oldest sons have worked at the local Bi-Lo where they have learned the self-satisfaction that comes from hard work.

Yet beyond offering quality groceries and providing meaningful employment, Bi-Lo has made charitable efforts a priority. Their programs donate money and food to Meals on Wheels, food banks, local schools, churches, and other groups. Also their Golden Apple Awards recognize the vital work of professional educators. All companies should take note of Bi-Lo's example that a strong business can best survive when they help to build a strong community.

SIMPLIFY OUR TAX CODE

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

Mr. GIBBONS. Once again, Mr. Speaker, April 15, tax day, is just a weekend away; and too many Americans spend too much time and too much money preparing and paying their taxes. The estimated preparation time for an IRS 1040 form now is right at 13 hours and 27 minutes, and those unfortunate taxpayers who need to itemize their deductions will be devoting an additional 5½ hours in preparing their tax forms.

It is obvious, Mr. Speaker, that our Tax Code is too complex and places too great a burden on our hard-working families. Too many Americans, over 67 million filers, spend millions of dollars employing professional tax preparers just to wade through the Tax Code; and it is pretty tough to wade through 2.8 million words of our Tax Code. Even the book ''War and Peace'' is a quicker read at 660,000 words.

Mr. Speaker, it is time to simplify our Tax Code. It is the fair solution to such a taxing problem for every American.

□ 1015

WHERE IS THE DEMOCRATS' BUDGET?

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

Mr. KINGSTON. Mr. Speaker, terrorism insurance, so that small businesses can expand and create jobs. Trade promotion authority, so that we can get American industry moving again and sell our goods overseas. Faith-based institutions, allowing them to participate in the delivery of welfare job training and other social-type services. Energy legislation, so that we will have lower gas prices, both home heating oil and at the gas pump for our cars. All of these held up by the Democrats. All of these pieces of legislation, and, in total, 51 have been passed by this House, all held up by the Democrats in the other body.

This is the party whose hallmark this year has been Enron and no budget. What are the Democrats thinking? Throw the Democratic budget on the table. We may vote for it, we may vote against it. We may combine their ideas with our ideas, but come to Washington with a budget. Come to Washington with a plan. Come to Washington ready to pass legislation. Come to Washington ready to debate.

If my colleagues do not want to take the responsibility of their office, this is an election year, it is also a good time for voluntary retirement. Consider it, because the House is going to keep working.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). Members are reminded not to make improper references to the other body.

PROVIDING FOR CONSIDERATION OF H.R. 3762, PENSION SECURITY ACT OF 2002

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 386 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 386

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3762) to amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to provide additional protections to participants and beneficiaries in individual account plans from excessive investment in employer securities and to promote the provision of retirement investment advice to workers managing their retirement income assets, and to amend the Securities Exchange Act of 1934 to prohibit insider trades during any suspension of the ability of plan participants or beneficiaries to direct investment away from equity securities of the plan sponsor. The bill shall be considered as read for amendment. In lieu of the amendment recommended by the Committee on Education and the Workforce now printed in the bill, the amendment in the nature of a substitute printed in part A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted. All points of order against the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) two hours of debate on the bill, as amended, equally divided among and controlled by the chairmen and ranking minority members of the Committees on Education and the Workforce and Ways and Means; (2) the further amendment printed in part B of the report of the Committee on Rules, if offered by Representative George Miller of California or Representative Rangel of New York or a designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), 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.

Mr. Speaker, the resolution before us is a fair, structured rule providing for the consideration of H.R. 3762, the Pension Security Act. H. Res. 386 provides 2 hours of debate in the House equally divided among and controlled by the chairmen and ranking minority members of the Committee on Education and the Workforce and the Committee on Ways and Means. All points of order are waived against consideration of the bill.

It also provides that in lieu of the amendment recommended by the Committee on Education and the Workforce now printed in the bill, the amendment in the nature of a substitute printed in part A of the Committee on Rules report accompanying this resolution shall be considered as adopted. All points of order against the bill, as amended, are also waived.

The amendment printed in part B of the report, if offered by the gentleman from California (Mr. GEORGE MILLER) or the gentleman from New York (Mr. RANGEL) or a designee is also made in order. It shall be considered as read and shall be separately debatable for 1 hour equally divided and controlled by the proponent and an opponent. The rule waives all points of order against the amendment printed in part B of the report. Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, the issue before the House today is one of utmost importance to American families across the Nation: securing the economic security of their retirement years. H.R. 3762 represents the good work of my friends and colleagues, the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. THOMAS), who have spent countless hours carefully crafting a bill that includes safeguards and options to help workers preserve and enhance their pension plans in order to help provide for themselves and their families in their retirement years.

We all witnessed the tragic unraveling of Enron Corporation and have witnessed the disbelief and anger of the thousands of employees who lost their jobs and most, if not all, of their retirement savings. While those workers were quite possibly victims of criminal wrongdoing, there is no question they were most definitely the victims of an outdated Federal pension law.

I am a firm believer in encouraging Americans to help secure their own futures through savings. While savings must begin with the individual, there are ways that government can help and

encourage people to save. The average 50-year-old in America currently has less than $40,000 in personal financial wealth. Statistics also show that the average American retires with savings totaling only about 60 percent of their former annual income. Quite simply, Americans are saving too little.

The tragedy of Enron went further than just diminishing the savings of some employees. Sadly, Enron has undermined the confidence of American workers in this country's pension system. The collapse of Enron highlights the need for protections and safeguards to help workers preserve and enhance their retirement savings.

The Pension Security Act includes new options and resources for workers, as well as greater accountability from companies and senior-level executives. I would like to highlight some of the key elements of this bill.

First, the bill gives employees new freedoms to sell company stock and diversify into other investments. Current law allows employers to restrict a worker's ability to sell their company stock in certain situations until they are age 55 years old and/or have 10 years of service with the company.

This bill gives employers the option of allowing workers to sell their company stock 3 years after receiving it in their 401(k) plans, presumably at the beginning of their service. This 3-year ''rolling diversification option'' provides employers with the ability to promote employee ownership while giving employees the flexibility to make choices according to their own interests.

This legislation also creates parity between senior corporate executives and the rank-and-file workers. During blackout periods, routine times when a plan must undergo administrative or technical changes, employees are unable to change or access their retirement accounts. What we saw from Enron was an example of disparity, where the executives were able to sell off their investments and preserve their savings, while rank-and-file workers were barred from making changes.

Under this bill, workers would be given a 30-day notice before a blackout period begins. Furthermore, during a blackout period, neither an executive nor a rank-and-file employee would be permitted to make any changes to their plan.

The Pension Security Act also requires workers to give annual statements regarding their accounts and their rights in their investments. Currently the law only requires that workers receive annual notices, with no guarantee of what information must be provided. This would ensure that employees receive accurate and timely information.

Finally, this bill incorporates the key principles from H.R. 2269, the Retirement Security Advice Act. Under the leadership of the gentleman from Ohio (Mr. BOEHNER), the House passed this bill with a bipartisan vote last autumn. While employees must be encouraged to save, they must be provided with sound advice and resources in order to make sound decisions. The bill would allow qualified financial advisors to offer investment advice if they agree to act solely in the fiduciary interest of the workers they advise.

Mr. Speaker, passage of this bill would send a strong signal to both employers and employees of this country. Employers should be commended for continuing to offer workers investment options, but they must exercise corporate responsibility as they do so. Workers should be encouraged to save, with the safety of knowing that their investments are secure.

It is my hope this legislation will not only provide much needed reform for our country's pension system but also help restore confidence in a system which has enabled generations of American workers to enjoy secure and independent retirement.

I would like to commend the tremendous efforts of both the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. THOMAS) in bringing this legislation to the House floor. I urge my colleagues to join me in supporting not only this fair rule, so that the House can proceed to consider the underlying legislation, but the legislation itself.

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

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

Mr. Speaker, this is a very important debate for the House. It is a debate about the Enron scandal, and it is a debate about whether this Republican House will keep its promise to the American people.

When the Enron Corporation collapsed late last year, thousands of its employees lost their life savings and an untold number of innocent investors had their pockets picked by a few greedy company insiders. It was the worst corporate scandal in U.S. history.

