maintained. The integrity has to be maintained and the future people that will serve here have to know that they are going to be treated just like every other citizen.

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That is what this debate is all about. So, I would beg my colleagues to come over and vote for my resolution, and then if they want to talk about changing the law of the land later on, I would be more than glad to work with every Member and all of the respected members of the Committee on Standards of Official Conduct.

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

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

Mr. Speaker, if the Members of this body vote for the Solomon amendment, they do two things: They deny the House of Representatives the opportunity to vote on the proposal of the gentlewoman from Connecticut [Mrs. JOHNSON], the chairman of the Committee on Standards of Official Conduct, and, second, they leave open the door to multimillion-dollar contracts that we cannot monitor.

Mr. Speaker, we removed a Speaker of the House over book sales, bulk book sales. That loophole is still open, and if we do not pass this resolution that we put out of the Committee on Standards of Official Conduct, we are voting to leave the bulk sale loophole open, with no ability of this committee to ever monitor that. That is why this amendment is before us.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of House Resolution 299 and in opposition to the Solomon substitute.

Mr. Speaker, this vote will be the vote that Members must take responsibility for their actions. The Committee on Standards of Official Conduct is bringing this rule to the floor because it is appropriate for the body to work its will on this subject. Normally, we bring other kinds of things to the floor. We are bringing a rule because the issue raised by it is an issue that Members should legitimately decide.

Mr. Speaker, this is not a contest between good and evil. This is a contest between two proposals, each of which will change the way we govern Members who write books.

Mr. Speaker, let me try to make as clear as I possibly can the difference between the two proposals. First of all, they both will require that the Committee on Standards of Official Conduct review contracts and approve contracts. This is a very important step forward, because we will assure through that mechanism that Members are not treated differently; that Members get no preferential deal in any book contract, but that every contract will have to meet usual and customary standards.

Second, both proposals will ban advances. Now, advances used to cover costs. They have come to cover both costs and expected royalties. That is why it is very important that we ban advances.

The third difference between the bills, the first two were similarities, they both involve Committee on Standard of Official Conduct approval of contracts and banning advances. Where they differ is in how they treat royalty income once the book is written and published.

Mr. Speaker, the Committee on Standards of Official Conduct is recommending that royalty income be governed in the same way all other outside earned income is governed; that is, subject to the $20,040 limit.

The alternative proposal does not limit royalty incomes on the theory that the book will sell only as many copies as its ideas merit and, since it is a matter of intellectual property, that we should not limit the income from ideas just like we do not limit the income from stocks.

Mr. Speaker, that is not an illegitimate proposal. There are two legitimate proposals before Members. The Committee on Standards of Official Conduct chose this direction, that is in the underlying resolution, because we believe it is easier and fairer for the House of Representatives for all Members of the House to be governed in regard to outside income by a uniform and consistent rule. Consequently, our proposal will bring royalty income under the same governance that all other outside income is governed by in the House.

Mr. Speaker, ideas are important. Ideas ought to be the currency of politics in America, now more than at any other point in our history. We do not believe our proposed rules will prevent ideas from materializing in book form, those books enriching the political dialogue of our Nation.

Mr. Speaker, I urge the Members to support the Committee on Standards of Official Conduct resolution.

Mr. MCDERMOTT. Mr. Speaker, would the Chair inform as to the amount of time that is remaining?

The SPEAKER pro tempore. The gentleman from Washington [Mr. MCDERMOTT] has 10½ minutes remaining, and the gentleman from New York [Mr. SOLOMON] has 5½ minutes remaining.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Cleveland, OH [Mr. STOKES], former chairman of the Committee on Standards of Official Conduct for 6 years.

Mr. STOKES. Mr. Speaker, I rise in support of the rule change being proposed by the Committee on Standards of Official Conduct and in opposition to the Committee on Rules substitute.

Mr. Speaker, as has been stated, in past congresses I have served on the Committee on Standards of Official Conduct both as a member and I served as its chairman for 6 years. I also served on the Ethics Task Force chaired by the gentleman from California [Mr. FAZIO], which drafted many of the rules changes now existing under the rules.

Mr. Speaker, I want to commend the gentlewoman from Connecticut [Mrs. JOHNSON], chairwoman, and the gentleman from Washington [Mr. MCDERMOTT], her ranking minority member, for bringing forth this thoughtful and carefully crafted rule change. In fact, I commend the entire committee for this unanimous bipartisan rule change which is needed to close the book deal loophole.

Mr. Speaker, any attempt to undercut, undermine, or defeat this recommendation of the Committee on Standards of Official Conduct merely once again subjects this institution to the continuous charge that we cannot conduct ourselves in an ethical manner, and once again brings the House into a position of public disrespect by rejecting the attempt of its own Committee on Standards of Official Conduct to keep Members ethical.

Mr. Speaker, I totally reject the argument that the Members here are being deprived of intellectual property under the Johnson resolution. Additionally, I see this as a dangerous precedent. Throughout its history, the House has never had a recommendation of the Committee on Standards of Official Conduct undercut by the Committee on Rules of the House.

Mr. Speaker, I urge the Members to support the Johnson resolution of the Committee on Standards of Official Conduct and reject the House Committee on Rules proposal.

Mr. MCDERMOTT. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, I first want to commend the Committee on Standards of Official Conduct, all members, both sides. They worked very hard to bring this bill to us. It may not have been unanimous, but it must have been pretty close because that is all that was reported out.

Mr. Speaker, there is no one standing in line to serve on the Committee on Standards of Official Conduct. They work very hard. And I know I was pretty hard on them, along with one of my colleagues from Florida, because we felt they were taking too long to arrive at this decision, but they did good work and it is here. It is before us now.

Mr. Speaker, it is a good recommendation. It closes a huge loophole in the ethics rules that we have in this House, and it allows the Committee on Standards of Official Conduct to do its job better in its interpretation of those rules.

Mr. Speaker, the bottom line, no one in this House should be able to capitalize on their position as an elected public servant. Ultimately, the substitute here is bad. It is weaker than the current standard for other Federal offices and agencies. We need to make that point. It is a bad rule. We need to continue with the resolution that is before us that the gentlewoman from Connecticut has brought to us and vote for it.

Mr. MCDERMOTT. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, unfortunately and tragically, both for this institution and for the American public, every now and then we are presented with the task of confronting the activities of those who have sought to exploit the rules of the House of Representatives.

Mr. Speaker, this Committee on Standards of Official Conduct has struggled long and hard, as have previous Committees on Standards of Official Conduct, with these problems. The recommendation of this committee is that they believe, and I cite from the report that, ''The existing House rule must be changed to clearly restrict the income Members may derive from writing books. As recent events demonstrate, existing rules permit a Member to reap significant and immediate financial benefits appearing to be based primarily on his or her position. At a minimum, this creates an impression of exploiting one's office for personal gain.''

This institution and none of its Members can withstand that impression, nor should they accept it. If Members vote for the Solomon amendment, they cannot get to the recommendation of the Committee on Standards of Official Conduct to the membership of this House for its approval. We must vote against the Solomon amendment.

Mr. MCDERMOTT. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. FAZIO], a former member of the Committee on Standards of Official Conduct.

Mr. FAZIO of California. Mr. Speaker, as I have listened to my colleagues in the debate here on the floor, and in conversations that occur within the Chamber, I sense that most of the opposition to the proposal that was made by the committee, unanimously, seems to go to the basic law that was passed in 1989, which essentially said that if we are going to be increasing our compensation here, which we did, we ought to do it in the context of concentrating our time on the job that we have been elected to do during that period of our public service.

Mr. Speaker, we did not prevent anyone who had worked in a prior career from continuing to benefit from that. A person who had invested in an insurance business or a law firm or even, like the gentleman from California [Mr. BONO], as a creative artist. We did not prevent any Member from taking what they learned here and writing the great American novel about American politics and Congress when they left.

We simply said that while Members are here, they ought to concentrate their efforts on serving the public and we ought to guarantee that despite all the other things we might do as a prior career or continuing career, it ought to be limited so that the amount of income we could earn would be de minimis in the context of what our salary was.