Virtually everyone in Washington, Republicans as well as Democrats, promised that it would never happen again. Well, today, the House will consider what the Republican leadership has chosen as its response to the scandal of Enron, and I am sure we will hear a lot of Republicans come to the floor today and claim that their bill, the so-called Pension Security Act, responds to the Enron scandal.

Mr. Speaker, we can argue over the particulars of what the Republican bill would do, but there is no doubt about what it will not do. It will not protect Americans from corporate wrongdoers like the ones at Enron. It will not stop unscrupulous executives at another corporation from defrauding their employees and investors the way Enron executives did.

I suppose we should not be too surprised. After all, just last month Republicans passed their so-called class action bill, which would make it harder for Enron employees and retirees to hold accountable the corporate wrongdoers who defrauded them. So I suppose we should not be shocked that this Republican bill would do nothing to ensure that other Americans do not suffer the same fate as Enron's employees.

That does not make this empty Republican promise any less outrageous, and calling this Republican bill the Pension Security Act dangerously misleads millions of Americans about the security of their 401(k) plans, and since the Republican assault on Social Security continues, protecting Americans' 401(k) plans is even more vital to financial security for millions of retirees.

Mr. Speaker, Enron employees lost more than $1 billion from their retirement nest eggs, while the corporate insiders who defrauded them made millions. The scandal is so bad that earlier this week, the Arthur Andersen auditor who oversaw the books at Enron pled guilty, and the New York Times reports today that Arthur Andersen is near a deal to do the same.

We should not be slamming the door on corporate fraud and abuse that company insiders used to pick the pockets of their employees and investors. So the gentleman from California (Mr. GEORGE MILLER) and the gentleman from New York (Mr. RANGEL) are offering a Democratic substitute today, one that takes real steps to protect employees and hold corporate wrongdoers accountable. It ensures a level playing field between executives and employees, and the corporate wrongdoers cannot take advantage of employees and investors.

As the President said after the Enron collapse, ''If it is good enough for the captain, it is good enough for the crew.'' For example, the Democratic substitute requires that employees be notified when executives are dumping stock, and it prevents executives from selling their stock while employees are prohibited from selling their stock. If the Democratic bill had been law, Enron executives could not have bailed out while promising their employees that everything would be just fine.

The Democratic substitute also gives employees a seat on pension boards so they have a voice when critical decisions about their retirement security are made.

It provides employees with access to independent, unbiased financial advice, and it ensures that they get honest, accurate, and timely information about their pension plans.

Finally, the Democratic substitute increases criminal penalties against corporate wrongdoers who violate employees' pension rights.

Mr. Speaker, the Democratic substitute is the only real response to Enron on the floor today. It is our only chance today to protect Americans from another Enron scandal.

□ 1030

Mr. Speaker, I urge all Members to vote for it. It is also my intention to

vote against the previous question on this rule. If the previous question is defeated, I intend to offer an amendment by the gentleman from Michigan (Mr. CONYERS), the ranking member on the Committee on the Judiciary. His amendment, the Corporate and Criminal Fraud Accountability Act, would allow the House to vote on increasing the penalties against the corporate wrong-doers, like the Enron executives who brought their company to ruin, while walking away with their pockets stuffed with cash.

If we are really going to consider pension security, we ought to make sure that corporate wrong-doers do not think that they can get away with this kind of fraud again. Without that addition, this Republican bill would leave the pension plans of employees and investors vulnerable to another Enron.

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

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

Mr. Speaker, we will hear a lot of demagoguery about Enron today. Some may be true. But the one point made that the bill passed by the Republicans on class action suits a few weeks ago would have undercut Enron's ability and its employees' ability to sue is simply wrong. What we said was above a certain threshold, those suits may be removed to Federal court. The Enron suit is in Federal court. It would not have been hampered one wit.

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

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to indicate that this rule serves as an example for those of us who continually point out that bipartisanship is a rhetorical idea that the majority refuses to turn into a reality. Sure, the rule allows for one Democratic substitute. But yesterday evening the Committee on Rules shot down along party lines more than 12 amendments that were offered by Members on both sides of the aisle. I particularly paid attention to the one offered by the gentleman from Minnesota (Mr. GUTKNECHT), which I think should have been permitted by the Committee on Rules. Many of these amendments would have aided the leadership of both parties to move closer together on comprehensive and agreeable compromise. But as we see this morning, the majority is not in the business of compromise.

The notion of pension reform was raised from the rubble of the Enron scandal. Congressional hearings and law enforcement investigations have shown that to prevent future Enrons, Global Crossings and countless others, Congress must address the issues of diversification, auditor independence, honest and accurate information, tougher criminal enforcement, and most important, equal treatment of employer and employee retirement plans. Let me repeat that. Equal treatment of employer and employee retirement plans.

Yet while we know what needs to be done, the majority's bill inadequately addresses these issues. The Republican bill does not require employers to notify employees when they are dumping stocks. It locks employees, but not employers, into 3- or 5-year stock holding situations, thus continuing down the dangerous road of nondiversified portfolios. It denies employees a crucial vote on pension boards. It does not hold employers liable in the case of another Enron or Global Crossing, and continues the special treatment of employers' pensions.

This bill fails to protect employees and often yields power and leverage to executives and business owners. Candidly, it is an act of irresponsibility.

The Democratic substitute addresses these issues; and it addresses them in a manner that treats the retirement packages of employees equal to those of their employers, even more, in holding employers accountable for violating workers' pension rights. The Democratic substitute fills a large hole in the majority's bill.

Mr. Speaker, I hope that my colleagues on both sides of the aisle realize that we have the chance for a bipartisan compromise on pension security. We could have reached one during the hearing process before last night's Committee on Rules meeting, and certainly today.

Instead, the majority is trying to push through its own misguided bill that fails working families at a time we need to be protecting them.

Mr. Speaker, I urge my colleagues to oppose this rule, oppose the underlying bill, and support the Democratic substitute. I know that if Enron's former employees were able to vote here today, they would do just that.

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

Mr. FROST. Mr. Speaker, I yield 7 minutes to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, this is really about two different approaches to the protection of American workers' retirement funds.

Earlier this year, American workers all across this country were jolted by the fact that their 401(k) plans, which they are having to increasingly rely on for their retirement nest-eggs, could be vulnerable and could be wiped out by incredible actions by corporate executives. But that is what happened to the people who worked for Enron, and that is what millions of Americans all of a sudden understood was possible with their plans.

So we learned a lot of information about the Enron case and about the vulnerability of employee retirement funds. We learned first and foremost that many employees had no control over many of the assets that were put into their funds because corporations have said that employees have to hold on to them until you were 50 or 55, could not divest them for 5 or 10 years, and could not diversify their holdings.

We learned that employees, even though the vast majority of these funds, or in fact all of these funds, were assets that belonged to the employees, that in many instances they were not given a voice on the pension board; and clearly, they were not at Enron. What happened, the members of the Enron pension board sold their stock. They never told the employees that they were selling, or that they thought the stock should be sold. They saved themselves millions of dollars. The employees got wiped out. Why? Because they had a conflict. Nobody represented the rank-and-file employees on the pension board which was made up of executive vice presidents who were trying to get to the corner office.

They also found out that the employer's plans at Enron were ensured. They were guaranteed. So as Enron goes into bankruptcy, the executive elites, their retirement plans are guaranteed. They saved millions of dollars for their future use through insurance plans and guarantees. The employees, wiped out, and at best get to stand in line and hope to get something from the bankruptcy court where they have no real protections.

We also wanted to make sure when the employer, the executive elites, were making a decision to sell stock, that somebody would tell the employees. There is no requirement in the law today. And yet when Ken Lay was telling people he was buying stock, he was secretly selling stock to liquidate his personal debts at Enron. The employees had no way of knowing that, no timely notification. They lost their assets; the Ken Lays protected themselves.

Finally, what we see is these employees have no real right of action for the misconduct of the executives of Enron, for the executives of Enron that have wiped out their retirement plans. We think that they should be made whole, that they should have a right to go after that; but under ERISA, they have no rights.

Mr. Speaker, what is the distinction today between the Republican bill and the Democratic substitute? The Republican bill learns nothing from Enron. It lets executives continue to sell stock and not notify the employees. It continues to treat the executive retirement assets completely different than the employee retirement assets. It makes sure that the employees have no voice on the pension board, even though research shows that where employees have a voice on the pension board, they invest more money and, in fact, they do a little bit better on the rate of return on those investments.