Mr. Speaker, I do not see anything at all inconsistent with what the Committee has asked us to do. They are, in effect, closing a loophole which was made at the time, because we never envisioned that people who wrote books would exceed that limit. I think it is appropriate that we make this change, and I hope Members would reaffirm the law we passed in 1989.

Mr. MCDERMOTT. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

(Ms. PELOSI asked and was given permission to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, I rise in opposition to the Solomon amendment, and remind our colleagues that if the Solomon resolution passes, we will not have an opportunity to vote for the report of the Committee on Standards of Official Conduct.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minute to the gentleman from Ohio [Mr. SAWYER], a member of the Committee on Standards of Official Conduct.

Mr. SAWYER. Mr. Speaker, I express my thanks and gratitude to all of my colleagues on the Committee on Standards of Official Conduct. The last 11 months have presented a challenge before us to deal with a number of complex issues that revolve around a number of different charges that were brought before us. But the issue that brings us together today is what brought us together as a committee. It was the cement, the cornerstone, the baseline from which we drew a unanimous report that we all agreed to from the committee.

That baseline drew on exactly the kind of question that the chairman of the Committee on Rules asks. The gentleman's question was: What is the perceived problem and what is the solution? The perceived problem is real. It was the appearance of exploiting one's office for personal gain. The solution, the goal, was to limit outside income to avoid that appearance.

Mr. Speaker, this measure that we may or may not get to, depending on the outcome of the vote on the Solomon proposal, was precisely that attempt. It was a bipartisan effort to come to an agreed-upon date with an agreed-upon solution that would deal with the appearance of exploiting one's office for personal gain.

Mr. Speaker, it is a fair and honorable way to go about the business of saying, yes we want to share ideas with the rest of the Nation, but we should not be earning exorbitant income in the process of doing it.

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

When I was a boy, I used to worship this next speaker. He was one heck of a baseball player.

Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. BUNNING], a distinguished Member now in another career, especially with his duties on the Committee on Standards of Official Conduct.

(Mr. BUNNING of Kentucky asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. BUNNING of Kentucky. Mr. Speaker, first of all, I would like to show the Members of this body those people who have applied in the last 3 years and asked the Committee on Standards of Official Conduct for permission to do books, and that does not include those who wrote them without asking permission, because presently under the law you do not have to ask permission.

Mr. Speaker, I rise in opposition to House Resolution 299 and in support of the Solomon amendment.

No matter how hard we try we cannot insulate the Members of this body from every potential temptation and every potential conflict of interest that exists in this world today.

To try to do so is ridiculous. To try to do so demeans this body's integrity and the integrity of each and every Member of this House of Representatives.

If a Member of the U.S. House of Representatives has intelligence and imagination enough to develop ideas that can catch the interest of the book buying public—what is the harm of that?

If a Member of this body has enough writing ability to convince the book buying public to shell out $10, $20, $30 for a book, where is the harm in that?

Sure, we can prohibit advances, and I agree that we should do so, for the potential abuse does occur in advances and the Solomon substitute does just that.

But, for God's sake, do not gag the Members of this body with the intelligence and ability to put ideas down on paper. Do not tell the American public that the Members of this body cannot be trusted to test their ideas in the market place.

This year, 10 Members of this body have submitted book contracts to the Ethics Committee for consideration. Changing the rules retroactively is totally unfair to these Members.

In the past 3 years another 15 Members or staff personnel have submitted book contracts to the Committee of Standards. And this does not even count the others who did not submit their contracts to the Ethics Committee.

We do not know how many books are being written or sold because, currently, the rules do not require anyone to submit contracts for review. We will not know until the income is reported on the financial disclosure statements.

The Solomon amendment requires that all books be submitted.

It is just not right to stifle the talents or the message, and it is a violation of the first amendment of the Constitution.

It is a matter also of common sense and dignity.

Do not demean this body or the integrity of your follow Members by slapping a gag rule on this institution.

Please, support the Solomon substitute.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, let me try to respond to some of the comments that were made by the gentleman from Kentucky [Mr. BUNNING] and the gentleman from New York [Mr. SOLOMON].

First, the problem is that the current rules allow a person to be able to earn millions of dollars solely because of their office. That is the problem that we are dealing with. These multimillion-dollar book contracts are awarded because of our office.

The second problem is enforceability. Nothing in our current rules gives the Committee on Standards of Official Conduct the ability to enforce bulk sales, as the gentleman from Washington, [Mr. MCDERMOTT] mentioned. We can be with a group, and to show us appreciation they buy 500 copies of our book, distribute it to the conference, and we have personally benefited a couple thousand dollars. It is that type of problems that we have if we do not restrict the book royalty income, the same as we do all other earned income.

The gentleman from New York [Mr. SOLOMON], let me point out that the President and senior executive officers cannot earn money like we do for books. In most cases, they cannot earn any money, and they certainly cannot relate it to their office.

So we are allowing Congressmen much more flexibility than the President of the United States or senior Cabinet positions.

We are dealing with earned income, not unearned income or investment income. I think that is totally inappropriate to mention that in this debate.

Lastly, let me point out the issue is clear. If the Solomon substitute is adopted, we never get a chance to vote on the recommendation of the Committee on Standards of Official Conduct. Members will still be able to enter into multimillion-dollar contracts. It is that that we are trying to stop.

Make no mistake about it, we have a clear choice on the floor of the House today. If you vote for Solomon, you are opposing the bipartisan report of the Committee on Standards of Official Conduct. You are opposing what we are trying to do in telling you that we cannot enforce the current rule.

Please, support the Committee on Standards of Official Conduct.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. HUNTER].

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

Mr. HUNTER. Mr. Speaker, I rise in supporting the Solomon amendment and opposing the base bill, which, had it been adopted by the British Parliament, would have prohibited Winston Churchill from writing and selling 11 major works while he was in office, including his 1953 Nobel Prize-winning history of World War II.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I rise in support of the Solomon amendment.

But I would also like to commend the gentlewoman from Connecticut [Mrs.

JOHNSON] and the gentleman from Washington [Mr. MCDERMOTT].

I think, under Democratic leadership, many of us thought the Committee on Standards of Official Conduct, had a wrangle of an oxymoron that it really was not able to achieve very much.

I disagree with you on this issue. Let me tell you why. The Senate just passed 68 to 30 to override the President's frivolous lawsuit-type thing. Democrats filed 65 charges against the Speaker, frivolous.

In a bipartisan way they threw out 64, and only one of them, in a very narrow, technical use, to look at a tax loophole.

If you want to look at something, ethics in this body, you ought to look at frivolous charges on a partisan matter.

The Speaker took $1. There has never been, to my knowledge, anyone that signed a million-dollar contract, ever. So what are we fighting against? The Speaker took 1 dollar, and we are legislating this against it.

I am writing three books. I have written one. I am writing two others. I am not going to make a million dollars on them, but I would like to be able to sell them.

Mr. McDERMOTT. Mr. Speaker, I yield 30 seconds to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, the gentleman from Kentucky just said that it is a violation of free speech to provide this limitation. It is not.

Senator SARBANES and I arranged for the publication of a book. We also arranged that neither one of us would make one dime off of it. So did the distinguished majority leader of this House, the gentleman from Texas [Mr. ARMEY].

This is not about free speech. This is about money and we believe, and I am happy that the Committee on Standards of Official Conduct believes, that Members of the House should not have to make money in order to freely express their ideas.

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

Mr. Speaker, Members of the House, I think the gentleman from Wisconsin really put his finger on it. You have a clear choice here.

The Committee on Standards of Official Conduct looked at this issue and said we do not want to stifle people's ability to write books. We want them to be able to make a modest amount of income in addition to their salary, which we allow everybody else in this House except attorneys, and we said we cannot allow the continuation of the present situation because it leaves itself open to abuse.

The amendment offered by the gentleman from New York [Mr. SOLOMON] not only leaves it open to abuse but broadens it.

In my view, you have a very clear choice. It is not two good proposals; it is one bad proposal and one very good bipartisan proposal the gentlewoman from Connecticut [Mrs. JOHNSON] put together in the Committee on Standards of Official Conduct, and every Member here ought to support it.

As I said before, our problem, we looked at a lot. The gentleman from California [Mr. CUNNINGHAM] brought up all the other issues.