So they have learned nothing about protecting American workers as a result of the disaster at Enron, as a result of the greed at Enron, as a result of the self-dealing at Enron, as a result of the conflicts of interest. The Republicans have learned nothing because

their bill does nothing to provide further protections.

Yes, they let them diversify; but it is a 3-year rolling diversification. Three years ago, people were in the last stages of the greatest bull market in the history of this country; and today, people have lost many of their assets. Three years in the marketplace is a long time.

How is it that we believe that we can lock up people's assets for 5 years, and then for every 3 years after that?

Finally, the final insult to the employees in this bill, and that is the investment advice provisions. For the first time under the Federal laws protecting these pension plans, conflicted advice will be allowed to be offered. That comes just 2 days after we learn of the Merrill Lynch conflicts where Merrill Lynch, as an investment banker, was making tens of millions of dollars on investment advice and arrangements for these companies and then were telling their people who were giving retail advice to investors all across the country that these were good stocks and good for retirement plans, when we find out that they did not believe that at all.

Investment advice can be very important to Americans trying to secure their retirement; but it must be advice without hidden commissions, without hidden fees, and without hidden conflicts of interest. America got a rude awakening with Enron, but we have also learned that Enron is not unique. I appreciate that Members want to treat it as a one-time effort. We have seen other corporations that have locked up the pension assets of employees for their own convenience, for the good of the corporation, as opposed to the good of the workers.

We have also seen other corporations where huge loans were secretly taken out, where stock was secretly sold, and the employees had no way of knowing it until after it was too late. After the famous ship that the President keeps talking about, where what is good for the captain is good for the crew, the crew was already underwater. The captain did not even have the courtesy for the workers of many, many years, did not even have the courtesy to bang on the abandon-ship horn as he went to the lifeboat. We owe America's workers more.

Mr. Speaker, this is the one vote we are going to get about millions of workers, about almost all of our constituents in the workplace, about the security and protection and the advice and the control that they have over their retirement nest-egg.

Mr. Speaker, our committee was sadly treated to the testimony, as many other committees were, of workers at Enron and many other corporations who are in their 50s and 60s who thought that they had a great retirement ahead of them; and it has vanished. It was wiped out by incredible corporate greed, by a lack of total ethics by corporate executives, by the double-dealing of corporate executives, by the conflicts of interest in the financial institutions and the accounting institutions. We cannot let that happen again. We must pass the Democratic substitute.

Mr. LINDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, before us today is a bipartisan bill that will help promote security, education, and freedom for employees who have worked and saved all of their lives for a safe and secure retirement. Those of us on the Committee on Education and the Workforce have been engaged in pension reform issues for several years now, looking at ways to expand worker access to high-quality investment advice and encourage employers to sponsor retirement plans for their workers.

□ 1045

As our committee began hearings to address the Enron collapse, we did so with a firm commitment to identify further reforms that will strengthen the retirement security of American workers.

The Pension Security Act, based on President Bush's reform plan, sends a clear message that Congress is committed to addressing the Enron collapse by enacting new safeguards to restore worker confidence in the Nation's pension system. It accomplishes this goal in a number of ways: First of all, the Pension Security Act includes new flexibility for workers to diversify their portfolios and better information about their pensions. In addition, it requires companies to give workers quarterly benefit statements that include information about their accounts, including the value of their assets, their right to diversify, and the importance of maintaining diversity in their portfolios.

President Bush has also called upon the Senate to pass the Retirement Security Advice Act which passed this House last November with a large bipartisan vote. The bill encourages employers to make quality investment advice available to their employees. Some of Enron's employees could have preserved their retirement savings if they had access to a qualified adviser who would have warned them in advance that they needed to diversify their investment portfolio.

The Pension Security Act also ensures parity between senior corporate executives and rank-and-file workers by prohibiting company insiders from selling stock during blackout periods when workers are unable to change their investment mix. The bill also strengthens the blackout disclosure requirements and specifically requires 30 days' notice before a blackout period could begin. Lastly, the bill clarifies that companies in fact have a fiduciary responsibility for workers' investments during a blackout period.

The Nation's private pension system is essential to the security of American workers, retirees and their families. Congress should move decisively to restore worker confidence in the Nation's retirement security and pension system, and President Bush's reform proposal will do just that. This is a bipartisan bill. I look forward to working with my colleagues on both sides of the aisle as we move forward on this important issue.

The rule today before us, I believe, is a fair rule. I urge my colleagues to support it.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL), the ranking member on the Committee on Ways and Means.

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

Mr. RANGEL. Mr. Speaker, when the Enron scandal started, so many reporters were trying to associate this with the administration and they did all they could to distance themselves from this conduct that was just repugnant to everything that fairness and equity would want us to do. So one would think that the Republican leadership in the House would want to do the same thing, especially as related to protecting the 401(k) employee contributions to their pension plans. This being a tax issue, one would logically believe that it would be the leadership of the Committee on Ways and Means that would be showing our concern about protecting these pension plans. But the silence has been deafening from my committee, and the leadership, what little there was, actually came from the gentleman from Ohio (Mr. BOEHNER) who heads the Committee on Education and the Workforce, and I thank him at least for raising the subject. But the President still was not convinced that we had fully appreciated that captains were getting a better shake than employees; that is, the executives in these firms. And so he continues to say that that there should be more equity.

The bill that comes to the floor really puts the employees going upstream in a canoe without a paddle, because it actually gives protection, even after bankruptcy, to the executives while the employees continue to suffer. One might ask a question, well, why would the Republicans do this to themselves in an election year? The answer is, ''It's campaign contributions, stupid.'' They tried yesterday to really disrupt campaign finance reform by putting a little thing in there to disrupt it. But the Republicans are no longer walking lockstep. They have to decide whether they are going to follow the corporations or follow their constituents back home.

So for those who really want to see what is going on in this House, do not listen to the debate but watch the votes today, because while you do not find too much bipartisanship on the

floor, you are going to find Republicans and Democrats trying to protect their employees by voting against the Republican bill that is on the floor today, and voting for the Democratic substitute that is going to allow us to go home feeling that we have protected the employee and we are not going to allow the executives just to get away with whatever they want to do just because they are the captains of the ship.

If this ship is going down, the integrity of America goes down with it. Equity and fair play should be a part of every pension bill. What happened to Enron, this is the last chance we will get to tell the American people how much we believe in protecting their pension funds.

Mr. LINDER. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. I thank my colleague from Georgia for yielding me this time.

Mr. Speaker, I thought what I might do is respond to some of the comments that have been made on the other side of the aisle, first to my friend from New York, the ranking Democrat on the Committee on Ways and Means. I was there with him in the Committee on Ways and Means when we had a good hearing, a good markup on these issues, and I appreciate his support of the Portman-Cardin provisions which are really the base of this legislation. There has been something added since that time, which is that those ''captains'' are prohibited from trading their stock at all during a blackout period so long as 50 percent of the participants in the plan are affected by the blackout.

So you supported us in committee, we had a good bipartisan product, we had a good debate on it, we made some changes to accommodate some of the gentleman from Maryland's and your concerns and others, and then we added to it by actually putting in place what you indicated a moment ago is your biggest concern: that there is nothing in here to keep the captains from trading stock when the sailors cannot.

I know there are some other issues. There is investment advice in here that was not in our bill, although we did have the pretax investment advice proposal. I would just hope that those listening to the debate today who are still trying to decide whether this is the right legislation to support or not, particularly on the other side of the aisle, would take a look at the bill.

The gentleman from California (Mr. GEORGE MILLER) earlier who spoke in opposition to the bill because he said it did not do anything, I hope he would look at what came out of the Committee on Ways and Means and the gentleman from Ohio's committee more carefully because it does do a lot. Right now if you are in a 401(k), your employer can say, ''You're tied in till you retire.'' If it is an ESOP, they can only tie you until you are age 55. Plus you have to have 10 years of participation. So if you arrive at age 46, you have to wait until you are age 56. But with 401(k)s, they can go even further than that.

The legislation before us today makes a substantial change and directly affects what happened at Enron. The employees at Enron had to wait till age 50. They could not unload the stock if they wanted to. What we are saying is, once you are there 3 years, you are vested, you can unload the stock. Three years, instead of waiting until you are age 50 or 55 or 65 or whatever the employer wanted to do under current law. Or the employer can instead choose a 3-year ''rolling,'' which means that when you get stock, you can only be required to hold it for 3 years. That is a big difference.