Well, there were some issues we could not figure out how to examine. For instance, book bulk sales; Speaker Wright was brought before this House on that issue, and the fact is that we have no capacity to know how books are sold or anything else. So the only way we could do it was to say you will have $20,040 whether you are writing a book or you are an undertaker or you are a whatever; you can make additional money here, but only $20,040, no matter what you do. You can write anything. You can use the books to be published and promoted by the companies, but you can only come away with $20,040.

This is about money, not about the expression of ideas.

Mr. SOLOMON. Mr. Speaker, I yield 30 seconds to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, I began my discussion during the rule by quoting the Constitution of the United States, and the reason you can say it is not about free speech, it is about money, thus implying that all of us who are trying to stand up for the Constitution are doing it for some nefarious reason because you have this Constitution that says you have free speech: ''Congress shall make no law respecting abridging of the freedom of speech.''

Now, if you are having difficulty finding out whether people are acting crookedly, that is something we have to overcome in a free country. You cannot come down here and make the argument that somehow we are favoring money over free speech when the Constitution says it is supposed to be tough to get rid of free speech.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time and just say that maybe I should not say anything after that speech by the gentleman from Hawaii.

I want to commend both sides for a very good debate. For the most part, it has been nonpartisan, and we hoped it would be that way because it is an issue that faces all of us.

The question before us is whether or not advances can be abused. We recognize that on both sides of the issue. Therefore, my resolution abolishes all possibilities of any abuses from a book being sold, Members getting an advance when the book was not really worth anything, the intellectual property was not worth anything, therefore he should not receive any income from it. That is what the debate is all about.

I would hope that you would now vote for the resolution. We look forward to continuing to work with the Committee on Standards of Official Conduct in the Committee on Rules' jurisdiction of accepting the rules that this House has to operate under.

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

The SPEAKER pro tempore (Mr. BEREUTER). Pursuant to the House Resolution 322, the previous question is ordered on the amendment and on the resolution.

The question is on the amendment in the nature of a substitute offered by the gentleman from New York [Mr. SOLOMON].

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were yeas 219, nays 174, answered ''present'' 2, not voting 38, as follows:

[Roll No. 882]

YEAS—219

Abercrombie
Archer
Armey
Bachus
Baesler
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clinger
Collins (GA)
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Graham
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mfume
Mica
Miller (FL)
Molinari
Mollohan
Moorhead
Morella
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Roth
Royce
Salmon
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry

Thornton
Tiahrt
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff

NAYS—174

Allard
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bilbray
Bishop
Blute
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clayton
Clement
Clyburn
Coble
Coburn
Coleman
Collins (IL)
Combest
Costello
Coyne
Danner
DeFazio
de la Garza
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Engel
Ensign
Eshoo
Evans
Farr
Fazio
Fields (LA)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gonzalez
Gordon
Goss
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hobson
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E.B.
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Leach
Levin
Lewis (GA)
LoBiondo
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
Meehan
Menendez
Miller (CA)
Minge
Mink
Moakley
Montgomery
Moran
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Orton
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thurman
Torkildsen
Torres
Torricelli
Towns
Velázquez
Vento
Visclosky
Volkmer
Wamp
Ward
Waters
Williams
Wise
Woolsey
Wynn
Yates
Zimmer

PRESENT—2

Gunderson
Studds

NOT VOTING—38

Ackerman
Baker (LA)
Berman
Bevill
Buyer
Callahan
Calvert
Collins (MI)
Conyers
Cramer
Edwards
Fattah
Fields (TX)
Filner
Ford (TN)
Gallegly
Gibbons
Green
Gutierrez
Harman
Hayes
Jacobs
Jefferson
LaFalce
Lantos
Lincoln
Lipinski
Lofgren
Manzullo
Meek
Myers
Neal
Owens
Quillen
Quinn
Ros-Lehtinen
Waxman
Wyden

☐ 1232

The Clerk announced the following pairs:

On this vote:

Mr. Quinn for, with Miss Collins of Michigan against.

Mr. Quillen for, with Mr. Filner against.

Mr. YATES, Mr. LOBIONDO, and Mr. RUSH changed their vote from ''yea'' to ''nay''.

Mr. MFUME changed his vote from ''nay'' to ''yea.''

So the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BEREUTER). The question is on the resolution, as amended.

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 259, noes 128, answered ''present'' 2, not voting 44, as follows:

[Roll No. 883]

AYES—259

Abercrombie
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Beilenson
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Boehlert
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dingell
Dixon
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Farr
Fawell
Flake
Flanagan
Foglietta
Foley
Forbes
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
LoBiondo
Longley
Lucas
Manton
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
McNulty
Metcalf
Meyers
Mfume
Mica
Miller (FL)
Minge
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Rose
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Tiahrt
Torricelli
Towns
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—128

Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Blute
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clayton
Clyburn
Coleman
Collins (IL)
Costello
Coyne
Danner
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Doggett
Dooley
Doyle
Durbin
Engel
Eshoo
Evans
Fattah
Fazio
Fields (LA)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Gordon
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
Levin
Lewis (GA)
Livingston
Lowey
Luther
Maloney
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
Meehan
Menendez
Miller (CA)
Mink
Moakley
Murtha
Nadler
Oberstar
Obey
Olver
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Roemer
Roukema
Roybal-Allard
Rush
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Stark
Stokes
Stupak
Thompson
Thurman
Torkildsen
Torres
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Williams
Woolsey
Wynn
Yates

ANSWERED ''PRESENT''—2

Gunderson
Studds

NOT VOTING—44

Ackerman
Baker (LA)
Berman
Bevill
Boehner
Buyer
Callahan
Calvert
Chapman
Collins (MI)
Conyers
Cramer
Deutsch
Edwards
Fields (TX)
Filner
Ford
Fowler
Gallegly
Gibbons
Green
Gutierrez
Harman
Hayes
Jacobs
Jefferson
LaFalce
Lantos
Lincoln
Lipinski
Lofgren
Manzullo
McIntosh
Meek
Myers
Neal
Owens
Quillen
Quinn
Ros-Lehtinen
Sabo
Shaw
Waxman
Wyden

☐ 1251

The Clerk announced the following pair:

On this vote:

Mr. Quinn for, with Miss Collins of Michigan against.

Messers. TEJEDA, ORTIZ, and TAYLOR of Mississippi changed their votes from ''no'' to ''aye.''

So, the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate, having proceeded to reconsider the bill (H.R. 1058) ''An Act to reform Federal securities litigation, and for other purposes'', returned by the President of the United States with his objections, to the House of Representatives, in which it originated, and passed by the House of Representatives on reconsideration of the same, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4) ''An Act to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.''.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1655) ''An Act to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.''.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2029. An Act to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes.

CONFERENCE REPORT ON H.R. 2539, ICC TERMINATION ACT OF 1995

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to call up and adopt a conference report to accompany the bill (H.R. 2539), to abolish the Interstate Commerce Commission, to amend subtitle IV of title 49, United States Code, to reform economic regulation of transportation, and for other purposes, and that Senate concurrent resolution (S. Con. Res. 37) directing the Clerk of the House of Representatives to make technical changes in the enrollment of the bill (H.R. 2539) entitled ''An Act to abolish the Interstate Commerce Commission, to amend subtitle IV of title 49, United States Code, to reform economic regulation of transportation, and for other purposes'' shall be deemed to have been adopted upon adoption of such conference report.

The Clerk read the title of the bill.

The Clerk read the title of the Senate concurrent resolution.

(For conference report and statement see proceedings of the House of December 18 (legislative day of December 15), 1995, at page H14993.)

The text of Senate Concurrent Resolution 37 is as follows:

S. CON. RES. 37

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 2539) entitled ''An Act to abolish the Interstate Commerce Commission, to amend subtitle IV of title 49, United States Code, to reform economic regulation of transportation, and for other purposes'' shall make the following corrections:

(1) In section 11326(b) proposed to be inserted in title 49, United States Code, by section 102, strike ''unless the applicant elects to provide the alternative arrangement specified in this subsection. Such alternative'' and insert ''except that such''.