For those on that side of the aisle who say there is no change here, that this is somehow worse, how can that be worse? Think about the employees who are in 401(k)s around this country who are taking advantage of that employer match but who want to have a little more choice. Do we not want to give that to them? Why would you vote ''no'' on this? This is going to help millions of people be able to have more choice.

It also has a very important component, which is more information and education. On the information side, it says you now have to be told about a blackout. Right now there is no notice requirement for blackouts. A blackout is when a company stops all the trading in their stock, in their 401(k) plan or other pension plan during a period of time, for example, when they are changing plan administrators or managers. Right now there is no requirement for a notice.

Some say Enron provided notice, some say they did not. That is really beside the point, because this is not just about Enron. The point is that right now there is no ability for employees to know when they are going into a blackout period where they cannot trade. We say it has to be given 30 days before the blackout. That is new. There is no requirement now.

Again, for my colleagues on that side of the aisle to stand up and say this does not change things at all, I hope they are looking out for the interests of the employees, but I have got to wonder. Is this all about politics or is it about making real change that is going to make a real difference? We had a 36–2 vote out of the Committee on Ways and Means on this issue because the gentleman from New York (Mr. RANGEL) and other Democrats looked at the bill, read the bill, understood its impact on workers and supported it.

Finally, in order to be able to make informed choices, because we are giving people more choices, we are giving people more information, you want to give people more education. I thought there was a bipartisan consensus about that. I thought we wanted people to be better informed so they could make better decisions on their own. 401(k) participants have gone in the last 22 years from a few thousand employees to millions of Americans. With over 235,000 plans, 42 million Americans now enjoy the benefits of this. Do you not want to let them have a little more education so they can make these decisions?

This bill says on a pretax basis, you can deduct out of your paycheck money to go out and get advice, wherever you want. You can get it from whoever you want. You can get 300 bucks or 400 bucks or 500 bucks to go out and seek advice. Pretax. That is a pretty good deal. Again, that came out of the Committee on Ways and Means. I appreciate the gentleman from New York supporting that. It is a good provision. It is going to help people to get the information they need to be able to make these decisions we are now empowering them with. Rather than saying you have got to hold onto that stock until you retire, we are saying, you should diversify. We want to give you the information to do so.

And then in Chairman BOEHNER's committee, the provision was added to say the company ought to be able to go out and get advisers to come in who are certified advisers, who disclose any conflict of interest they might have or potential conflict of interest, and they ought to be able to offer advice. That passed this House with over 60 Democrats supporting it last year, in November. That is not a controversial provision.

The final thing is that we require not just more diversification options, more choice, more information, more education, but we actually force the employer now to tell employees they ought to diversify. When an employee now enters into a plan, we are going to require for the first time that they be given a notice which says, ''Guess what, it's not a good idea to put all your eggs in one basket. You ought to diversify.'' That is in this bill. It is not in current law. Then every quarter, they are now required to provide a benefit statement telling the employee what is going on with their plan and another notice saying, you ought to diversify. Because for retirement savings, it is not a good idea to have all your eggs in one basket. Information, education, choice, equals security.

This is a pretty straightforward, commonsense piece of legislation. I have enjoyed working with the gentleman from Maryland (Mr. CARDIN) on it for the past 3 or 4 months, enjoyed working with the administration, with the gentleman from Ohio (Mr. BOEHNER), with the gentleman from New York (Mr. RANGEL), with other Democrats on the Committee on Ways and Means. I would just hope that today in a political year, where there is a lot of partisanship, that we can set some of that aside for the good of the workers, not the people at Enron solely, the people all around this country who are in 401(k) plans that have the

huge advantage of getting an employer match. For those people, we ought to offer them better information, better education opportunities, and more choice. That is what this is about.

This legislation, Mr. Speaker, has been bipartisan from the start. I am disappointed from what I have heard this morning from the other side. I would hope that at a minimum we can stick to the facts today, and if at the end of the day some of my colleagues on that side think this is such a great political issue that they just have to vote ''no,'' so be it. But let us not as we go through this debate mislead the American people and mislead our colleagues as to what is in this legislation. It is good, solid legislation that does address what happened at Enron. It is not the silver bullet that is going to solve every problem in our pension area, but it makes substantial progress. It does not turn the clock back. It moves the clock forward. It gives people information, education, security, that they need.

I would strongly urge my colleagues on both sides of the aisle to look at the bill and if they do so, I believe they will support it.

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

We have had a very nice kind of technical discussion by the gentleman on the other side, but this is a very simple issue. The question is, which side are you on? Which side are they on? Which side are we on? They are with the top executives. We are with the employees.

I would like to quote from an article in today's New York Times on the front page. It says: In Enron's Wake, Pension Measure Offers Loopholes. Experts Say House Bill Could Allow Companies to Favor Highly Paid Employees.

It goes on:

''Some legal experts and pension rights advocates say the first of the post-Enron pension measures to reach the House floor actually opens up fresh loopholes. Some of the bill's provisions would lead companies to seek to reduce the number of employees covered by pensions and give proportionally larger pension benefits to the most highly paid executives.''

□ 1100

Which side are we on? We are with the employees. Which side are they on? They are with the highly paid executives.

Mr. Speaker, I yield 2½ minutes to the gentleman from Massachusetts (Mr. TIERNEY).

(Mr. TIERNEY asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. TIERNEY. Mr. Speaker, I thank the gentleman from Texas for yielding me time.

The gentleman spoke on the other side for a minute and wanted to talk about politics and education. Well, the politics of this rule are very simple. They did not want to have a straight matchup of each part of this bill. We are not allowed to bring forward amendments and talk about the several aspects that you heard the gentleman from California (Mr. GEORGE MILLER) talk about earlier, because when you stack them up one against the other, this side that is with the employees, with working people, would win hands down. It is only by putting them all together in the aggregate and then trying to put it through on a party-line vote that they stand to have any prospect of having a bill that favors employers and the well-to-do against people that work every day and need protection.

I will associate myself with the remarks of the gentleman from California (Mr. GEORGE MILLER) on the general aspects of the substitute, and that should pass. Thank God the rule at least allows that.

But I had tried, Mr. Speaker, to get in an individual amendment speaking just to the issue of advice and was not allowed the opportunity to do that. That is why this rule is in essence an abomination. That issue and others are being excluded from a direct debate in a direct contradiction to what is in that major bill that the majority is putting forward.

They claim this is a compromise between the two committees, the Committee on Ways and Means and the Committee on Education. The only thing being compromised here is the retirement security of our working men and women.

This bill hurts employees with respect to the advice situation. A year ago, my amendment was the only amendment on this floor that talked about having no conflicted advice. The majority would not let it on the floor, would not let it come to a vote, and they passed a bill that went through and allowed for conflicted advice.

Again we see a bill here saying, gee, as long as we tell you we are conflicted, as long as we tell you we might hurt you, we can have that kind of advice. Well, the fact of the matter is, Enron is coming between that; Ken Lay and his chat room advice to employees to hang on to the stock while he was dumping it off at a profit has come in between that. We have had investigations in the industry which every day reveal new conflicts, new scandals, more losses for working people.

Mr. Speaker, I will include my remarks from the CONGRESSIONAL RECORD from last year for the record, because they are still pertinent.

We only have to look at a recent newspaper headline from the Washington Post, April 9: ''Merrill Lynch e-mail shows firm pushed bad investments on client, chief New York prosecutor says.''

The fact of the matter is, Mr. Speaker, the industry is admitting they are totally conflicted. The U.S. Attorney's Office and the New York State Attorney's Office in New York have shown that that happens day in and day out.

The American public and the working people need to know they have advice that is not conflicted. Employers can be protected on the advice that they give, but there is no excuse to not protect the employees and to make sure advice they get is absolutely not conflicted. It is just one more way in which this bill does not favor employees and does more for the executives than it does for the working people.

Mr. TIERNEY. Mr. Speaker, I thank the gentleman from New Jersey for yielding me this time.