(2) In section 13902(b)(5) proposed to be inserted in title 49, United States Code, by section 103, strike ''Any'' and insert ''Subject to section 14501(a), any''.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. SHUSTER].

There was no objection.

Mr. SHUSTER. Mr. Speaker, I rise in strong support of the conference report on H.R. 2539, the ICC Termination Act of 1995.

This is a very important piece of legislation that will eliminate the oldest regulatory agency, the Interstate Commerce Commission.

This conference report represents a delicate balancing of the interests of shippers and carriers and a reasonable compromise between the House and Senate versions. The House bill passed with strong bipartisan support by a vote of 417 to 8 and the conference report retains all the key provisions of the House-passed bill.

The conference report represents the final chapter in the long history behind the termination of the ICC. The ICC has been downsizing for the past 15 years. In the 1970's the ICC had 11 commissioners and 2,000 employees and oversaw pervasive regulation of the transportation industry. The Staggers Act of 1980 and the Motor Carrier Act of 1980 began the substantial deregulation of the rail and motor carrier industries. The ICC now has 5 commissioners and fewer than 400 employees.

The conference report eliminates many of the remaining regulations and continues the downsizing of government. The bill preserves a core of functions that are retained only where necessary to preserve competition and ensure the smooth functioning of the $320 billion surface transportation industry. Any remaining functions are transferred to the Department of Transportation—avoiding overhead that having a separate agency requires.

The bill will produce personnel savings of over 200 employees at an annual budgetary savings of $21 million.

It is essential that this bill move quickly considering that the ICC will run out of appropriated funds at the end of this month.

The DOT appropriations bill funds the ICC only through December 31 of this year. The purpose of H.R. 2539 is to provide for the orderly shutdown of the ICC.

Without legislation to eliminate or transfer current ICC regulatory functions the transportation industry will be hurled into chaos.

For example, if the ICC is shut down without authorizing legislation to transfer remaining functions, it will be impossible for railroads to record liens on purchases of new rolling stock. This is like telling a car dealer that he can sell new cars, but there is nowhere to go to transfer the title to the car.

SUMMARY OF THE BILL

RAIL

The conference report repeals and reduces numerous regulatory requirements of law, including a variety of obsolete or unnecessary provisions. These include:

Replacement of tariff filing with a requirement that railroads notify shippers of changes of rates

Repeal of the separate rate regime for recyclable commodities.

These are in keeping with our goal to streamline Government and make any truly necessary regulation as efficient and cost-effective as possible.

The bill focuses remaining regulation of rail transportation on the minimum necessary backstop of agency remedies to address problems involving rates, access to facilities, and the restructuring of the industry.

The bill also includes provisions to facilitate the transfer of lines that would otherwise be abandoned so that another carrier can keep them in service.

In order to ensure fairness, any proceeding that has begun before the bill is enacted would be continued under the law in effect before enactment.

The bill recognizes the unique nature of the railroad industry and draws a balance among the interested parties: carriers, shippers, and the public.

The bill continues the basic structure of the Staggers Act, under which the railroad industry has seen a remarkable recovery primarily due to the benefits of deregulation.

The most controversial issue in the conference report has been labor reforms on small railroad transactions. The Senate has passed a concurrent resolution that we will bring forward to restore all of the language from the Whitfield amendment that was in the House bill. This bill passed with 417 votes on the House floor.

I also want to note one item that is discussed in the conference report at page 180. The new procedures for line purchases by class II and class III railroads in section 10902 do not remove the existing option of carriers of any size to seek approval of non-merger transactions under section 11323, which carries with it the existing labor protection requirements. Such transactions include trackage rights agreements under section 11323(a)(6), as well as purchases, leases and operating contracts under section 11323(A)(2).

Finally, I want to clarify changes that are made in the conference report regarding access to terminal facilities and switch connections and tracks. Some people are claiming that the conference report vastly expands the capability of freight railroads to obtain access to other railroads' facilities. This is incorrect. The statement of managers is intended to provide clarification specifically for certain railroads owned or operated by public authorities. The report clarifies that such railroads, for example those in the New York Metropolitan Region, owned and operated for the public interest, may invoke the remedies under sections 11102 and 11103.