Like many Members, I represent people who have worked hard and whose entire hope for a secure retirement may well rest on the success of their 401(k): leather workers, jet engine assemblers, teachers, nurses, and other hard-working, intelligent folks who are bright and able, but many of whom have little experience in understanding investment fundamentals. They may lack the time or even the knowledge to work through a mountain of financial information. They need advice that is given by a provider that meets at least minimum standards, one who is qualified and one who is subject to the laws of ERISA's fidicuary standards, standards of trust, and one who is free from financial conflict, free from divided loyalties; and they need an advisor who will put the worker's or investor's interests firs,t above profit.

Consider this following example: two mutual funds, each posting annual gains of 12 percent consistently for 30 years. One fund has an expense fee of 1 percent, the other an expense fee of 2 percent. If you invested $10,000 in each fund, the fund with the lower expense fee at the end of 30 years would earn $229,000, but the one with the higher expense fee of 2 percent would have only $174,000. The mutual fund would pocket the difference of $55,000.

Obviously, there may be little incentive for the advisor connected to the mutual fund to highlight the significance of this conflict, of his or her potential gain in steering someone to the higher fee investment. Why should we allow such a conflict of interest to exist when it is not necessary?

Perhaps that is why the fund industry is lobbying so hard for this bill, but workers and retirees are not asking for its passage. These hard-working people, like other investors, need and want good, sound advice; but allowing money managers to make recommendations that will generate more income for themselvess hardly falls into the realm of independent advice.

In 1974, Congress chose to ban transactions between pension plans and parties with a conflict of interest, except under very narrow circumstsances; and they did that for a simple reason. There is too great a danger that a party with a conflict of interest will act in its own best interests rather than exclusively for the benefit of the workers. That concern is not less valid today.

Studies by the financial industry itself have found broker conflicts have harmed advice received by individuals, audit conflicts have undercut the value of audits on financial firms, analyst reports have shown significant evidence of bias in comparing ratings. The law, ERISA, was designed to protect against just these types of issues.

Our shared goal should be to increase access to investment advice for individual account plan participants. We need not obliterate long-standing protections for plan participants in order to do that. Surveys show that the most important reason advice may not now be offered is that employers have

fears that they may be held liable for advice gone bad. The remedy for that, and it is in the bill, is that Congress should encourage more employers to provide independent advice by addressing employer liability. It should clarify that an employer would not be liable for specific advice if it undertook due diligence selecting and monitorinng the advice provided. It is as simple as that. There is no need for conflicted advice.

Many plans already provide for investment education. Many plans now provide independent investment advice through financial institutions and other firms without conflict. Clarifying that employers would not be liable if they undertake due diligence with respect to advice providers would further increase advice as necessary.

Disclosure alone will not mitigate potential problems. The alternative bill in adding some protections and mandating a choice of alternative advice that is not conflicted is a better ideaa, but the best idea remains a prohibiting against conflicted advice. Congress, by clearing up the liability issue, can encourage independent, unbiased investment advice that will better enable employers to improve their long-term retirement security, while minimizing the potential for employee dissatisfaction and possible litigation. This is what is in the best interests of the plan participants and, in fact, the best interests of the plan; and certainly is in the best interests of the hard-working people in my district who need to know that their retirement is secure.

Mr. LINDER. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Speaker, I thank my colleague for yielding me time.

Mr. Speaker, I appreciate my good friend from Massachusetts' concern about his amendment that would seek to eliminate the ability of, frankly, some of the best advisers, some of the most successful companies in America, from offering investment advice to their employees.

The fact is today we have some 50 million Americans who have self-directed investment accounts as part of their pension and retirement package from their employer. Only about 16 percent of these people have any access to professional investment advice.

One of the things we have all seen with the collapse of the high-tech sector, with the Enron collapse, and about the dramatic fall in the value of a number of stocks that we have seen over the last several years, those employees today need more investment advice to help them make better decisions for their own retirement security.

The two provisions in the underlying bill today, the Investment Advice Act that this House passed with all the Republicans and 64 Democrats last November is one of those provisions, and the provision from the gentleman from Ohio (Mr. PORTMAN) in the Committee on Ways and Means' section of the bill that would provide a tax credit, the ability to use pre-tax dollars to have their own investment, I think complement each other to the point where we will have much more investment advice out in the marketplace.

But to say that people who sell products cannot offer investment advice I think is wrong-headed. Why? Because we are trying to encourage more investment advice in the marketplace, not less, and the fact is that if you do not allow those who sell products from offering advice, with protections for the employee as we have in the underlying bill, we will get very little new advice into the marketplace.

That is not what employees want. In a recent poll, some 75 percent of employees said they need more investment advice. Well, why should we not get this information out in the marketplace for them?

We will have much more debate on this when we get into the bill itself. But the gentleman from Massachusetts is a good friend, I know he means well, but in the end I think the provisions we have in the underlying bill meet the test of fairness and safety for all of Americans and America's employees.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, the bill before us today might be called the ''We Have Learned Nothing From Enron Yet Act.'' The first lesson of Enron is Enron is not alone. The problem is endemic in corporate America.

The retirement security of millions of Americans is at risk. For years, corporations have moved more and more toward defined contribution plans. In other words, the corporations took less and less responsibility for their employees' retirement and no one was looking after the employees' interests. Employees in many cases were denied the opportunity to look after their own interests. They were denied information about their company and the actions of their executives.

Now, the bill before us today fails to give employees notice when executives are dumping company stock. It denies employees a crucial voice on pension boards. It limits the ability of employees to collect damages resulting from misconduct of corporate officials. It allows executives to continue to have their savings set aside and protected if a company fails, while rank-and-file employees are left to fend for themselves in line in bankruptcy proceedings.

Perhaps most important, the bill leaves employees' money locked into company stock. Think Enron here. Locked into company stock for long periods against their will. The bill ties employees' hands from diversifying, even if they want to, for a 5-year period or a 3-year rolling period after that, and corporate executives will be allowed to unload their stock options.

I asked the Committee on Rules to allow a vote on my amendment that would allow employees to be vested in their 401(k) plans after 1 year. I thought that was a fairly generous period, instead of 5 years. The Committee on Rules would not even allow a vote on that.

Now, I have sided with the Republican majority on provisions with regard to pension whenever I can, but now they put together this bill that falls woefully short.

All I can ask of my colleagues is take the side of employees. Pass the Democratic alternative.

Mr. LINDER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I thank my friend from Georgia for yielding me time.

Mr. Speaker, again I would make the point what we are proposing here today, what is before us, is a substantial change from current law, and it does address the Enron issue.

My friend across the aisle just said that he believed that no one was looking after the employees' interests over the last 20-some years as we put together defined contribution plans. I would respectfully disagree.

I would ask him to ask the thousands of constituents in his district how they feel about it, maybe ask the 55 million Americans who currently have the benefits of defined contribution plans. I would ask him to go to some of the smaller businesses in his community that would never have offered a defined benefit plan, never had one, who now offer a SEP or a simple plan or a 401(k) or a safe harbor 401(k) and are giving people the ability to save for their own retirement.

There are people who will retire today in my hometown of Cincinnati with hundreds of thousands of dollars in their account, even with what the market has done in the last year, who turned a wrench their entire lives. They were technicians or mechanics and never had access to any kind of retirement savings. These are some of the 55 million people who now have a defined contribution plan.

We do not want, in response to the Enron situation, to have those plans and those people lose their promise, lose their dreams, lose their ability to do that. I think we have achieved the right balance here.

Frankly, the business community is not wild about this bill. Why? Because it does not let the employer tie people to the company stock the way they currently can.

Now, my friend said he wanted to go to 1 year instead of 3 years. Well, it is unlimited years now. So we could debate whether it is 1 year or 2 years or 3 years or 4 years or 5 years. That is as compared to saying to one your constituents, you have to keep in this stock until you retire, which could be 40 years, or 45 years, or even 50 years.

So, I think we are talking about some relatively small differences between where you would like to end up and what you proposed to the Committee on Rules last night and where we are today.

I would again just urge those who are listening to this debate, let us be very clear: There are substantial differences between current practice and what we are proposing, and these do not just relate to the Enron situation. It relates

to millions of Americans who have the benefit of getting a match from their employer in employer stock. We want to continue that.

What the employer community tells us is they are not wild about our bill, but they certainly do not want it to go down to 1 year because they like the idea of giving corporate stock, in part because they want the employee to feel some stake in the company. They like the idea of employee ownership and employee empowerment through the company.

We are, frankly, not going to permit them to have the kind of ownership that many of them would like to have over a longer period of time. We are doing it for a simple reason, because we believe employees ought to have more choice. Again, we combined that with information, including notice periods that are not there now, and better education.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey, Mr. ANDREWS.

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

Mr. ANDREWS. Mr. Speaker, the tragedy that affected the Enron pensioners is a story about power and conflict of interest. People with a lot of power and influence and a conflict of interest took advantage of people with very little power and influence, and those people lost just about everything they had.

I wish that the legislation that my friend from Cincinnati described was on the floor today, but it is not. The legislation the majority is addressing on the floor today I think fails to solve the problems that exist in American pensions plans in three very important ways.

First of all, our substitute would give employees real power to have a say in how pension plans, filled with their money, are managed. Our bill would call for these employees to have a seat, to have a say in how the plans are managed. The majority plan does not.

Our bill would say that once money is in your account, it is your money. If the employer can put stock into your 401(k) plan and receive a deduction because it is treated as compensation paid to you, then it should be compensation. It should be yours to do with, whatever you please.

The gentleman says that there is very little difference between the Democratic and Republican plans. I would respectfully disagree. Under the majority's plan it could be 3, 4, 5, 6, 7 years that an employee would have to sit there and watch the value of their stock plummet and not be able to sell the stock or do anything about it, while their bosses and superiors could drop their stock in a minute. That is wrong.

Finally, there is the issue of conflict of interest. We are legalizing in this bill today, we are legitimizing in the majority's bill today, the practice of benefiting from giving people advice that benefits you more than it does them.

Mr. Speaker, I would urge support of the substitute.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, just to respond briefly, if the gentleman would like to take the mike, that is fine, but he said somehow I was not describing the bill that is before us. I would like him to tell me one thing that I said about the bill that is not in the legislation.

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

Mr. PORTMAN. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Speaker, I would ask the gentleman to tell me, if your bill became law tomorrow, if an employee had stock in a 401(k) plan that was employer-matched, how many years would the employee have to wait before they could sell the stock?

Mr. PORTMAN. Mr. Speaker, reclaiming my time, my colleague just stood before the well of the House and told our colleagues and the American people, to the extent they are listening, that an employee would have to wait 5, 6 or 7 years holding on to its stock, while other people could dump the stock.

□ 1115

I do not know what he is talking about. In this legislation, it says that you have to hold the stock, if the employer requires it, for a period of 3 years as compared to an unlimited time now. That is the difference. Let me finish and tell the gentleman what is in the bill, because this legislation came out of the gentleman's committee and my committee. I assume the gentleman has read it, but the gentleman from Maryland (Mr. CARDIN) and I put together this part of the bill, and I will just tell the gentleman what is in the legislation.

When the legislation goes into effect, we were very careful not to have a dumping of stock on to the market, which is going to hurt not just the American consumer and our economy, but those very employees who care about having the corporate stock continue to have the value that it deserves. If we allowed immediately for everyone who has corporate stock in America in their 401(k) plan to unload that stock, it would be detrimental. So we say it should be done over a 5-year period initially, with 20 percent per year, doing the math. That is, after 5 years one could, if one chose, have all of the stock out of their account. Then once that is completed, that is just the first 5 years after the legislation, then the 3-year period begins.

So that is how the legislation was drafted. I see the gentleman from Maryland (Mr. CARDIN) has now come into the Chamber. That is how we drafted it.

Mr. LINDER. Mr. Speaker, I am happy to yield 1 minute to the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I know at the end of the day, some of my colleagues have some substantive differences with the legislation and they also have some politics that they would like to talk about; and I would love to address the gentleman from Texas's quote from the New York Times, because there are some other quotes from that story that are more accurate. This is not about us versus them; this is not about the big guy versus the little guy. This is about something that will help the workers in this country. But I do believe that it would be in the interests of this House to stick to the facts, and that is what I have tried to do.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield for a question about the facts?

Mr. PORTMAN. I would be pleased to yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Speaker, I think I just heard the gentleman say that if the majority's bill became law tomorrow, an employee would have to wait for 5 years before he or she could divest themselves of all of the stock; is that correct?

Mr. PORTMAN. Mr. Speaker, 20 percent the first year, 20 percent the second year, 20 percent the third year, 20 percent the fourth year, 20 percent the fifth year.

Mr. ANDREWS. Mr. Speaker, if the gentleman would yield, so before they could divest themselves of all the stock, they would have to wait for 5 years; is that correct?

Mr. PORTMAN. That is correct. Reclaiming my time, does the gentleman disagree with that provision?

Mr. ANDREWS. I do indeed.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. OWENS).

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

Mr. OWENS. Mr. Speaker, the high school sophomores of America are disgusted with this conversation, I am certain. I am sure they are asking themselves why the Members of the House of Representatives and the other people who are elected to protect their rights allow this situation to exist for so long; but they are certainly not happy with the majority party standing up to applaud themselves for taking a few significant steps toward greater financial security with respect to the pension funds of the employees.

We have taken a few steps. Why not maximum reasonable security for all of the people who have their money in these pension plans? Why not go further than the plan that the majority has? Does it cost the taxpayer any money to do a little more as reflected by the Miller substitute?

Mr. Speaker, I rise in support of the Miller substitute. What would it cost

to have immediate disclosure whenever a top executive sells a large amount of stock? Would that cost the taxpayer any money? Would it really cost us any money to have greater checks and balances? Would it cost us any money to have more democracy where the employees have a representative actually watching their funds sitting in a high place where the decisions are being made? The people in Europe and the other industrialized democracies do not think it is such a great problem to have an employee representative sitting on the board. Why not maximum reasonable security? Why not go one step further?

Everybody knows from past scandals, savings and loans swindles, the bigger the party is, the more corruption there is going to be. We have enough history as a human race to know that whenever we have large amounts of money or large amounts of power, corruption is inevitable. Human beings are going to behave that way. That is why the system of checks and balances exists. Let us go all the way with maximum reasonable security.

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

Mr. FROST. Mr. Speaker, I yield 30 seconds to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, in my district in Houston, the ex-Enron employees' lives are in shambles; and every time I go home, they ask, what? why? What is the Congress going to do?

Today we have an opportunity to act and we are not. I ask that we defeat this rule. I ask my colleagues to vote ''no'' on the previous question. Why? Because the majority refused to allow an amendment that I cosponsored with the gentleman from Michigan (Mr. CONYERS), the Corporate and Criminal Fraud Accountability Act, which gives a 10-year felony for defrauding shareholders of publicly-held companies. There is a penalty for destruction of evidence, it provides whistleblower protection, and a bureau in the DOJ that prosecutes such acts. Why can we not do something real for these people whose lives are now destroyed?

I rise to urge the Members to defeat the previous question so that the House can consider my amendment to toughen criminal penalties against white collar fraud and prevent future Enrons.

I'm amazed that after all of the outrageous abuses we have learned about in the Enron case that the Leadership would refuse to permit this body to even vote on these provisions. You would think that after the greatest white collar fraud in history, which cost tens of thousands of hard working Americans their jobs, their retirement, and their savings, that we would take action to prevent future Enrons. But the base bill does not provide a single increased criminal penalty to respond to this abuse.

My amendment would impose tough criminal and civil penalties on corporate wrongdoers and takes a variety of actions to protect employees and shareholders against future acts of corporate fraud. Among other things, it creates a new 10-year felony for defrauding shareholders of publicly-traded companies; clarifies and strengthens current criminal laws relating to the destruction or fabrication of evidence, including the shredding of financial and audit records; provides whistle-blower protection to employees of publicly-traded companies; and establishes a new bureau within the Department of Justice to prosecute crimes involving securities and pension fraud.

My amendment would also give former employees enhanced priority in bankruptcy to protect their lost pensions. If we defeat the previous question, we can bring these measures up for a vote immediately, and take a strong stand against white collar fraud and in favor of working Americans.

In the wake of the Enron debacle, there can be no question that the time is ripe to protect American investors and employees. The Enron case has established beyond a shadow of a doubt that white collar fraud can be incredibly damaging, in many cases wiping away life savings and devastate entire communities. There can be no conceivable justification for shielding white collar criminals from criminal prosecution for their outrageous behavior.

This is why it is so important that we act today to prevent corporate wrongdoers from preying on innocent investors and employees. Vote no to defeat the previous question, and we can do just that.

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

Mr. FROST. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, again, I urge Members to oppose the previous question. If the previous question is defeated, I will offer an amendment to the rule that will allow the Conyers enforcement amendment to be offered.

Mr. Speaker, this amendment will gave the base bill much-needed language to prosecute the corporations found guilty of pension fraud. It will create a new bureau within the Justice Department to prosecute crimes involving pension fraud and create a new 10-year felony for defrauding shareholders of publicly traded companies.

Mr. Speaker, no one here today opposes giving employees a greater role in managing and understanding their investments. That part of the bill we all support. However, it is absolutely critical that we send a message to those companies that might be tempted to follow the practices of Enron. They need to realize up front that if they do that, they will be severely punished. The Conyers amendment will do just that.

Vote ''no'' on the previous question so that we can add some teeth to this bill and really guarantee that those who defraud their employees will pay a severe price.

Mr. Speaker, I ask unanimous consent to insert the text of the amendment and extraneous materials immediately prior to the vote on the previous question.

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

There was no objection.

Mr. LINDER. Mr. Speaker, I yield myself the remaining time.

I urge my colleagues to support the previous question and the rule so that we can move on with debate on this important bill.

The amendment previously referred to by the gentleman from Texas (Mr. FROST) is as follows:

Strike all after the resolved clause and insert:

That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3762) to amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to provide additional protections to participants and beneficiaries in individual account plans from excessive investment in employer securities and to promote the provision of retirement investment advice to workers managing their retirement income assets, and to amend the Securities Exchange Act of 1934 to prohibit insider trades during any suspension of the ability of plan participants or beneficiaries to direct investment away from equity securities of the plan sponsor. The bill shall be considered as read for amendment. In lieu of the amendment recommended by the Committee on Education and the Workforce now printed in the bill, the amendment in the nature of a substitute printed in part A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted. All points of order against the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) two hours of debate on the bill, as amended, equally divided among and controlled by the chairmen and ranking minority members of the Committees on Education and the Workforce and Ways and Means; (2) the further amendment specified in section 2, if offered by Representative Conyers of Michigan or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for 30 minutes equally divided and controlled by the proponent and an opponent; (3) the further amendment printed in part B of the report of the Committee on Rules, if offered by Representative Miller of California or Representative Rangel of New York or a designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (4) one motion to recommit with or without instructions.

SEC. 2. The amendment offered by Representative Conyers referred to in the first section of this resolution is as follows:

Add at the end the following new title (and amend the table of contents accordingly):

TITLE V—CORPORATE AND CRIMINAL FRAUD ACCOUNTABILITY

SEC. 501. CRIMINAL PENALTIES FOR ALTERING DOCUMENTS.

(a) IN GENERAL.—Chapter 73 of title 18, United States Code, is amended by adding at the end the following:

''§ 1519. Destruction, alteration, or falsification of records in Federal investigations and bankruptcy

''Whoever knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or

proper administration of any matter within the jurisdiction of any department or agency of the United States or any case filed under title 11, or in relation to or contemplation of any such matter or case, shall be fined under this title, imprisoned not more than 5 years, or both.

"§ 1520. Destruction of corporate audit records

''(a) Any accountant who conducts an audit of an issuer of securities to which section 10A(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78j–1(a)) applies, shall maintain all documents (including electronic documents) sent, received, or created in connection with any audit, review, or other engagement for such issuer for a period of 5 years from the end of the fiscal period in which the audit, review, or other engagement was concluded.

''(b) Whoever knowingly and willfully violates subsection (a) shall be fined under this title, imprisoned not more than 5 years, or both.

''(c) Nothing in this section shall be deemed to diminish or relieve any person of any other duty or obligation, imposed by Federal or State law or regulation, to maintain, or refrain from destroying, any document.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 of title 18, United States Code, is amended by adding at the end the following new items:

''1519. Destruction, alteration, or falsification of records in Federal investigations and bankruptcy.

''1520. Destruction of corporate audit records.''.

SEC. 502. CRIMINAL PENALTIES FOR DEFRAUDING SHAREHOLDERS OF PUBLICLY TRADED COMPANIES.

(a) IN GENERAL.—Chapter 63 of title 18, United States Code, is amended by adding at the end the following:

"§ 1348. Securities fraud

''Whoever knowingly executes, or attempts to execute, a scheme or artifice—

''(1) to defraud any person in connection with any security registered under section 12 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78*l*, 78o(d)) or section 6 of the Securities Act of 1933 (15 U.S.C. 77f); or

''(2) to obtain, by means of false or fraudulent pretenses, representations, or promises, any money or property in connection with the purchase or sale of any security registered under section 12 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78*l*, 78o(d)) or section 6 of the Securities Act of 1933 (15 U.S.C. 77f),

shall be fined under this title, or imprisoned not more than 10 years, or both.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 63 of title 18, United States Code, is amended by adding at the end the following new item:

''1348. Securities fraud.''.

SEC. 503. REVIEW OF FEDERAL SENTENCING GUIDELINES FOR OBSTRUCTION OF JUSTICE AND EXTENSIVE CRIMINAL FRAUD.

Pursuant to section 994 of title 28, United States Code, and in accordance with this section, the United States Sentencing Commission shall review and amend, as appropriate, the Federal Sentencing Guidelines and related policy statements to ensure that—

(1) the guideline offense levels and enhancements for an obstruction of justice offense are adequate in cases where documents or other physical evidence are actually destroyed or fabricated;

(2) the guideline offense levels and enhancements for violations of section 1519 or 1520 of title 18, United States Code, as added by this Act, are sufficient to deter and punish that activity;

(3) the guideline offense levels and enhancements under United States Sentencing Guideline 2B1.1 (as in effect on the date of enactment of this Act) are sufficient for a fraud offense when the number of victims adversely involved is significantly greater than 50; and

(4) a specific offense characteristic enhancing sentencing is provided under United States Sentencing Guideline 2B1.1 (as in effect on the date of enactment of this Act) for a fraud offense that endangers the solvency or financial security of 1 or more victims.

SEC. 504. DEBTS NONDISCHARGEABLE IF INCURRED IN VIOLATION OF SECURITIES FRAUD LAWS.

Section 523(a) of title 11, United States Code, is amended—

(1) in paragraph (17), by striking ''or'' after the semicolon;

(2) in paragraph (18), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end, the following:

''(19) that—

''(A) arises under a claim relating to—

''(i) the violation of any of the Federal securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47)), any State securities laws, or any regulations or orders issued under such Federal or State securities laws; or

''(ii) common law fraud, deceit, or manipulation in connection with the purchase or sale of any security; and

''(B) results, in relation to any claim described in subparagraph (A), from—

''(i) any judgment, order, consent order, or decree entered in any Federal or State judicial or administrative proceeding;

''(ii) any settlement agreement entered into by the debtor; or

''(iii) any court or administrative order for any damages, fine, penalty, citation, restitutionary payment, disgorgement payment, attorney fee, cost, or other payment owed by the debtor.''.

SEC. 505. INCREASED PROTECTION OF EMPLOYEES WAGES UNDER CHAPTER 11 PROCEEDINGS.

Section 507(a) of title 11, United States Code, is amended—

(1) in paragraph (3) by striking ''90'' and inserting ''180'', and

(2) in paragraphs (3) and (4) by striking ''$4,000'' each place it appears and inserting ''$10,000''.

SEC. 506. STATUTE OF LIMITATIONS FOR SECURITIES FRAUD.

(a) IN GENERAL.—Section 1658 of title 28, United States Code, is amended—

(1) by inserting ''(a)'' before ''Except''; and

(2) by adding at the end the following:

''(b) Notwithstanding subsection (a), a private right of action that involves a claim of fraud, deceit, manipulation, or deliberate or reckless disregard of a regulatory requirement concerning the securities laws, as defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47)), may be brought not later than the earlier of—

''(1) 5 years after the date on which the alleged violation occurred; or

''(2) 3 years after the date on which the alleged violation was discovered.''.

(b) EFFECTIVE DATE.—The limitations period provided by section 1658(b) of title 28, United States Code, as added by this section, shall apply to all proceedings addressed by this section that are commenced on or after the date of enactment of this Act.

SEC. 507. PROTECTION FOR EMPLOYEES OF PUBLICLY TRADED COMPANIES WHO PROVIDE EVIDENCE OF FRAUD.

(a) IN GENERAL.—Chapter 73 of title 18, United States Code, is amended by inserting after section 1514 the following:

"§ 1514A. Civil action to protect against retaliation in fraud cases

''(a) WHISTLEBLOWER PROTECTION FOR EMPLOYEES OF PUBLICLY TRADED COMPANIES.—No company with securities registered under section 6 of the Securities Act of 1933 (15 U.S.C. 77f) or section 12 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78*l*, 78o(d)), or any officer, employee, contractor, subcontractor, or agent of such company, may discharge, demote, suspend, threaten, harass, or in any other manner discriminate against an employee in the terms and conditions of employment because of any lawful act done by the employee—

''(1) to provide information, cause information to be provided, or otherwise assist in an investigation regarding any conduct which the employee reasonably believes constitutes a violation of section 1341, 1343, 1344, or 1348, any rule or regulation of the Securities and Exchange Commission, or any provision of Federal law relating to fraud against shareholders, when the information or assistance is provided to or the investigation is conducted by—

''(A) a Federal regulatory or law enforcement agency;

''(B) any Member of Congress or any committee of Congress; or

''(C) a person with supervisory authority over the employee (or such other person working for the employer who has the authority to investigate, discover, or terminate misconduct); or

''(2) to file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed (with any knowledge of the employer) relating to an alleged violation of section 1341, 1343, 1344, or 1348, any rule or regulation of the Securities and Exchange Commission, or any provision of Federal law relating to fraud against shareholders.

''(b) ELECTION OF ACTION.—

''(1) IN GENERAL.—A person who alleges discharge or other discrimination by any person in violation of subsection (a) may seek relief under subsection (c), by—

''(A) filing a complaint with the Secretary of Labor; or

''(B) bringing an action at law or equity in the appropriate district court of the United States.

''(2) PROCEDURE.—

''(A) IN GENERAL.—An action under paragraph (1)(A) shall be governed under the rules and procedures set forth in section 42121(b) of title 49, United States Code.

''(B) EXCEPTION.—Notification made under section 42121(b)(1) of title 49, United States Code, shall be made to the person named in the complaint and to the employer.

''(C) BURDENS OF PROOF.—An action brought under paragraph (1)(B) shall be governed by the legal burdens of proof set forth in section 42121(b) of title 49, United States Code.

''(D) STATUTE OF LIMITATIONS.—An action under paragraph (1) shall be commenced not later than 180 days after the date on which the violation occurs.

''(c) REMEDIES.—

''(1) IN GENERAL.—An employee prevailing in any action under subsection (b)(1) (A) or (B) shall be entitled to all relief necessary to make the employee whole.

''(2) COMPENSATORY DAMAGES.—Relief for any action under paragraph (1) shall include—

''(A) reinstatement with the same seniority status that the employee would have had, but for the discrimination;

''(B) 2 times the amount of back pay, with interest; and

''(C) compensation for any special damages sustained as a result of the discrimination,

including litigation costs, expert witness fees, and reasonable attorney fees.

''(3) PUNITIVE DAMAGES.—

''(A) IN GENERAL.—In a case in which the finder of fact determines that the protected conduct of the employee under subsection (a) involved a substantial risk to the health, safety, or welfare of shareholders of the employer or the public, the finder of fact may award punitive damages to the employee.

''(B) FACTORS.—In determining the amount, if any, to be awarded under this paragraph, the finder of fact shall take into account—

''(i) the significance of the information or assistance provided by the employee under subsection (a) and the role of the employee in advancing any investigation, proceeding, congressional inquiry or action, or internal remedial process, or in protecting the health, safety, or welfare of shareholders of the employer or of the public;

''(ii) the nature and extent of both the actual and potential discrimination to which the employee was subjected as a result of the protected conduct of the employee under subsection (a); and

''(iii) the nature and extent of the risk to the health, safety, or welfare of shareholders or the public under subparagraph (A).

''(d) RIGHTS RETAINED BY EMPLOYEE.—

''(1) OTHER REMEDIES UNAFFECTED.—Nothing in this section shall be deemed to diminish the rights, privilege, or remedies of any employee under any Federal or State law, or under any collective bargaining agreement.

''(2) VOLUNTARY ADJUDICATION.—No employee may be compelled to adjudicate his or her rights under this section pursuant to an arbitration agreement.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 of title 18, United States Code, is amended by inserting after the item relating to section 1514 the following new item:

''1514A. Civil action to protect against retaliation in fraud cases.''.

SEC. 508. ESTABLISHMENT OF A RETIREMENT SECURITY FRAUD BUREAU.

(a) IN GENERAL.—Part II of title 28, United States Code, is amended by adding at the end the following:

''CHAPTER 40A—RETIREMENT SECURITY FRAUD BUREAU

''§ 600. Retirement Security Fraud Bureau

''(a) IN GENERAL.—The Attorney General shall establish a Retirement Security Fraud Bureau which shall be a bureau in the Department of Justice.

''(b) DIRECTOR.—

''(1) APPOINTMENT.—The head of the Retirement Security Fraud Bureau shall be the Director who shall be appointed by the Attorney General.

''(2) DUTIES AND POWERS.—The duties and powers of the Director are as follows:

''(A) Advise and make recommendations on matters relating to pension and securities fraud, in general, to the Assistant Attorney General of the Criminal Division.

''(B) Maintain a government-wide data access service, with access, in accordance with applicable legal requirements, to the following:

''(i) Information collected by the Department of Justice, the Department of the Treasury, and the Securities Exchange Commission on pension and securities fraud matters.

''(ii) Other privately and publicly available information on pension and securities fraud-related activities.

''(C) Analyze and disseminate the available data in accordance with applicable legal requirements, policies, and guidelines established by the Attorney General to—

''(i) identify possible criminal activity to appropriate Federal, State, local, and foreign law enforcement agencies;

''(ii) support ongoing criminal pension and securities fraud investigations;

''(iii) determine emerging trends and methods in pension and securities fraud matters; and

''(iv) support government initiatives against pension and securities fraud-related activities.

''(E) Furnish research, analytical, and informational services to financial institutions, to appropriate Federal regulatory agencies with regard to financial institutions, and to appropriate Federal, State, local, and foreign law enforcement authorities, in accordance with policies and guidelines established by the Department of Justice, in the interest of detection, prevention, and prosecution of pension and securities fraud-related crimes.

''(F) Establish and maintain a special unit dedicated to assisting Federal, State, local, and foreign law enforcement and regulatory authorities in combating pension and securities fraud.

''(G) Such other duties and powers as the Attorney General may delegate or prescribe.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the Retirement Security Fraud Bureau such sums as may be necessary for fiscal years 2003, 2004, 2005, and 2006.''.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part II of title 28, United States Code, is amended by adding at the end the following new item:

''40A. Retirement Security Fraud Bureau.'' 600

Mr. LINDER. Mr. Speaker, 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. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of agreeing to the resolution and, thereafter, the approval of the Journal.

The vote was taken by electronic device, and there were—yeas 218, nays 208, not voting 8, as follows:

[Roll No. 87]

YEAS—218

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—208

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)

McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—8

Allen
Ford
Pryce (OH)
Roukema
Ryan (WI)
Sessions
Towns
Traficant

□ 1150

Mrs. NAPOLITANO, Ms. SANCHEZ and Messrs. ROTHMAN, SCOTT, CROWLEY, ISRAEL, and TURNER changed their vote from ''yea'' to ''nay.''

Mr. BAKER and Mr. LEWIS of California changed their vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the resolution.

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

RECORDED VOTE

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

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 215, noes 209, not voting 10, as follows:

[Roll No. 88]

AYES—215

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—209

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—10

Allen
Ford
Otter
Pryce (OH)
Roukema
Royce
Ryan (WI)
Sessions
Towns
Traficant

□ 1159

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. OTTER. Mr. Speaker, I was unavoidably detained for rollcall 88, on agreeing to House Resolution 386. Had I been present I would have voted ''yea''.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

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

RECORDED VOTE

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

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 360, noes 56, answered ''present'' 1, not voting 17, as follows:

[Roll No. 89]

AYES—360

Abercrombie
Ackerman
Akin
Andrews
Armey
Baca
Bachus
Baker
Baldacci
Baldwin
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Borski
Boswell
Boucher
Boyd
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Conyers
Cooksey
Cox
Coyne
Cramer
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal