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No. 183

## House of Representatives

The House met at 9 a.m. and was called to order by the Speaker.

### PRAYER

The Chaplain, the Reverend Patrick J. Conroy, offered the following prayer: Merciful God, we give You thanks for giving us another day.

Bless the Members of this assembly as they return to their districts to listen to and communicate with their constituents about the issues and affairs currently being considered in Congress.

It is the weekend our Nation remembers its veterans, upon whom we ask Your blessing. May our Nation be faithful to those still with us, providing whatever their needs may be after they gave years of their lives in service to our country rather than dedicated to personal gain. They are an inspiration to us, and we should not forget nor neglect our responsibility to them.

As the Nation pauses to show its respect, may we be forever grateful for the blessings You have bestowed upon the United States of America. May our Nation continue to be a beacon of hope for the world, and may all we do be for Your greater honor and glory.

Amen.

### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

### PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Arkansas (Mr. WESTERMAN) come forward and lead the House in the Pledge of Allegiance.

Mr. WESTERMAN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain up to five requests for 1-minute speeches on each side of the aisle.

### HONORING ARKANSAS MILITARY VETERANS' HALL OF FAME INDUCTEES

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

Mr. WESTERMAN. Mr. Speaker, I rise today to pay tribute to the 15 men and women recently inducted into the Arkansas Military Veterans' Hall of Fame.

Of the 15 inductees, the Hall of Fame selected 10 "exclusively for their brave military service to our country," while it selected an additional 5 for their "combined military and civilian service to our community, State, and Nation."

I am proud to note that 8 of these 15 American heroes hail from the Fourth Congressional District of Arkansas, serving in conflicts ranging from World War II to Vietnam, as well as Iraq and Afghanistan. This speech simply is not enough time to recognize their courage and sacrifice for our Nation.

I extend my thanks to all those who served as we recognize Veterans Day.

Mr. Speaker, I submit for the RECORD a brief biography of each of the Fourth District heroes honored by the Arkansas Military Veterans' Hall of Fame.

#### HONORING ARKANSAS MILITARY VETERANS' HALL OF FAME INDUCTEES

Rep. Bruce Westerman/November 9, 2017

Biographies of Fourth Congressional District Inductees (as provided by the AMVHOF):

Chief Petty Officer Adam Lee Brown, deceased (Killed in Action), Hot Springs, U.S. Navy, Iraq (two tours), Afghanistan (two tours). Awards include the Silver Star Medal for Gallantry in Action, the Bronze Star Medal with Valor, the Purple Heart Medal, the Defense Meritorious Service Medal, and three Navy Achievement Medals.

Specialist Four Roger K. Hollinger, Sr., deceased, Prattville, U.S. Army, Vietnam. Awards include the Silver Star Medal with First Oak Leaf Cluster for Gallantry in Action, the Bronze Star Medal for Exceptionally Meritorious Combat Achievement, and the Army Commendation Medal for Valor.

Major General Billie (Bill) Branham Lefler, deceased, Hot Springs Village, U.S. Army, Vietnam. Awards include two Distinguished Service Medals, the Legion of Merit Medal, and the Army Commendation Medal.

Major General Sidney Sanders McMath, Deceased, Magnolia, U.S. Marine Corp, World War II. Awards include the Silver Star Medal for Gallantry in Action, and the Legion of Merit Medal for Valor.

Colonel Billie Ray Wood, Mena, U.S. Army, Vietnam. Awards include the Legion of Merit Medal, the Distinguished Flying Cross, the Army Soldier's Medal, the Bronze Star Medal for exceptionally meritorious combat achievement, two Meritorious Service Medals, 22 Air Medals, and three Army Commendation Medals.

Technician Fourth Grade Doyle Ray Collie, deceased, New DeRoche, U.S. Army, World War II. Awards include the Purple Heart Medal, Presidential Unit Citation, and the European African Middle Eastern Theater Ribbon with four Bronze Service Stars.

Lieutenant Colonel Mary Virginia Erdman, Hot Springs Village, U.S. Army Reserves, Desert Storm. Awards include two Army Commendation Medals, Army Reserve Components Achievement Medal. Erdman has been very active in several veteran's service organizations, and was the commander of the Arkansas State Legion Department from 2012 to 2013.

Lieutenant Commander John Roger Rickard, Alma, U.S. Navy, Vietnam. Awards include the Meritorious Service Medal, three Navy Commendation Medals, and the Navy Achievement Medal. During the Vietnam War, Rickard served three cruises as a torpedo mate on fast frigates. Upon retiring from the Navy, Rickard founded the Alma High School JROTC program and served 17 years.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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# SUPPORTING IMMIGRANTS GRANTED TEMPORARY PROTECTED STATUS

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

Mr. BROWN of Maryland. Mr. Speaker, I rise today in support of every immigrant who has been granted temporary protective status in my district and across the Nation. We have nearly 23,000 in Maryland, the sixth highest in the country, and 4,000 in my district, one of the top five districts in the country.

Many people with TPS fled countries such as Haiti, El Salvador, Somalia, and Syria, ravaged by armed conflict or environmental disasters. For over 20 years, they have raised their families here in the United States. They are our neighbors and our coworkers. Their kids attend our schools. TPS holders have been woven into the fabric of our communities.

Earlier this week, those from Nicaragua were told they will be deported. Those from Honduras are next. Deporting people and giving them mere months to pack their bags after 20 years in the United States is cruel and isn't who we are as Americans.

Mr. Speaker, as the Trump administration puts the lives of thousands in legal limbo, I urge my colleagues to ensure TPS holders can stay and pursue an earned path to citizenship.

## WE NEED TO PUSH FORWARD ON TAX CUTS

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

Mr. LAMALFA. Mr. Speaker, as the House contemplates the Tax Cuts and Jobs Act, a lot of misinformation is getting around the country on that.

The intent here is to make the Tax Code simpler; the ability for Americans to spend instead of billions of hours and billions of dollars combined in dealing with their taxes, to get it down to a simple form, perhaps a postcard for many Americans, and the ability to weed through their taxes and get them done and put more money in their pockets.

What our plan does is put approximately \$1,200 into the average middle-income family's pocket, leaves it there instead of taking it out; also, restoring more opportunity on Main Street for small businesses, medium businesses, and the jobs that we want to come back home to this country, those trillions of dollars we can repatriate back to this country and help the middle class, help middle-income Americans, help everybody to have a stronger, more vibrant economy, which helps everybody, instead of a complicated Tax Code put together by lobbyists.

We need to push forward on this and have a success for the American people.

# THE TRICK TRICK TRICK ACT

(Mr. BUTTERFIELD asked and was given permission to address the House for 1 minute.)

Mr. BUTTERFIELD. Mr. Speaker, I rise today in opposition to the Tax Cuts and Jobs Act, also known as the "Trick Trick Trick Act."

This bill, Mr. Speaker, includes a \$1.5 trillion cut to Medicare and Medicaid, raises taxes on middle-income families, and gives the biggest tax cuts to corporations and the wealthiest Americans.

This bill eliminates personal deductions for medical expenses, creating further hardship for people facing illnesses; eliminates deductions for State and local income taxes, resulting in higher taxes for people who can't afford it; and eliminates deductions for interest paid on student loans, making quality education less accessible.

Proponents of the bill, Mr. Speaker, will have you believe that these tax cuts will benefit working families, grow our economy, and decrease the Federal deficit. That is fake news. This bill does nothing more than destroy the hopes and dreams of middle Americans seeking a stable career, a fulfilled life, and a brighter future.

The American people deserve better. I remain willing and able to work across party lines to achieve responsible tax reform.

I say to my Republican colleagues: Do not pass this bill as a Republican bill. It must be bipartisan. If you do it, you will regret it.

## HONORING L. STEPHEN GAITHER

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

Mrs. HARTZLER. Mr. Speaker, I rise today to honor and thank Mr. Stephen Gaither for his dedication and service to our Nation's veterans.

After over 40 years of service, Mr. Gaither is retiring as the public affairs officer at the Harry S. Truman Memorial Veterans Hospital in Columbia, Missouri.

Mr. Gaither has spent his entire life serving this great Nation. In addition to his numerous years serving our veterans at the Truman VA, Mr. Gaither served in the United States Air Force, the Utah Air National Guard, and the Army Reserves.

Since 1989, he has been an active volunteer for the Heart of Missouri United Way, a nonprofit organization that works to improve the economic and social conditions of those who reside in our local community. His passion for serving others will forever leave a mark on the Truman VA and the city of Columbia.

So, Mr. Gaither, this week, as we celebrate Veterans Day, I want to thank you for your devotion and your work on behalf of our Nation's veterans and our community, and I want to wish you the very best in your retirement.

# COMMEMORATING VETERANS OF THE U.S. VIRGIN ISLANDS AND THROUGHOUT THE UNITED STATES

(Ms. PLASKETT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PLASKETT. Mr. Speaker, on behalf of my family and staff, I want to salute and commemorate the veterans of the U.S. Virgin Islands and throughout the United States on this Veterans Day.

The Virgin Islands along with the other territories send more men and women per capita to serve in the U.S. military than anywhere else in this Nation.

I would like to personally recognize Task Force Alpha on St. Croix, Task Force Bravo on St. Thomas, and St. John Responders.

On Veterans Day, we salute the men and women who have proudly worn the uniform and the families who have served alongside them. We affirm our sacred duty as citizens to express our enduring gratitude, both in words and actions, for their service.

As part of Veterans Day this year in the Virgin Islands, we will be honoring female veterans in the territory. Being honored as parade marshal and guest speaker on the island of St. Croix is Major Kathleen Parris; on St. Thomas, Sergeant First Class Laurel Maloon-Francis, serving as parade marshal; and serving as guest speaker on the island of St. Thomas will be former military spouse, Monique Y. Ferrell, director of the Army Sexual Harassment/Assault Response and Prevention Program.

Mr. Speaker, just as we vow to leave no soldier behind on the battlefield, we vow not to forget any veteran when they return home.

## A MESSAGE FOR THE MEDIA

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

Mr. SMITH of Texas. Mr. Speaker, I have a message for the liberal so-called mainstream media.

You are essential to democracy. You have an almost sacred responsibility to inform the American people, but they don't believe you anymore.

Your coverage of the President and conservative Republicans is now obviously so slanted, so biased, that you have lost your credibility; in fact, polls show that it is at a record low.

In trying to destroy this President, you are destroying yourself. Is that what you want?

Remember the Chinese proverb: "When you set out on a journey of revenge, dig two graves."

Why not trust the American people with the facts and let them make up their own minds rather than telling them what to think? I don't know of

any other way you can restore your credibility.

# NATIONAL DIABETES AWARENESS MONTH

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

Ms. ADAMS. Mr. Speaker, each November, communities across the country observe National Diabetes Awareness Month. We come together to educate our neighbors and to bring attention to the impact that diabetes has in the lives of millions of Americans.

As a diabetic, I know the challenges faced by people with this condition.

In 2015, diabetes was the seventh leading cause of death for Americans, and diagnosis rates continue to grow each year.

To live a long and prosperous life with this disease, it is imperative that people with diabetes receive proper nutrition and access to healthcare. Thanks to the Affordable Care Act, preexisting conditions such as diabetes are covered by health insurance. Thanks to SNAP, the poorest in our communities have access to nutrition.

ACA and SNAP are under attack, and as a member of the Diabetes Caucus and as your Representative in Congress, I will continue to vigorously protect the ACA and fight to increase SNAP benefits for those in need.

My life is a living testament to the opportunities that exist when diabetes is properly treated. We must ensure these opportunities are available for the next generation.

# NOVEMBER IS DIABETES AWARENESS MONTH

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

Mr. BILIRAKIS. Mr. Speaker, November is Diabetes Awareness Month.

Over 30 million children and adults, including myself, suffer from diabetes. Another 84 million have prediabetes, and 90 percent of them don't even know it.

Diabetes can cause stroke, blindness, kidney disease, heart disease, loss of toes, feet, or even legs.

In addition to the personal toll this disease takes on the lives of those affected, healthcare costs for diabetic patients are 2.3 times greater than for those without diabetes. This awful disease costs the healthcare system an estimated \$322 billion.

Rates of diabetes have risen dramatically, unfortunately, in recent years. We must do something to stop it. The U.S. Congress is working towards that end.

I was proud to have worked on the 21st Century Cures Act, which invests in research for a cure. The bill streamlines the FDA approval process and provides more money for research to the NIH.

There is much more we can do, Mr. Speaker, to tackle this serious public health issue.

□ 0915

# MICRO OFFERING SAFE HARBOR ACT

Mr. HENSARLING. Mr. Speaker, pursuant to House Resolution 609, I call up the bill (H.R. 2201) to amend the Securities Act of 1933 to exempt certain micro-offerings from the registration requirements of such Act, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. ROGERS of Kentucky). Pursuant to House Resolution 609, the bill is considered read.

The text of the bill is as follows:

H.R. 2201

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. SHORT TITLE.

This Act may be cited as the "Micro Offering Safe Harbor Act".

## SEC. 2. EXEMPTIONS FOR MICRO-OFFERINGS.

(a) IN GENERAL.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended—

(1) in subsection (a), by adding at the end the following:

"(8) transactions meeting the requirements of subsection (f)."; and

(2) by adding at the end the following:

"(f) CERTAIN MICRO-OFFERINGS.—The transactions referred to in subsection (a)(8) are transactions involving the sale of securities by an issuer (including all entities controlled by or under common control with the issuer) that meet all of the following requirements:

"(1) PRE-EXISTING RELATIONSHIP.—Each purchaser has a substantive pre-existing relationship with an officer of the issuer, a director of the issuer, or a shareholder holding 10 percent or more of the shares of the issuer.

"(2) 35 OR FEWER PURCHASERS.—There are no more than, or the issuer reasonably believes that there are no more than, 35 purchasers of securities from the issuer that are sold in reliance on the exemption provided under subsection (a)(8) during the 12-month period preceding such transaction.

"(3) SMALL OFFERING AMOUNT.—The aggregate amount of all securities sold by the issuer, including any amount sold in reliance on the exemption provided under subsection (a)(8), during the 12-month period preceding such transaction, does not exceed \$500,000."

(b) EXEMPTION UNDER STATE REGULATIONS.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)) is amended—

(1) in subparagraph (F), by striking "or" at the end;

(2) in subparagraph (G), by striking the period and inserting "; or"; and

(3) by adding at the end the following:

"(H) section 4(a)(8)."

The SPEAKER pro tempore. After 1 hour of debate on the bill, it shall be in order to consider the amendment printed in House Report 115-401, if offered by the gentleman from Minnesota (Mr. EMMER) or his designee, which shall be considered read and shall be separately debatable for 10 minutes equally divided and controlled by the proponent and an opponent.

The gentleman from Texas (Mr. HENSARLING) and the gentlewoman from

California (Ms. MAXINE WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

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

Mr. Speaker, we know that, unfortunately, after 8 years of bad economic policies from the Obama administration, working people did not receive a pay increase. We know that we had one of the lowest labor participation rates in modern history. We know that the economy was limping along at 1½ to 2 percent economic growth.

But, fortunately, Mr. Speaker, a new day has dawned and now, all of a sudden, we see that, with the policies of Republicans in Congress, with the policies of the Trump administration, we are seeing promising signs. What we are seeing all of a sudden now is 2 quarters, Mr. Speaker, of 3-plus percent economic growth. This means a difference to working families. They are finally seeing increases in their paychecks, increases in their take-home pay.

That is why one of the most exciting policies that are being worked upon today that we hope to see soon is fundamental, pro-growth tax reform for the entire American economy; one that would grow our economy and that makes a Tax Code fairer, flatter, simpler, more competitive; one that would lower rates for families and allow 90 percent of Americans to fill out their forms on something akin to a postcard; something that would help our small businesses and entrepreneurs.

I look forward, Mr. Speaker, to having that legislation on the floor soon. But we have legislation today that is also important to our small businesses and our entrepreneurs, H.R. 2201, by the gentleman from Minnesota.

What is so important about this legislation, Mr. Speaker, is that it would allow our entrepreneurs and our small businesses to more effectively be able to reach out to family and friends to get the needed capital to start their businesses.

A 2014 survey by the Kauffman Foundation found out that over 28 percent of startups raise their funding from their personal network. Mr. Speaker, we have a challenge, and that is the Securities Act does not clearly define what is a public offering or, conversely, a nonpublic offering. So this makes it very difficult for our early-stage entrepreneurial growth companies to go out and do any kind of private placement to raise funds from friends and family.

Now, we know that a private placement is already something that is established in law. But what isn't established is a bright line, safe harbor for these business enterprises to go out and raise these funds.

So what we also know, unfortunately, from our Securities and Exchange Commission is that a registered offering is simply not economically

feasible for a small business, an entrepreneur, an issuer who is seeking to raise less than \$1 million.

So too often, Mr. Speaker, we have a number of these enterprises that, frankly, just never get jump-started because they don't have the opportunity for a private offering. That is why it is so important.

I want to thank the gentleman from Minnesota (Mr. EMMER) for his leadership in bringing this legislation to the House floor today.

So it is a simple piece of legislation. Again, it simply allows a bright line, safe harbor for very small offerings. It requires that each purchaser has a substantive preexisting relationship with an officer, director, or shareholder of the issuer.

The issuer must reasonably believe that there are no more than 35 purchasers of the securities, and the aggregate amount of all securities sold by the issuer cannot exceed \$500,000 in a 12-month period.

So, Mr. Speaker, we are talking about a very small portion of startups, but a very vitally important section of our startups that need capital.

Mr. Speaker, a few decades ago there was a company where a gentleman borrowed money from his father to import Japanese sports shoes, and he purchased 200 pairs of these Japanese sports shoes. He started a business called Blue Ribbon Sports, and today we know it as Nike.

A few decades ago there was an investor out in Omaha, Nebraska, who borrowed money from seven friends and family members, including his sister Doris and Aunt Alice. Over the next 9 years, this initial investment grew, and this gentleman purchased something called Berkshire Hathaway, the textile company that has now led to the Berkshire Hathaway empire.

In 1994, there was a gentleman who took a loan from his parents, moved to a two-bedroom, small apartment, and launched a company called Amazon.

We want to make sure that the next Berkshire Hathaway, the next Amazon get launched, and that is why it is so critical we enact H.R. 2201.

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

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2201 would create an unnecessary and potentially dangerous loophole in Federal and State securities laws by allowing companies to sell unregistered securities without important safeguards that normally apply to such transactions. Specifically, the bill would allow a company to raise up to \$500,000 from 35 or fewer investors, subject only to the requirement that each of these investors has a substantive preexisting relationship with the company.

Currently, before a company can offer or sell its securities, it must either register the offering with the Securities and Exchange Commission—

that is the SEC—or qualify for at least one of several existing exemptions from registration. These exemptions provide reduced regulatory requirements for businesses conducting the offerings, but are limited to investors who have the financial sophistication to understand the risks, or enough assets to bear losses without the full protections of the securities laws.

Additionally, unlike H.R. 2201, these existing exemptions include several critical investor protections, such as notice to regulators, limitations on advertising, and restrictions on resale. For example, securities offered pursuant to rule 506 of regulation D are restricted, meaning they cannot be resold for at least a year without registering them; that is, re-registering them.

Additionally, the re-registration exemptions available under the crowdfunding rules and regulation A impose limitations on the amounts an individual can invest in a year, thereby placing a cap on potential losses.

H.R. 2201's lack of basic safeguards would leave investors vulnerable to an array of investment scams. For example, a purchaser of securities offered pursuant to H.R. 2201 would be able to immediately resell the securities in secondary transactions. In the past, the failure to restrict the resale of unregistered securities has exposed secondary investors to "pump and dump" schemes, a form of fraud that involves hyping up cheap junk stock in order to resell it at a higher price to unwitting investors.

Additionally, investor and consumer advocates, like Americans for Financial Reform, Center for American Progress, and Public Citizen, oppose H.R. 2201 because it would enable a particularly deceptive scam known as "affinity fraud." Bad actors perpetrating affinity fraud could use H.R. 2201 to prey upon religious communities, ethnic groups, and the elderly.

Just a few years ago, the SEC shut down a scheme targeting the Hispanic community in southern California. The perpetrators raised more than \$800,000 by representing to close friends and family members that their investment would be used to develop a financial services firm serving the Hispanic community.

The SEC found that, instead of developing the purported business, the scammers "used a large part of the investors' money to engage unsuccessfully in high risk 'day-trading' of stocks; pay personal living, travel, and entertainment expenses; or make other unexplained expenditures with no connection to the purported startup business activities."

H.R. 2201 would provide a roadmap for bad actors to similarly rip off investors. The bill's \$500,000 cap on offerings does not eliminate the need for robust safeguards against fraud and abuse. In fact, these protections are even more important for offerings of this size, given the proliferation of investment schemes in the smaller offering space.

The SEC has found that "fraud in the micro cap stock markets is of increasing concern to regulators, as such markets have proven to be fertile grounds for fraud and abuse."

While \$500,000 may not seem like a lot on Wall Street, for Main Street Americans, losing even a fraction of that amount would destroy the hope of one day retiring with dignity. Existing exemptions such as those available under the SEC's regulation D, regulation A, and crowdfunding rules provide ample opportunities for companies to raise capital while also protecting investors.

H.R. 2201 would only expose hard-working Americans to a new and wholly unnecessary risk. For these reasons, I urge my colleagues to vote "no" on H.R. 2201, and I reserve the balance of my time.

#### GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and submit extraneous material on the bill under consideration.

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

There was no objection.

Mr. HENSARLING. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. EMMER), the sponsor of the legislation and an outstanding member of the Financial Services Committee.

Mr. EMMER. Mr. Speaker, while government isn't meant to create jobs, with the help of the President, Congress can set Federal policies that establish a pro-worker, pro-business environment that lifts people out of poverty, helps families, and drives our country forward.

One problem today that is impeding job growth is access to capital for small businesses. American businessmen and -women are often unable to get the loans they need to start a new enterprise or to grow an existing one.

Additionally, if a firm would like to publicly sell stock to raise money, it must register with the Securities and Exchange Commission, which costs \$2.5 million, on average; an amount most small businesses simply cannot afford.

Small and emerging businesses are a key to the economic engine in America. The Small Business Administration found that these businesses create over half of the new jobs on an annual basis in this country. More importantly, today's small businesses are tomorrow's success story.

Just think of all the great businesses in this country that started with a dream in a garage: Amazon, Apple, Microsoft, Disney, Harley-Davidson, and Minnesota's own Medtronic. We want to empower the entrepreneurs in this country to dream, innovate, and create jobs that grow our economy.

That is why I introduced the Micro Offering Safe Harbor Act. This bill will make it easier for entrepreneurs and

small businesses to raise money from family, friends, and their personal network without running afoul of the vague and undefined “private offering” safe harbor provisions in the Securities Act of 1933.

Thus, the Micro Offering Safe Harbor Act helps bring clarity to existing law so that our current and future job creators can easily raise capital within the confines of an easy-to-understand provision without the help of an expert.

□ 0930

This legislation requires three specific criteria to be met simultaneously in order to trigger a safe harbor exemption for a security offering instead of just one or more. These criteria ensure that: one, each purchaser has a substantive preexisting relationship with an owner; two, there are no more than 35 purchasers of securities from the issuer that are sold in reliance on the exemption during the 12 months proceeding; and, three, the aggregate amount of all securities sold by the issuers does not exceed \$500,000 during the 12-month period preceding the offering. The bill also exempts any of the aforementioned security offerings from blue-sky laws, while maintaining antifraud provisions at the Federal and State level.

These provisions protect Americans from criminals trying to swindle them out of their hard-earned money, while making capital more accessible to businesses by investors from around the country.

In fact, I will be offering an amendment to enhance these antifraud provisions. This amendment, which incorporates the suggestions made by my colleagues on the other side of the aisle during a legislative hearing in the last Congress, will ensure that individuals who have been disqualified under the “bad actor” disqualification standard, as is listed under current law, are prohibited from using the exemption provided under H.R. 2201, establishing yet an additional layer of investor protection.

Entrepreneurs and small-business owners need access to capital in order to achieve the American Dream. Although small businesses accounted for 99.7 percent of all the businesses in the United States last year, only half of them will survive longer than 5 years, according to our Bureau of Labor Statistics.

Lack of capital or difficulty accessing capital is one of the main causes of failure for many of these small businesses. A 2015 survey conducted by BlueVine found that 75 percent of small and emerging businessowners reported their primary source of funding comes from their own personal finances, followed by banks at 16 percent and family and friends at 6 percent.

While banks and credit unions do their best to offer the funding these businesses need to grow and thrive, there are still 3 million fewer small

business loans made annually, today, than there were before the 2008 financial crisis. H.R. 2201 seeks to build off the success of the Jumpstart Our Business Startups Act of 2012, better known as the JOBS Act, and will continue to spur capital formation for the true job creators and drivers of our country’s economy.

The Micro Offering Safe Harbor Act helps small and emerging companies add another tool to the toolkit, enabling them to confidently find alternative ways of raising these funds without having to pay for costly securities experts and without the fear of lawsuits if they operate within these easy-to-understand parameters.

That is why the Micro Offering Safe Harbor Act is endorsed by the National Small Business Association; the Small Business & Entrepreneurship Council; the National Federation of Independent Business; the Chamber of Commerce; Heritage Action; and Engine, “The Voice of Startups in Government.”

The House approved an identical version of this legislation during the 114th Congress as part of the Accelerating Access to Capital Act, and language similar to H.R. 2201 was included in the Financial CHOICE Act, which was adopted by this Chamber in June.

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

Mr. HENSARLING. Mr. Speaker, I yield an additional 30 seconds to the gentleman from Minnesota.

Mr. EMMER. Mr. Speaker, the time has come for Congress to come together and help small businesses help themselves by making this important update and improvement to the Securities Act of 1933.

I want to thank Chairman HENSARLING; Capital Markets, Securities, and Investment Subcommittee Chairman HUIZENGA; and all of the staff on the Financial Services Committee for their hard work on this legislation.

Mr. Speaker, I urge my colleagues to support this legislation and hope that both parties will use H.R. 2201 as a way to show their support for more opportunities and better lives for our job creators.

Mr. Speaker, I include in the RECORD letters from the National Small Business Association, the Small Business & Entrepreneurship Council, the United States Chamber of Commerce, Heritage Action for America, and Engine.

NATIONAL SMALL BUSINESS ASSOCIATION.  
Hon. TOM EMMER,  
House of Representatives,  
Washington, DC.

DEAR REPRESENTATIVE EMMER: On behalf of the National Small Business Association (NSBA), the nation’s first small-business advocacy organization, with more than 65,000 small-business members representing every state and every industry across the country, I commend your leadership for introducing the Micro Offering Safe Harbor Act (H.R. 2201) as it will have an immediate and direct impact on small businesses looking to raise capital. NSBA has long supported the kind of simplification this legislation would bring for small businesses.

Capital is the lifeblood of any small business, and often small-business owners need

capital at various stages; some at their startup and others later when they are looking to expand. Despite this ongoing need, small-business lending from banks has decreased over the last decade and many small businesses have few options for obtaining capital. According to NSBA’s 2016 Year-End Economic Report, small-business access to capital remains stubbornly unchanged since the previous year, with just 69 percent of small firms reporting they are able to get adequate financing. This drop has real-world implications: 41 percent said lack of capital is hindering their ability to grow their business or expand operations, and 20 percent said they had to reduce the number of employees as a result of tight credit.

Therefore, raising capital through securities is an attractive alternative option for many small-business owners. However, the current regulatory requirements are quite onerous for small businesses, often requiring expensive specialized counsel for even very small securities offerings.

NSBA supports this targeted legislation that creates a safe harbor for small securities offerings which meet requirements clearly identified in the legislation. Under the legislation, these exemptions include offerings in which each purchaser has a substantive pre-existing relationship with the owners, where the issuer has less than 35 purchasers utilizing the exemption in the preceding 12 month period, or where the total amount raised during the preceding 12 month period is less than \$500,000. By creating three safe harbor exemptions for “non-public offerings,” businesses can operate with clarity and a clear conscience knowing that they would be exempted from registering with the Securities and Exchange Commission (SEC). Additionally, the legislation also exempts transactions meeting the specified requirements from state registration requirements, commonly referred to as “blue sky laws.”

Raising capital for small businesses from friends and family already takes place on a regular basis, except those transactions often lack the legal protections and structure of securities law. In addition to expanding access to capital for small businesses, this legislation will bring those transactions under a recognized legal framework, and make resolving disputes that arise much more efficient. Finally, bringing these existing transactions under an existing legal framework will provide a sound legal basis for subsequent larger offerings requiring registration with the SEC.

Access to capital continues to be one of the most pressing issues facing the small-business community. All small businesses need an injection of capital at one point or another, unfortunately in the past several years it has become difficult for small businesses to get the funds they need to grow and expand. NSBA is pleased to support the Micro Offering Safe Harbor Act as it will help small businesses around the country expand and create new jobs in their communities.

Sincerely,

TODD MCCracken,  
President & CEO.

—  
SMALL BUSINESS &  
ENTREPRENEURSHIP COUNCIL,  
Vienna, VA, October 10, 2017.

Hon. TOM EMMER,  
House of Representatives,  
Washington, DC.

DEAR REPRESENTATIVE EMMER: On behalf of the Small Business & Entrepreneurship Council (SBE Council) and our nationwide membership of entrepreneurs and small business owners, I am writing to voice our support for the Micro Offering Safe Harbor Act, H.R. 2201.

When it comes to raising capital, the existing regulatory system is onerous and complex. Even for small securities offerings, compliance and navigating the rules are very expensive. H.R. 2201 is a needed solution that makes smart changes to existing law, providing certainty and an effective option for small businesses that need to raise capital.

H.R. 2201 would exempt from registration requirements with the Securities and Exchange Commission (SEC) offerings made only to the entrepreneur's friends and family, to less than 35 purchasers, and when \$500,000 or less is raised. The offering would be exempt from state registration and qualification rules, thus reducing costs and complexity. H.R. 2201 would appropriately scale SEC rules and regulatory compliance for our nation's small businesses, which in turn will provide another practical option for entrepreneurs to raise the capital they need to start or grow their firms.

The United States has much work to do when it comes to fostering capital formation and encouraging investment and entrepreneurship. The Micro Offering Safe Harbor Act is a smart solution that will help many entrepreneurs successfully start and grow their businesses. Thank you for your leadership.

Sincerely,

KAREN KERRIGAN,  
President & CEO.

CHAMBER OF COMMERCE OF THE  
UNITED STATES OF AMERICA,  
Washington, DC, October 10, 2017.

Hon. JEB HENSARLING,  
Chairman, Committee on Financial Services,  
House of Representatives, Washington, DC.

Hon. MAXINE WATERS,  
Ranking Member, Committee on Financial Services,  
House of Representatives, Washington, DC.

DEAR CHAIRMAN HENSARLING AND RANKING MEMBER WATERS: The U.S. Chamber of Commerce strongly supports several bills the Committee is scheduled to markup on October 11, 2017. The Chamber appreciates the Committee's ongoing work to enhance capital formation, hold regulators accountable, and reduce red tape burdens upon American businesses and consumers. The Chamber supports the following bills.

H.R. 477, the "Small Business Mergers, Acquisitions, Sales, and Brokerage Simplification Act of 2017," would simplify Securities and Exchange Commission (SEC) registration requirements for certain mergers and acquisitions (M&A) brokers who perform services related to the transfer of ownership of smaller private companies. The legislation properly balances regulatory relief for brokers and businesses involved in such transactions with important investor protections to prevent abuse. H.R. 477 would require disclosure of relevant information to investors and would not exempt M&A brokers from existing rules designed to prevent those who violate the law from continuing to work in the securities business.

H.R. 1116, the "Taking Account of Institutions with Low Operation Risk (TAILOR) Act of 2017," would direct federal banking regulators to scale rulemakings in order to properly reflect the various risk profiles of financial institutions. One of the unfortunate developments in recent years has been "one size fits all" regulation in the banking sector. This legislation would ensure that community and regional financial institutions are not forced to comply with regulatory regimes more suited for global, interconnected institutions.

H.R. 1585, the "Fair Investment Opportunities for Professional Experts Act," would ex-

pand the definition of "accredited investor" under securities laws by allowing those who can demonstrate relative education or work expertise to invest in certain private offerings, regardless of their income or net worth. In addition to providing Main Street households with greater opportunities to build wealth, H.R. 1585 would expand the pool of capital available to private businesses.

H.R. 1645, the "Fostering Innovation Act of 2017," would extend the Sarbanes-Oxley 404(b) internal controls exemption for certain emerging growth companies (EGCs) from five years to ten. This change would prevent the premature phase out of one of the more popular provisions of the 2012 Jumpstart our Business Startups ("JOBS") Act, and would provide a further incentive for companies to enter public markets.

H.R. 2201, the "Micro Offering Safe Harbor Act," would provide a means for businesses to solicit and raise limited amounts of capital without running afoul of securities laws. Private businesses would be permitted to seek community-based financing of up to \$500,000 per year in order to expand or hire new employees. Importantly, the bill includes a number of robust investor protections that would help prevent fraud and abuse in the market.

H.R. 2396, the "Privacy Notification Technical Clarification Act," would amend the 1999 Gramm-Leach-Bliley Act by clarifying that financial institutions are only required to send customers annual privacy notifications if there have been changes in the institution's privacy policies. It also clarifies that such notices need not be physically provided to a customer if they are made available online at the customer's request. These provisions would save costs for consumers and mitigate confusion related to privacy notices.

H.R. 2706, the "Financial Institution Customer Protection Act of 2017," would help prevent another "Operation Chokepoint" by prohibiting federal agencies from directing a financial institution to terminate an account without a material, documented reason for doing so. This bill would ensure that agencies do not unjustifiably discriminate against certain industries. The bill would also clarify liability under the Financial Institutions Reform, Recovery, and Enforcement Act. A House investigation of Operation Choke Point revealed the Obama administration Department of Justice had radically and inappropriately reinterpreted the law.

H.R. 3299, the "Protecting Consumers Access to Credit Act of 2017," would codify the "valid-when-made" doctrine, which states that the characteristics of a loan are valid at origination, and are not unenforceable when assigned to another party. The recent Second Circuit decision in the Madden vs. Midland Funding, LLC case has undermined this doctrine and threatens to impose a chilling effect on credit markets nationwide. H.R. 3299 would restore the longstanding "valid-when-made" legal principle and protect consumers and businesses that rely on robust credit markets.

H.R. 3312, the "Systemic Risk Designation Improvement Act of 2017," would replace Dodd-Frank's arbitrary asset threshold for labeling a bank "systemically important" with a multi-factor, tailored assessment that considers size, interconnectedness, substitutability, complexity, and cross-jurisdictional. Mid-size and regional banks do not generate systemic risk and are critical to small business lending. By tailoring regulation and rejecting a one-size-fits-all approach, H.R. 3312 would promote Main Street access to credit and unlock economic growth.

H.R. 3857, the "Protecting Advice for Small Savers (PASS) Act of 2017," would repeal the misguided "fiduciary rule" issued by the Department of Labor (DOL) in 2016. The DOL rule was built upon a fundamentally flawed and theoretical analysis that has been refuted by real life experience. A recent Chamber survey demonstrated the harm that DOL's rule is already inflicting upon investors, and we have long called for the SEC to assert its jurisdiction regarding standards of conduct for broker-dealers and investment advisers. H.R. 3857 would rightly direct SEC to craft a rulemaking under the securities laws to protect investors and preserve access to investment choice.

H.R. 3903, the "Encouraging Public Offerings Act of 2017," would allow any company—regardless of size or EGC status—to take advantage of the popular provisions under Title I of the 2012 JOBS Act, which include allowing investors to submit confidential draft registration statements with the SEC and to "test the waters" before filing an IPO. Title I of the JOBS Act has proven to be a true policy success, and Congress and the SEC should continue to explore how more companies can take advantage of its provisions.

H.R. 3911, the "Risk-Based Credit Examinations Act of 2017," would authorize the SEC to utilize "risk-based" examinations of Nationally Recognized Statistical Rating Organizations (NRSROs), which would allow the SEC to focus its limited resources and prioritize its examination agenda, while reducing unnecessary compliance burdens on regulated entities.

H.R. 3948, the "Protection of Source Code Act," would amend the Securities Act of 1933 to require that the SEC actually issue a subpoena before requiring a person or entity to produce trading "source code." Source code is the intellectual property of certain market participants, and there is no reason for the SEC to put into place a broad collection mechanism for such sensitive information. This legislation is necessary after past attempts by the Commodity Futures Trading Commission (CFTC) to collect source code without a subpoena.

H.R. 3972, the "Family Office Technical Correction Act of 2017," would provide certainty for "family offices" defined under securities laws by clarifying that such offices are accredited investors. This bill would preserve the ability of family offices to invest in certain private offerings and help them remain an important source of capital for growing businesses.

H.R. 3973, the "Market Data Protection Act of 2017," would delay any reporting to the consolidated audit trail (CAT) until the SEC, Financial Industry Regulatory Authority (FINRA), and CAT operators develop sufficient cybersecurity protocols to protect the information that is set to be collected under the CAT. Recent cyberattacks have demonstrated that vulnerabilities exist within our capital markets, and H.R. 3973 would help safeguard the personal and sensitive information of market participants. The SEC should also explore alternatives to using personally-identifiable information as part of its data collection efforts under the CAT.

Collectively, these bills would modernize capital markets, preserve consumer choice and access to credit, and require more transparency and accountability of the federal financial regulators. We look forward to working with the Committee and Congress as these bills advance through the legislative process.

Sincerely,

NEIL BRADLEY.



## HERITAGE ACTION FOR AMERICA.

To: Interested Parties  
 From: Heritage Action for America  
 Date: November 7, 2017  
 Subject: Micro-Offering Safe Harbor Act  
 (H.R. 2201)

The Micro-Offering Safe Harbor Act (H.R. 2201) would remove unnecessary regulatory impediments for the smallest businesses seeking to raise capital to launch, to grow and to create jobs. It would create an exemption to the Securities Act registration requirement for businesses that make a securities offering to 35 or fewer people with whom they have a pre-existing relationship and that raise \$500,000 or less. This will reduce the need for main street businesses to retain sophisticated securities counsel and improve their access to capital.

Heritage Action supports this legislation.

ENGINE,

San Francisco, CA, October 11, 2017.

Hon. JEB HENSARLING,  
 Chairman, House Committee on Financial Services,  
 House of Representatives, Washington,  
 DC.

Hon. MAXINE WATERS,  
 Ranking Member, House Committee on Financial Services,  
 House of Representatives,  
 Washington, DC.

DEAR CHAIRMAN HENSARLING AND RANKING MEMBER WATERS: On behalf of Engine and our community of startups, entrepreneurs, investors, and innovators, I write to express support for several bills scheduled for consideration before the House Committee on Financial Services tomorrow. Specifically, Engine reiterates its support for H.R. 2201, the "Micro Offering Safe Harbor Act," which will facilitate capital access for promising startups.

Engine is a nonprofit and advocacy group that supports high-growth, high-tech startups through research, advocacy, and policy analysis. We work to foster and promote forward-looking government policies and a regulatory environment in which entrepreneurs can launch innovative, new companies that grow and thrive. Through conversations with diverse startups across the country, we know that capital access remains a top challenge in getting a business off the ground.

A large portion of startups rely on small, nonpublic offerings (also known as a "private placements"), such as a "friends and family" round, to raise seed capital. In fact, a 2014 survey by the Kauffman Foundation found that over 28 percent of startups raised some amount of funding from their personal network. However, the Securities Act does not clearly define what constitutes a public offering, or conversely, a nonpublic offering, making it easy for early stage companies to unintentionally run afoul of the law when doing a private placement.

H.R. 2201 would create three bright line safe harbor exemptions for non-public offerings. Under the legislation, offerings would be exempt from registration with the Securities and Exchange Commission (SEC) if each purchaser has a substantive pre-existing relationship with the issuer, there are 35 or fewer purchasers, or the amount being raised does not exceed \$500,000. These exemptions would bring much needed clarity for startups and ensure that a company doing a small, private placement is not forced to complete burdensome paperwork or spend precious resources on an expensive lawyer in order to comply with ambiguous regulatory requirements.

Finally, H.R. 2201 would exempt these micro-offerings from state blue sky registration and qualification laws, decreasing the regulatory complexity for startups doing a small raise.

Engine appreciates the Committee's consideration of this bill and its continued work on capital access issues for emerging firms. We look forward to further engagement with the bills' sponsors and Committee members on these important issues.

Sincerely,

EVAN ENGSTROM,  
 Executive Director.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Rhode Island (Mr. CICILLINE).

Mr. CICILLINE. Mr. Speaker, I thank the gentlewoman for yielding.

I want to begin, Mr. Speaker, by responding to the gentleman from Texas, who began this debate by saying how this was a continuation of an ongoing effort by Republicans to promote progrowth tax reform in particular.

I want to be very clear, Mr. Speaker. The proposal that is currently before this House with respect to the tax changes is a tax scam. It is not a tax plan. It is a scam. It gives \$1.5 trillion in tax cuts to the wealthiest Americans, the biggest corporations, and the millionaires and billionaires. It increases taxes on tens of millions of middle class families. It pays for this big gift back to corporations and billionaires and millionaires by deep cuts in Medicare, Medicaid, infrastructure spending, education—the things that actually create jobs.

It creates additional incentives to ship American jobs overseas, creates incentives for American companies to take jobs here and ship them overseas, not to keep them here in our own country. It is another maybe more robust example of trickle-down economics. It has failed before. It will fail again.

The American people might have the benefit of understanding this more completely if there were actually a process where this was debated, witnesses testified, and experts came in to talk about the implications of this. But this is being done in the dark of night, at the speed of light so the American people won't find out what is about to happen to them. So the idea of describing this as progrowth in this context, both with the provisions and the process, seems, to me, laughable.

Let me just give the American people a couple of examples:

It denies individuals the right to deduct State and local taxes but preserves that right for corporations;

It denies the worker who is forced to leave his home and move because his employer is moving—either do that or he loses his job—from deducting the cost of moving, but it preserves the right of a company who is offshoring jobs overseas to take a deduction for the cost of moving those American jobs overseas.

Those are just two examples. So this isn't a progrowth tax policy. This is trickle-down economics designed to let the people at the very top hold onto more of their money and corporations to keep more of their profits in the hope that it will trickle down to the rest of the American people.

It doesn't work. It doesn't represent a progrowth tax policy. It is a tax scam, and so I want to just correct the record, Mr. Speaker, with all due respect to the gentleman from Texas.

Mr. Speaker, I rise, in addition to that, to express my strong opposition to H.R. 2201, the Micro Offering Safe Harbor Act.

In light of the devastating 2008 financial crisis and the regulatory weaknesses revealed by the Wells Fargo and Equifax scandals, we should be considering legislation that will bolster consumer and investor protections; but today, instead, we are considering H.R. 2201, which will enable abusive financial practices.

Generally, a company that seeks to make public offerings must register them with the Securities and Exchange Commission or must fit into one of several exceptions that are designed to balance investor protections with regulatory burdens on smaller companies. This legislation would allow so-called microcap offerings, offerings valued at \$500,000 or less in a single year to be sold to 35 or fewer investors, subject only to the requirement that each investor have a substantive preexisting relationship with the company.

Despite the similarity of these provisions to some restrictions currently imposed on unregistered security offerings, H.R. 2201 omits several critical investor protections that are characteristic of existing exemptions. In particular, microcap offerings would be exempt from important regulatory protections set up in the 1933 Securities Act, including registration, disclosure, and fraud protections.

Oversight in the smaller offering space such as the one proposed in H.R. 2201 is important because the SEC has found fraud in the microcap stock markets is of increasing concern to regulators, as such markets have proven to be fertile grounds for fraud and abuse.

Without core protections, H.R. 2201 would leave investors vulnerable to an array of investment scams and abuses, with unsophisticated investors particularly at risk. For example, the bill has no restriction on resale. In the past, failure to restrict the resale of unregistered securities has exposed secondary investors to fraudulent pump-and-dump schemes, as the gentlewoman from California mentioned.

Additionally, groups like Americans for Financial Reform, Center for American Progress, and Public Citizen oppose H.R. 2201 because it would enable a type of investment scam known as affinity fraud. In these schemes, scam artists prey upon members of identifiable groups, such as ethnic or religious communities or the elderly, often by enlisting respected community or religious members to help convince victims that a dubious investment is legitimate. The proliferation of affinity fraud in low-income communities demonstrates that H.R. 2201's preexisting relationship requirement would not provide safeguards against such abuse.

Given existing exemptions for smaller companies would provide ample opportunity for companies to raise capital while also protecting investors, H.R. 2201 is, at best, unnecessary. This bill would simply create a loophole that undermines protections against the kind of financial abuses and recklessness that we have already seen damage our financial system and hurt people.

Mr. Speaker, I urge my colleagues to oppose H.R. 2201.

I thank the gentlewoman again for yielding.

Mr. HENSARLING. Mr. Speaker, I yield myself 30 seconds, just to say, as I listen to the gentleman from Rhode Island and the ranking member, their comments are very interesting, but everything they described is already illegal. Their remarks acknowledge that the SEC can and does bring actions to enforce the securities laws and shut down fraud when they discover the fraud.

Nothing in H.R. 2201 eliminates the DOJ's ability to pursue criminal prosecutions or fraud. Nothing in it impacts the SEC's ability to pursue civil actions against issuers who engage in fraud under section 17(a) of the Securities Act of 1933. It is just a red herring. It is one of the reasons we have had such poor economic growth under the Democratic regime.

Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. LUETKEMEYER), chairman of the Financial Institutions and Consumer Credit Subcommittee of our committee.

Mr. LUETKEMEYER. Mr. Speaker, I thank Chairman HENSARLING for his leadership on this issue. I also want to thank the gentleman from Minnesota (Mr. EMMER) for taking a lead on this important legislation.

As an elected official, I have the opportunity to interact with individuals across my district who strive to create new or expand existing small businesses. These are folks who work hard to provide for their families and serve as the backbones of their communities.

Unfortunately, for many entrepreneurs, overregulation has stifled their ability to innovate and grow. The National Federation of Independent Business published a recent study showing that 30 percent of small business respondents cited taxes, regulations, and red tape as their most significant business problem.

While certain sectors are reaping the benefits of a strong economy, the reality is that startups and small businesses are sitting on the sidelines with limited access to credit. It is something I hear about from businessmen and -women every single day, be they bankers, retailers, farmers, doctors, and every profession in between.

We also know that many startups and businesses have historically turned to local financial institutions for initial financing. In the years after passage of Dodd-Frank, small bank lending is down dramatically, leaving many

commercial customers scrambling to find other forms of reasonably priced financing.

Across the board, we are enabling a burdensome system that penalizes entrepreneurship. We need to reverse course if we want to see a resurgence of small business creation and growth.

H.R. 2201 is commonsense legislation that seeks to reverse one impediment to entrepreneurship. Mr. EMMER's bill offers a thoughtful approach to a problem that has hindered and, in some cases, prevented small offerings across the Nation. It will appropriately scale Federal rules and regulatory compliance and will allow small businesses to access the capital necessary for growth.

More specifically, this legislation will exempt certain nonpublic micro offerings from the SEC requirements. The bill features guardrails that allow for investor protection and subjects any and all exempted micro offerings to the full suite of Federal and State antifraud laws.

The result will be a less burdensome regulation that stifles innovation and increases access to capital for startups and small businesses that comply with the parameters included in the bill. This bill is about Main Street, about the small-business men and women in each of our districts.

Mr. Speaker, I want to again thank and applaud the gentleman from Minnesota for his hard work on this legislation, and I ask my colleagues to join me in voting in favor of the legislation.

Ms. MAXINE WATERS of California. Mr. Speaker, may I inquire as to how much time I have remaining.

The SPEAKER pro tempore. The gentlewoman has 18½ minutes remaining. The gentleman from Texas has 16 minutes remaining.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have laid out this morning exactly how vulnerable groups and individuals can be taken advantage of with legislation like this. I don't know exactly where this legislation originated, but I can almost guarantee you that we are creating opportunities for individuals who don't have the best interest of our constituents at heart to literally get small groups together, 35, I guess, or less, and sell them on ideas where they are raising funds that probably will not result in profits as expected by those who are investing in these schemes.

□ 0945

No, there are no protections. There is no notice. The SEC will not know when and where these schemes are arising. So I would say to my colleagues on the opposite side of the aisle: When are we going to act as if we have the best interests of our constituents at heart? When are we going to be about protecting consumers rather than opening up opportunities for them to be the victims of fraud?

We have fraudulent schemes that are directed at the most vulnerable people. I know where those people who are organizing these schemes will go. They will go to our churches where well-meaning ministers and parishioners will be taken advantage of.

In these vulnerable communities that are always taken advantage of, we have people who are the victims of payday loans where they are paying 400 percent for moneys that they are borrowing when they are desperate in between paychecks. We have rent-to-own schemes. We have all kinds of schemes where these convenience stores, in places where we have food deserts, are charging extremely high prices for food that is basically being sold for regular, ordinary, good prices in other communities.

In some communities, even in California, the gas taxes are rising. We have the rental market that is going off the scale all over this country with people not being able to afford a decent lease or a decent rental space, and so here we are just opening up another opportunity for folks to be ripped off.

It is going to happen; I can guarantee you that. When you have something like this that is passed by the Congress of the United States, it is going to be taken advantage of, and the way that this is constructed, it almost begs to be taken advantage of.

So do you know what happens when this kind of thing takes place and Members of Congress put their reputations on passing this kind of legislation? When the rip-offs start and people are harmed a few years later, then they are going to come back with legislation talking about how they are correcting the fraud and the rip-offs that we caused in the first place.

When is this going to stop? We have a Consumer Financial Protection Bureau that is struggling every day to protect our consumers. Prior to Dodd-Frank, we had our oversight agencies with the responsibility of protecting consumers, but they didn't have any real protection. So Dodd-Frank reforms helped to create opportunities for Members of Congress to be able to protect their consumers and not to be involved in these kinds of schemes.

But the opposite side of the aisle has spent an inordinate amount of time trying to kill off the Consumer Financial Protection Bureau, and they have done it in so many ways. Not only do they come up with amendments time and time again to try and shut down the Consumer Financial Protection Bureau, they treat the Director of the Consumer Financial Protection Bureau so badly that they almost deny him the opportunity to come before our committee and to be heard.

So I don't know whose side legislators are on who create this kind of crap. I don't understand why it is deemed to be important to open up the opportunity for schemes and to not give the SEC the ability to know when they are getting started, to have the



kind of disclosures, and to have the kind of oversight that would protect the most vulnerable people in our society.

Mr. Speaker, yes, this legislation will probably pass today. The Republicans have the majority votes in this Congress, and I suppose they are going to get all of their people to vote for this bill that is going to rip off some of their constituents, and, again, we won't be able to stop it because, again, they have the majority votes.

But I want the people of this country to know and understand what is happening, who is doing it to them, and why they are having a difficult time. At a time when the rental market is going off the scale and they can't afford to pay the first and the last month's rent to get into a place, I want them to know who is creating the difficulties in their lives when their jobs have not increased their pay, they are still trying to have a decent quality of life for their families, despite the fact that the pay does not match the job that they are doing, and they haven't had the pay increases.

When are we going to show that we stand up for the least of these? When your churches get ripped off—and we are working on some of those schemes now where, even with the responsibilities that the SEC has, we have people who are getting ripped off, and here we come with another piece of legislation. Then what we do is we shade it in terms of this is for small business development. Then we hear from the opposite side about all the other companies who started as little-bitty companies in their garage. Well, they all started without this bill. They didn't need this bill to start.

So why are you doing this? Yeah, you are right; there are a lot of companies, and you have named them, particularly in the high tech industries that started, and they had some of their own money to get started with, and maybe the family helped them, I don't know, but they didn't have this legislation. They didn't need this legislation. Nobody needs this legislation.

This legislation is harmful, and I would ask my colleagues to vote against the bill. If there are any Members on the opposite side of the aisle who really are concerned about their constituents, I would ask them to defy their leadership and vote against this bill.

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

Mr. HENSARLING. Mr. Speaker, number one, I was very pleased to hear one of the most compelling indictments of 8 years of the Obama administration I have ever heard on the House floor, and I thank the ranking member for it.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. ROTHFUS), who is the vice chairman of the Financial Institutions and Consumer Credit Subcommittee.

Mr. ROTHFUS. Mr. Speaker, I thank the chairman for yielding.

Jobs, jobs, jobs. That is why, Mr. Speaker, I rise today to express my support for the Micro Offering Safe Harbor Act.

Whose side am I on? The tens of millions of folks who don't have jobs out there who want job opportunities. We know from some studies that, over the last 8 years of wrong regulation, 650,000 small businesses have not been created. That means 6½ million jobs, 6½ million people who are not paying Medicare tax, and 6½ million people who are not paying Social Security tax. We need these people in the game, Mr. Speaker, and this act can help them get into the game.

This is an important piece of pro-jobs legislation, and I thank my colleague, Mr. EMMER, for introducing it.

We all want our economy to become vibrant once again so it can generate opportunity and prosperity for all Americans. Unfortunately, regulatory burdens—both new and preexisting—often get in the way of raising capital and building a business.

At hearing after hearing at the Financial Services Committee, we have heard from financial institutions that are unable to lend to small businesses or are afraid to do so. We have also heard from businesses that cannot find the capital they need to expand or to retool. All of this has an impact on jobs and wages as well as on our overall economy.

The Micro Offering Safe Harbor Act is a targeted, commonsense bill that will make it easier for small businesses to access capital that they need to grow.

Specifically, H.R. 2201 will permit businesses to issue a limited number of securities to individuals with whom principals have a preexisting relationship. This would include family and friends who are often early investors in startups.

Businesses will only be able to issue a small amount of securities—\$500,000 a year—but that is a step in the right direction toward helping businesses that need funding.

This is good policy that will make it easier for small businesses to get off the ground, grow, and add jobs.

At the same time, this bill ensures that our regulators can continue to police fraud and abuse, and to do so aggressively. On that point, there is no ambiguity. Fraud is illegal, and it will not be tolerated or excused.

Again, I strongly support the Micro Offering Safe Harbor Act. It is good for the economy and good for hardworking Americans. It is good for jobs, jobs, jobs.

Mr. Speaker, I urge my colleagues to support this legislation.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, by allowing entities to sell unregistered securities based solely on a preexisting relationship with the investor, H.R. 2201 would create a road map for affinity fraud.

Affinity fraud is a type of investment scam where swindlers prey upon members of identifiable groups such as ethnic or religious communities or the elderly. Often, affinity fraudsters take advantage of preexisting relationships to engender trust and convince victims that a dubious investment is legitimate.

The Securities and Exchange Commission has found that such frauds pose heightened risks to investors because they can be difficult for regulators or law enforcement officials to detect, particularly where the fraudsters have used respected community or religious leaders to convince others to join the investment.

The following cases represent a sampling of recent affinity fraud actions from around the United States.

In August, 2013, the SEC halted an offering fraud scheme where Steven Bruce Heinz, a Utah resident purporting to be an investment adviser, sold phony investment contracts to more than 15 of his former clients, family members, and friends. According to the SEC's complaint, Heinz raised \$4 million in investor funds he used to engage in high-risk trading of future contracts and to pay his own personal expenses such as family vacations to Mexico and a \$600,000 loan.

Among the investors taken in by Heinz scam was "the recent widow of a church associate of Heinz who invested with Heinz after he volunteered to assist her with her finances and investments after her spouse died."

In 2012, the SEC stopped a \$7.5 million fraud operation targeting the Persian-Jewish community in Los Angeles. The SEC's assistant regional director stated that Shervin Neman "deceived members of his own community to raise money in this fraudulent Ponzi scheme. By exploiting investors' trust in him, Neman was continually able to raise more money to pay back existing investors and finance an extravagant lifestyle."

According to the SEC's complaint, among other things, Neman spent investor funds to pay for his wedding and honeymoon, his wife's engagement ring, luxury cars, and VIP tickets to entertainment venues.

In 2015, the SEC permanently barred John Allan Russell from the securities industry after Russell pled guilty to securities fraud in Colorado State court. The SEC's administrative law judge found that Russell obtained almost \$300,000 by selling debt securities to an elderly victim who suffered from dementia and Alzheimer's disease. The ALJ also determined that "Russell's scheme may have involved affinity fraud because the misconduct began a few years after the victim acted as Russell's godfather at his baptism."

These cases demonstrate that H.R. 2201's preexisting relationship requirement would not provide any meaningful deterrent against abuse. On the contrary, it would encourage opportunistic conduct targeting communities.

Mr. Speaker, I urge my colleagues to join me in voting “no” for this bill.

Given all that the SEC is able to do, they can’t keep up with these schemes, and now you are going to open up the door for them to have to wrestle with trying to help people who are victims of these kinds of schemes.

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

Mr. HENSARLING. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. TIPTON), who is the vice chairman of the Oversight and Investigations Subcommittee.

□ 1000

Mr. TIPTON. Mr. Speaker, I rise today to join my colleagues in support of the gentleman from Minnesota’s legislation, the Micro Offering Safe Harbor Act.

As I have traveled through my district back in Colorado, I have often been dismayed by the ever-increasing number of storefronts, once thriving businesses, which now have “for sale” and “for lease” signs out front.

Small businesses are essential to job creation and job innovation, but they have been so hamstrung by the burden of compliance with regulations intended for large public companies that their ability to be able to create jobs and innovate has been stifled.

The Micro Offering Safe Harbor Act will exempt certain micro offerings from the registration requirements of the Securities Act of 1933, thereby removing obstacles to obtaining funding in capital markets for Main Street businesses. It is hard for capitalism to work, Mr. Speaker, without capital.

This legislation tackles that problem and creates opportunities for hard-working small businesses to be able to go public to raise that initial capital in the early stage and to be able to develop that seed capital that is needed. Growth is often contingent on capital. Without investment, it is easy for small businesses to falter.

By defining the “nonpublic offering” exemption under the Securities Act, this legislation will provide small businesses with much-needed clarity and a renewed confidence in what the proper procedure is for a nonpublic offering that does not violate the law and helps to be able to grow businesses.

Removing this confusion will provide small businesses with much-needed certainty and allow them to be able to focus their resources on growth, rather than on compliance.

For this reason, I support the measure that is before us today, and I would encourage my colleagues to do the same. I commend Mr. EMMER for introducing this legislation to alleviate the burdensome compliance environment that is imposed on small businesses. Again, I encourage my colleagues to support this legislation.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the North American Securities Administrators Association

sent this letter of concern. They said that H.R. 2201 would result in an overly broad Federal exemption that would allow public solicitation and sales to any investor, regardless of sophistication or financial wherewithal, subject only to the requirement that there be a previously existing relationship, a standard that is not difficult to establish.

In practical terms, this means that Main Street investors could be solicited and sold up to \$500,000 in private security by bad actors, including persons having been convicted of crimes or subject to one or more previous State enforcement actions, without any disclosure to the investor and without any notice to State or Federal regulators.

There is no valid basis for Congress to prevent State officials charged with protecting their constituents from making decisions about purely local or regional issues that would rely on the exemption established by H.R. 2201.

Further, preemption of State review or even notification for the type of small, localized offerings contemplated by H.R. 2201 would effectively handcuff the regulators best positioned to oversee such offerings.

Public Citizen said this bill “would permit small offerings with no investor protections, such as notice of the offerings. It will enable a type of affinity fraud, where the seller can unload dubious securities, provided there is some relationship between seller and purchaser. This bill assumes that a pre-existing relationship will deter abuse, which is a tenuous foundation, at best. Further, the relationship can begin with the offer.”

They don’t have to have a previous relationship. It would start when the offer takes place.

Public Citizen further stated that “the bill says the relationship must only exist before the purchase.”

Mr. Speaker, I include in the RECORD letters from these groups, as well as a letter from Americans for Financial Reform.

NORTH AMERICAN SECURITIES  
ADMINISTRATORS ASSOCIATION, INC.,  
Washington, DC, November 7, 2017.

Re H.R. 2201—The Micro-Offering Safe Harbor Act.

HON. PAUL RYAN,  
Speaker, House of Representatives,  
Washington, DC.

HON. NANCY PELOSI,  
Democratic Leader, House of Representatives,  
Washington, DC.

DEAR SPEAKER RYAN AND LEADER PELOSI: On behalf of the North American Securities Administrators Association (“NASAA”), I write to express concern and raise specific objections to certain provisions of H.R. 2201, The Micro-Offering Safe Harbor Act, which is scheduled to be considered by the House of Representatives this week. The legislation would amend securities laws in ways that could be profoundly detrimental to investors, and detract from the viability of the marketplace for offerings from new or smaller issuers that are compliant with securities law.

The Micro-Offering Safe Harbor Act amends Section 4 of the Securities Act of

1933 to create a new exemption from registration. To qualify for the exemption, an offering would have to meet certain criteria regarding the number of purchasers, their relationship to the issuer, and the amount of capital raised. However, as more fully discussed below, the legislation fails to include critical investor protection measures and would preempt state regulatory authority.

State securities regulators understand the need of small businesses to efficiently raise capital and the role strong investor protection plays in facilitating this goal. Unfortunately, the changes embodied in H.R. 2201, while well intended, are ill-advised and potentially quite dangerous. For example, unregistered securities purchased under the exemption established by H.R. 2201 would not be “restricted,” and could thus be sold immediately, exposing investors to classic “pump and dump” schemes. Furthermore, NASAA is aware of no evidence to support the proposition that Congress should create a “safe harbor” to permit unregistered securities offerings to be offered and sold, including through general solicitation, regardless of investor sophistication or financial wherewithal. Even as the bill stands to introduce new and totally unnecessary risk into securities markets—failing to even disqualify “bad actors” from these markets—the goal of the legislation remains unclear and its necessity is, at best, not well-established. It is clear, however, from the terms of the exemption, and its failure to impose even the modicum of regulatory oversight that exists for similar “private” offerings under SEC Regulation D Rule 506, that offerings made under the new exemption are likely to be disproportionately risky and illiquid. This fact alone should be cause for concern by Congress.

Beyond stark new risks to investors, this legislation threatens to jeopardize the continued viability of established markets geared to smaller issuers, many of which operate lawfully within existing federal and state securities laws. Such markets include securities sold pursuant to SEC Rule 506, new federal exemptions established by the JOBS Act, and exemptions adopted in many states to permit intrastate crowdfunding. Without effective investor protection measures a potential effect of H.R. 2201 could be to cause investors to abandon the markets for smaller issues.

In closing, NASAA reiterates strong opposition to the preemption of state registration and notice filing authority in H.R. 2201. There is no valid basis for Congress to prevent states from making decisions about the local or regional issues that H.R. 2201 seeks to encourage. Failure to register or at the very least, to notice file with state regulators results in unknown sales, by unknown actors of unknown enterprises and result in no gatekeeper function to protect retail investors whose only source of recourse for fraudulent sales are the state securities regulators. At a minimum H.R. 2201 should:

- 1) Include bad actor disqualifications;
- 2) Establish a holding period to reduce the likelihood of “pump and dump” schemes;
- 3) Provide at least a notice filing with state regulators so that in the event of a fraudulent offering, state regulators can begin an investigation to try and protect retail investors;
- 4) Limit the sale amount to retail investors so that investors are not “encouraged” to place all their eggs in one basket; and
- 5) Prohibit or restrict general solicitation of what are clearly high risk securities.

Thank you for your consideration of NASAA’s views.

Sincerely,

JOSEPH P. BORG,  
NASAA President and Alabama  
Securities Director.

PUBLIC CITIZEN,  
November 7, 2017.

Hon. MEMBER,  
House of Representatives,  
Washington, DC.

DEAR HONORABLE MEMBER: On behalf of more than 400,000 members and supporters of Public Citizen, we urge you to vote "NO" on three bills coming to the floor this week that would weaken financial protections that were put in place to protect American consumers. HR 3911 and HR 2148 will be considered under suspension. HR 2201 will be considered under regular order.

H.R. 2148, CLARIFYING COMMERCIAL REAL  
ESTATE LOANS

This bill would reduce the capital requirements for High Volatility Commercial Real Estate (HVCRE). During the recent financial crisis, this sector caused major losses, especially at smaller banks. The U.S. Government Accountability Office (GAO) found that failures of small banks "were largely driven by credit losses on commercial real estate (CRE) loans, particularly loans secured by real estate to finance land development and construction." Further, this sector has grown rapidly in recent years, raising further concerns about prudential lending standards. We must assure that this type of lending remains properly capitalized to prevent against failures that could become economic contagions.

H.R. 2201, MICRO OFFERING SAFE HARBOR ACT

This bill removes basic protections from offering securities provided that the purchasers have a preexisting relationship with an officer, director, or shareholder with 10 percent or more of the shares of the issuer, and the aggregate amount of all securities sold by the issuer does not exceed \$500,000 during a 12-month period. This would permit small offerings with no investor protections, such as a notice of the offering. It will enable a type of affinity fraud, where the seller can unload dubious securities provided there is some relationship between seller and purchaser. The bill assumes that a pre-existing relationship will deter abuse, which is a tenuous foundation, at best. Further, the relationship can begin with the offer. The bill says the relationship must only exist before the purchase. Finally, the bill pre-empts state regulatory oversight. Removing supervisors closest to potential problems is unwise and leaves small investors exposed to exploitation.

H.R. 3911, RISK-BASED CREDIT EXAMINATIONS  
ACT OF 2017

This bill would allow the Securities and Exchange Commission (SEC's) Office of Credit Ratings (OCR) to reduce its oversight of nationally recognized statistical rating organizations (NRSROs), also known as credit rating agencies. Credit rating agencies essentially sold their high marks to large banks that were securitizing loans, a major factor leading to the financial crash of 2008. In response to the inflated credit ratings for otherwise toxic securitizations, Congress mandated creation of the OCR and directed it to conduct annual examinations of each NRSRO and make its reports public. It must examine eight areas: (i) whether the NRSRO conducts business in accordance with its policies, procedures, and rating methodologies; (ii) the management of conflicts of interest by the NRSRO; (iii) the implementation of ethics policies by the NRSRO; (iv) the internal supervisory controls of the NRSRO; (v) the governance of the NRSRO; (vi) the activities of the Designated Compliance Officer (DCO) of the NRSRO; (vii) the processing of complaints by the NRSRO; and (viii) the policies of the NRSRO governing the post-employment activities of its former per-

sonnel. This bill would allow the SEC to reduce these categories of inspection to save staff resources. The answer is not to reduce inspections, but to increase the funding for the SEC.

These bills fail to advance investor interests or the safety of the market. Instead, they move in the opposite direction, ignoring the financial trauma from which Main Street is still recovering.

Sincerely,

PUBLIC CITIZEN.

AMERICANS FOR FINANCIAL REFORM,  
Washington, DC, November 8, 2017.

DEAR REPRESENTATIVE: On behalf of Americans for Financial Reform (AFR), we are writing to urge you to vote against H.R. 2201, which is being considered on the House floor today. This legislation would remove crucial investor protections and open the door to affinity fraud in private securities offerings.

The registration requirement under the Securities Act of 1933 has two basic objectives: to allow investors access to information they need to evaluate the securities being offered and "to prohibit deceit, misrepresentations, and other frauds in the sale of securities."

H.R. 2201 would create needless exemptions from those key protections for so-called "micro-cap offerings"—i.e., offerings valued at \$500,000 or less in a single year. This legislation would allow micro offerings to be sold to financially unsophisticated and lower income investors, provided only that the investors have a "pre-existing relationship" with an officer, director, or major shareholder of the issuer. These conditions alone do not represent any protection for investors, nor do they guarantee access to minimum essential information to evaluate a private offering and make an informed decision about it.

H.R. 2201 would dismantle the protections afforded to small-dollar-amount investors by the Securities Act of 1933. Those protections include some minimal disclosures, transparency standards, and access to the information necessary to evaluate potentially risky and illiquid private offerings. The legislation would also eliminate restrictions on rapid sale of the securities, exposing investors in the small offerings market to potential "pump and dump" schemes.

As the state securities administrators (NASAA) point out in their opposition letter to this bill, H.R. 2201 also obstructs primary regulators by preempting state regulatory authorities. This legislation does not include any: limits on purchaser sophistication (e.g. the securities could be sold to non-accredited investors), measures to prevent offerings by bad actors, restrictions on secondary sales, or prohibition on general solicitation. This disturbing lack of protections would permit bad faith actors to direct shady private securities to investors.

Affinity frauds and Ponzi schemes are typically carried out by individuals who are members of the group or community they are trying to defraud—i.e., those with a "pre-existing relationship" with others in their group. Similarly, the SEC's red flags for Ponzi schemes include secretive investments and "investments that are not registered with the SEC or with state regulators." By permitting the sale of unregistered securities not subject to state regulation within groups of investors with a "pre-existing relationship", H.R. 2201 would facilitate affinity fraud and Ponzi schemes.

Congress should not support statutory exemptions that loosen restraints on fraudsters. We urge you to reject this bill.

Sincerely,

AMERICANS FOR FINANCIAL REFORM.

Ms. MAXINE WATERS of California.  
Mr. Speaker, I don't understand why

Members of Congress would disregard what the State regulators are saying. State regulators are saying: Don't do this. Don't preempt us. Don't pass legislation that would undermine our ability to protect your constituents.

Yet they are ignoring this altogether. I know that they received this information. I know that they know that the association had cautioned against this legislation. Let me just make sure that everybody knows. It is the North American Securities Administrators Association. They represent all of the States in cautioning against this legislation.

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

Mr. HENSARLING. Mr. Speaker, I yield myself 10 seconds just to say I heard the word "protection" often used by my friend, the ranking member, but she and her friends on the other side of the aisle had 10 years to protect paychecks, protect savings, and protect economic opportunity and the American Dream, and they failed miserably.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. DAVIDSON), a member of the Financial Services Committee.

Mr. DAVIDSON. Mr. Speaker, I thank Mr. EMMER for his leadership on this bill.

As a small businessman, prior to coming to Congress, I have raised capital for startups, and I can tell you that one option is no option.

I can tell you that the regulatory framework, particularly made worse by Dodd-Frank, is crippling access to capital for small- and medium-sized businesses. This is a very important thing.

One option is no option, and it is great to have this for small, early-stage companies that are trying to raise capital in private placements. Right now, most of this is done for accredited investors.

Effectively, this protects deal flow for people that are already wealthy. It locks people out of access to capital. Importantly, for the entrepreneur, sometimes in disadvantaged communities, they don't have this vast network of accredited investors to go to. They don't know how to access the SEC. They certainly don't have the time or money to spend working with the SEC on regulation. They have a business to grow. They need to have access to their friends and family and this early-stage capital to come in. \$500,000 isn't much, but it is a start.

I hope that we can not just secure this win, but grow the protections, so that we can raise even more capital in this way.

Mr. Speaker, I urge my colleagues to support this bill.

Ms. MAXINE WATERS of California.  
Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. HOLLINGSWORTH), another member of the Financial Services Committee.

Mr. HOLLINGSWORTH. Mr. Speaker, I thank the chairman for yielding.

I, too, stand in strong support of this legislation.

A recent poll out by Ernst & Young showed that millennials are starting businesses at a rate that is only one-third of prior generations. When asked why they are not starting businesses, those millennials responded that they have insufficient financial means in order to start businesses, despite a deep desire and will to start businesses. Over 78 percent said that they wanted to start a small business eventually, but they had insufficient means to do so. This bill starts to rectify that problem.

Those millennials could go to expensive and fancy investment bankers, but that is prohibitively expensive. Who they are going to turn to are their friends and family, those who most believe not only in the product, but in themselves.

I want to see us enable small businesses to get started back home. That is what I continue to hear as I go door to door in the district and as I talk to people. They want to be in control of their financial future. They want to have all of the opportunities that were afforded to their parents and their grandparents.

This bill begins to push back against a regulatory environment that has for too long smothered opportunity in Indiana in favor of more opportunity in D.C. We must rectify that. This legislation goes a long way towards that.

I am supportive of the legislation, supportive of small businesses back home, and supportive of the many Hoosiers who want to start small businesses.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. NORMAN), he is not a member of the Financial Services Committee, but we would be proud if he were.

Mr. NORMAN. Mr. Speaker, as I listen to my liberal colleagues, the answer to every business is more government, more regulations. The American people are rejecting that.

As a small-business owner, I can tell you the stifling effects of overregulation. That is what this bill takes away. That is what this bill accomplishes.

So I strongly support H.R. 2201, the Micro Offering Safe Harbor Act. This bill is a critical step to reduce unnecessary burdens on economic growth and ensure that small businesses have access to the capital they need. I applaud Representative EMMER for championing this legislation.

As a member of the House Small Business Committee and a businessman myself, I understand the need of the number of challenges faced by small businesses, especially if that business wants to grow through tapping into the capital markets. Due to onerous SEC

regulations, the cost of registration is expensive and out of reach for so many of the businesses wanting to expand.

We all know that the SEC provides an important function, which is to prevent securities fraud and protect the integrity of the market. However, we must be wary of a regulatory regime that fails to provide sufficient flexibility for businesses to raise capital while not providing any additional protection for investors.

The central purpose of H.R. 2201 is to strike the proper balance between protection and investment. The bill achieves this objective through empowering businesses to sell a limited number of securities to a limited numbers of investors without needing to comply with a number of SEC registration requirements.

Also, it is important to note that this narrowly tailored exemption only applies to investors that have substantive preexisting relationships with businesses.

Finally, nothing in this bill undermines existing investor protections. Fraud is still illegal and the SEC and the Department of Justice has the authority to prosecute bad actors.

I urge my colleagues to support this important legislation to implement a commonsense solution and stimulate small business growth.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. DUFFY), the chairman of the Housing and Insurance Subcommittee.

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

Mr. Speaker, I thank Mr. EMMER, my colleague and friend from the neighboring State of Minnesota, for offering such a commonsense piece of legislation.

I frequently hear horror stories of fraud and abuse. All of us stand against fraud and abuse. I have a news flash for everybody: This law doesn't change that fraud is illegal. It was illegal before this bill and it will be illegal after this bill. Fraud is illegal.

All we are doing is saying we are going to keep the promise that all of us say that we have to small entrepreneurs and startups to make sure that they get seed capital and make sure they can thrive and grow and create jobs in our community.

All we are trying to do is give clarity to what constitutes a nonpublic offering. What is wrong with clarity? What is wrong with bright lines that they know that they can operate in between without violating the rule?

This is simple. It is straightforward, it is common sense, and it supports everything we say we support, which is small businesses, and I think this is a great piece of legislation.

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

Mr. HENSARLING. Mr. Speaker, I yield an additional 30 seconds to the gentleman from Wisconsin.

Mr. DUFFY. I would ask all of my colleagues to stand together. Let's not play partisanship with the smallest businesses in our communities, the ones that we both agree create jobs. This is a time for unity. Let's work together, especially when it is common sense.

I love the passion from the ranking member, but on this one, it is passion without a cause. It makes sense. It gives bright lines.

Let's stand up for small businesses that create jobs in our community. Mr. EMMER's bill does that. I ask us all to stand up and support small businesses and this bill.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

For my colleagues on the opposite side of the aisle who are bemoaning the fact that small businesses don't have access to capital, they have these relationships with all of these big banks.

Why don't they get to the big banks and tell them they ought to be making loans to small businesses?

□ 1015

I don't hear them, as a part of, you know, their rhetoric, talking about how many of the big banks are not being responsible. And so my colleague on the opposite side of the aisle and my friend talk about what is common sense. I tell you what is common sense. Common sense is not to place vulnerable people in a position where they are going to get ripped off.

Mr. Speaker, H.R. 2201 is a harmful bill that would simply serve as an invitation for investment scams. The bill fails to take into account the numerous other exemptions we have for small-dollar offerings, including under regulation D, regulation A, and crowdfunding rules. These exemptions already permit small businesses to raise capital while also protecting against fraud.

In light of these exemptions, there seems to be no reasonable explanation for the amount of legislative effort that has been wasted on this bill. Instead of H.R. 2201, which is unwarranted and may actually harm investors and the integrity of our markets, the House should be focused on passing legislation that can actually improve the lives of the Americans whom we serve.

Mr. Speaker, I urge my colleagues to vote "no" on H.R. 2201. Don't be a part of enacting one more scheme that is going to rip off our constituents, and then, you know, a few years later, come back here and talk about what a terrible thing it is that people are being ripped off by these investors, some of them who are criminals, but nobody knows it. The disclosure does not have to take place. They don't know that they have people who have already been involved in crimes who are coming to them talking about: let me help you earn some profits on this investment.

We know better. Common sense tells us better. If, in fact, we are committed to the proposition that we have a responsibility to protect our constituents from rip-offs, from fraud, from being taken advantage of, we will not support this bill. And I would hope that my friends on the opposite side of the aisle, despite how far they have gone in trying to represent that this bill is something that it is not, would at least change their minds today and support their constituents and vote “no” on this bill.

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

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

Mr. Speaker, as always, I listen very carefully to my friend, the ranking member. I know that she started off her closing remarks by saying: We don't need this bill, H.R. 2201, because the big banks can loan to the small businesses.

Well, that is fascinating to me, Mr. Speaker, because of the Dodd-Frank Act, which she so jealously supports, all of a sudden, the risk-based capital standards say that the banks have to reserve more for small business loans than they do for sovereign debt and municipal debt.

So all of a sudden, it is because of Dodd-Frank. In addition, we know that the ranking member supports the Federal Reserve policy of paying interest on excess reserves where the Federal Reserve takes taxpayer money to pay the big banks not to loan money. So if the ranking member was curious why the big banks aren't loaning to the small businesses, which they aren't—and prior to the Trump administration, we know that small business lending by banks was at a 25-year low—it is the very reason, Mr. Speaker, that we need the bill, the legislation of the gentleman from Minnesota (Mr. EMMER) so that we can unlock this.

Again, there is no surprise why, after 8 years of Obamanomics and the thinking from my friends on the other side of the aisle, small businesses have languished and why the economy has dropped down to a 1½ to 2 percent GDP growth. In fact, I think President Obama is one of the few Presidents in American history never to enjoy a year of 3 percent economic growth.

Now, he may personally have enjoyed it, but the American people didn't, Mr. Speaker. But the good news is that there is a change in administration and a change of attitude. That is why it is so important that we be able to get capital to our entrepreneurs, to our small businesses. Let them thrive again on Main Street.

We hear so often the ranking member decry Wall Street. We are talking about offerings of a half a million dollars. No one in Wall Street would touch that with a 10-foot pole. This is about Main Street, not Wall Street, Mr. Speaker.

It is interesting, as I listen to my friend, the ranking member, decry the

fact that someone might be able to raise capital under this particular set of circumstances. Well, I have a news flash for all my colleagues. Already the SEC can grant a private offering for exactly the set of circumstances that my friend, the gentleman from Minnesota, puts into his bill. All the gentleman is doing is creating a bright line, safe harbor, so that the next Nike or the next Amazon isn't stopped from launching their enterprise by having to spend a million dollars on lawyers and accountants trying to navigate this uncertain murky labyrinth of SEC waters trying to determine what is a private offering and what is a public offering. That is all he is doing.

Again, this is already legal. It simply is discretionary to decide what is a private offering and what is a public offering by the Securities and Exchange Commission.

We now, Mr. Speaker, have had two quarters of 3-plus percent economic growth. We are seeing working Americans. We are seeing their paychecks increase yet again. We are seeing hope and resilience in the American Dream yet again, but we have so much more work to do, and that is why H.R. 2201 is so critical.

It takes small businesses today to be the big businesses of tomorrow. They are the creators. They are the job engine of America. They are the drivers of increased paychecks, greater economic opportunity, and a bigger, bolder American Dream. I thank the gentleman from Minnesota for this great legislation. I encourage all of my colleagues to adopt it.

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

The SPEAKER pro tempore. All time for debate on the bill has expired.

AMENDMENT OFFERED BY MR. EMMER

Mr. EMMER. Mr. Speaker, I have an amendment at the desk.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 3, line 14, strike “The transactions” and insert the following:

“(1) IN GENERAL.—The transactions”.

Page 3, line 19, strike “(1)” and insert “(A)” and adjust the margin 2 ems to the right.

Page 3, line 24, strike “(2)” and insert “(B)” and adjust the margin 2 ems to the right.

Page 4, line 5, strike “(3)” and insert “(C)” and adjust the margin 2 ems to the right.

Page 4, line 10, strike the quotation mark and final period and insert after such line the following:

“(2) DISQUALIFICATION.—

“(A) IN GENERAL.—The exemption provided under subsection (a)(8) shall not be available for a transaction involving a sale of securities if any person described in subparagraph (B) would have triggered disqualification pursuant to section 230.506(d) of title 17, Code of Federal Regulations.

“(B) PERSONS DESCRIBED.—The persons described in this subparagraph are the following:

“(i) The issuer.

“(ii) Any predecessor of the issuer.

“(iii) Any affiliated issuer.

“(iv) Any director, executive officer, other officer participating in the offering, general partner, or managing member of the issuer.

“(v) Any beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power.

“(vi) Any promoter connected with the issuer in any capacity at the time of such sale.

“(vii) Any investment manager of an issuer that is a pooled investment fund.

“(viii) Any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with such sale of securities.

“(ix) Any general partner or managing member of any such investment manager or solicitor.

“(x) Any director, executive officer, or other officer participating in the offering of any such investment manager or solicitor or general partner or managing member of such investment manager or solicitor.”.

The SPEAKER pro tempore. Pursuant to House Resolution 609, the gentleman from Minnesota (Mr. EMMER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota.

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

Mr. Speaker, the amendment I am offering today will enhance antifraud and consumer protections for small businesses and startups seeking to take advantage of the micro offering exemption outlined in the underlying bill.

While the legislation itself requires three specific criteria to be met simultaneously in order to trigger a safe harbor exemption for a security offering, my amendment adds an additional layer of protection to further safeguard investors from bad actors.

Specifically, my amendment prohibits the exemption from being available for those who have been disqualified under the bad actor disqualification standard established by the SEC. This language was included with the support of my colleagues from both sides of the aisle during consideration in committee in the 114th Congress, and I am hopeful they will support its inclusion again in the 115th.

I want to reiterate that nothing in the base text of this bill erodes or limits the ability of Federal or State regulators to prosecute fraud, nor would it prevent private common law causes of action for fraud or breach of contract between the interested parties.

This amendment builds upon these existing protections and drives home the point that the Micro Offering Safe Harbor Act is purely focused on helping our small businesses and entrepreneurs access the tools they need to grow and create jobs in an orderly and legal manner.

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

Ms. MAXINE WATERS of California. Mr. Speaker, I claim the time in opposition to the amendment, even though I am not opposed.

The SPEAKER pro tempore. Without objection, the gentlewoman is recognized for 5 minutes.

There was no objection.

Ms. MAXINE WATERS of California. Mr. Speaker, under the current language of H.R. 2201, investors could be sold private securities by persons who have committed fraud or have violated security laws. Representative EMMER's amendment purports to add a layer of investor protections by adding a provision to so-called disqualify certain bad actors from utilizing the exemption.

While I applaud Mr. EMMER's attempt to add this most basic guardrail to a bill that otherwise creates an unmitigated safe harbor for fraudsters, I wonder why this provision was dropped from a similar bill that Mr. EMMER introduced last Congress.

Unfortunately, this amendment is woefully inadequate to address the otherwise dangerous new exemption created by H.R. 2201. Because the underlying bill requires no disclosure to investors and imposes no obligation to notify regulators of the offering, even if amended, H.R. 2201 would lead convicted fraudsters and lawbreakers to police themselves.

Moreover, the bill ties the hands of State securities regulators, who are the primary watchdogs over small, local securities offerings. If enacted, H.R. 2201 would leave a gaping hole in oversight of the very offerings it permits.

H.R. 2201 is a misguided attempt to support small businesses that is not meaningfully improved by the meager protections of this amendment. For these reasons, I continue to oppose this bill, and I urge all of my colleagues to vote "no" on H.R. 2201.

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

Mr. EMMER. Mr. Speaker, I will close at this point.

Mr. Speaker, I want to thank the ranking member for her encouragement and her compliments, and I want to just point out that the Micro Offering Safe Harbor Act was actually improved as a direct result of the ranking member's suggestions.

So, again, I want to thank her for her compliments here today, her encouragement in helping us make this an even better bill for entrepreneurs and small businesses across the country. At this point, I would encourage support for the amendment.

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

Ms. MAXINE WATERS of California. Mr. Speaker, I would like to warn the Members of this House not to take the compliments seriously that are being given by the gentleman who would have you believe that somehow I have totally embraced this amendment because I think it is going to change the fact that there is no disclosure to those who would be investing and no notice to the SEC.

So don't take him seriously when he talks about thanking me for encouraging and embracing. I have not done that. I am going to tolerate this amendment. It is late. It doesn't do

what he says it is going to do. The bill is still a bad bill. It is a bill that is going to harm people. It is a bill that targets the most vulnerable people in our society. It is a bill where fraudsters are going to go into churches and convince ministers and parishioners that they are out to help them.

Members of Congress, do the right thing. Today, stand up against another attempt by misguided folks who would have you believe that they are helping people when, in fact, they are opening up opportunities for them to be ripped off one more time, ripped off in ways that could have been avoided.

Mr. Speaker, I oppose this bill. I ask everybody to vote against this bill.

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

The SPEAKER pro tempore. Pursuant to the rule, the previous question is ordered on the bill and on the amendment offered by the gentleman from Minnesota (Mr. EMMER).

The question is on the amendment by the gentleman from Minnesota (Mr. EMMER).

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Ms. MAXINE WATERS of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

#### MESSAGE FROM THE SENATE

A message from the Senate by Ms. Byrd, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 194. An act to ensure the effective processing of mail by Federal agencies, and for other purposes.

H.R. 3243. An act to amend title 40, United States Code, to eliminate the sunset of certain provisions relating to information technology, to amend the National Defense Authorization Act for Fiscal Year 2015 to extend the sunset relating to the Federal Data Center Consolidation Initiative, and for other purposes.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess for a period of less than 15 minutes.

Accordingly (at 10 o'clock and 30 minutes a.m.), the House stood in recess.

□ 1044

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. COLLINS of Georgia) at 10 o'clock and 44 minutes a.m.

#### MICRO OFFERING SAFE HARBOR ACT

The SPEAKER pro tempore. The unfinished business is the vote on passage of the bill (H.R. 2201) to amend the Securities Act of 1933 to exempt certain micro-offerings from the registration requirements of such Act, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the passage of the bill.

The vote was taken by electronic device, and there were—yeas 232, nays 188, not voting 12, as follows:

[Roll No. 622]

YEAS—232

Abraham	Faso	Loudermilk
Aderholt	Ferguson	Love
Allen	Fitzpatrick	Lucas
Amash	Fleischmann	Luetkemeyer
Amodel	Flores	MacArthur
Arrington	Fortenberry	Marchant
Babin	Fox	Marino
Bacon	Franks (AZ)	Marshall
Banks (IN)	Frelinghuysen	Massie
Barletta	Gaetz	Mast
Barr	Gallagher	McCarthy
Barton	Garrett	McCaul
Bergman	Gianforte	McClintock
Biggs	Gibbs	McHenry
Bilirakis	Gohmert	McKinley
Bishop (MI)	Goodlatte	McMorris
Bishop (UT)	Gosar	Rodgers
Black	Gowdy	McSally
Blackburn	Graves (GA)	Meadows
Blum	Graves (LA)	Meehan
Bost	Graves (MO)	Messer
Brady (TX)	Griffith	Mitchell
Brat	Grothman	Moolenaar
Brooks (AL)	Guthrie	Mooney (WV)
Brooks (IN)	Handel	Mullin
Buchanan	Harper	Newhouse
Buck	Harris	Noem
Bucshon	Hartzler	Norman
Budd	Hensarling	Nunes
Burgess	Herrera Beutler	Olson
Byrne	Hice, Jody B.	Palmer
Calvert	Higgins (LA)	Paulsen
Carter (GA)	Hill	Pearce
Carter (TX)	Holding	Perry
Chabot	Hollingsworth	Pittenger
Cheney	Hudson	Poe (TX)
Coffman	Huizenga	Poliquin
Cole	Hultgren	Posey
Collins (GA)	Hunter	Ratcliffe
Collins (NY)	Issa	Reed
Comer	Jenkins (KS)	Reichert
Comstock	Jenkins (WV)	Renacci
Conaway	Johnson (LA)	Rice (SC)
Cook	Johnson (OH)	Roby
Costello (PA)	Johnson, Sam	Roe (TN)
Cramer	Jordan	Rogers (AL)
Crawford	Joyce (OH)	Rogers (KY)
Culberson	Katko	Rohrabacher
Curbelo (FL)	Kelly (MS)	Rokita
Davidson	Kelly (PA)	Rooney, Francis
Davis, Rodney	King (IA)	Ros-Lehtinen
Denham	King (NY)	Roskam
Dent	Kinzinger	Ross
DeSantis	Knight	Rothfus
DesJarlais	Kustoff (TN)	Rouzer
Diaz-Balart	Labrador	Royce (CA)
Donovan	LaHood	Russell
Duffy	LaMalfa	Rutherford
Duncan (SC)	Lamborn	Sanford
Duncan (TN)	Lance	Scalise
Dunn	Latta	Schweikert
Emmer	Lewis (MN)	Scott, Austin
Estes (KS)	LoBiondo	Sensenbrenner
Farenthold	Long	Sessions



Shimkus  
Shuster  
Simpson  
Smith (MO)  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Smucker  
Stefanik  
Stewart  
Stivers  
Taylor  
Tenney  
Thompson (PA)

Thornberry  
Tiberi  
Tipton  
Trott  
Turner  
Upton  
Valadao  
Wagner  
Walberg  
Walden  
Walker  
Walorski  
Walters, Mimi  
Weber (TX)

# NAYS—188

Adams  
Aguilar  
Barragán  
Bass  
Beatty  
Bera  
Beyer  
Bishop (GA)  
Blumenauer  
Blunt Rochester  
Bonamici  
Boyle, Brendan  
F.  
Brady (PA)  
Brown (MD)  
Brownley (CA)  
Bustos  
Butterfield  
Capuano  
Carbajal  
Cárdenas  
Carson (IN)  
Cartwright  
Castor (FL)  
Castro (TX)  
Chu, Judy  
Cicilline  
Clarke (NY)  
Clay  
Clever  
Clyburn  
Cohen  
Connolly  
Conyers  
Cooper  
Correa  
Costa  
Courtney  
Crist  
Crowley  
Cummings  
Davis (CA)  
Davis, Danny  
DeFazio  
DeGette  
Delaney  
DeLauro  
DelBene  
Demings  
DeSaulnier  
Deutch  
Dingell  
Doggett  
Doyle, Michael  
F.  
Ellison  
Engel  
Eshoo  
Espallat  
Esty (CT)  
Evans  
Foster  
Frankel (FL)  
Fudge  
Gabbard

Webster (FL)  
Wenstrup  
Westerman  
Williams  
Wilson (SC)  
Wittman  
Womack  
Woodall  
Yoder  
Yoho  
Young (AK)  
Young (IA)  
Zeldin

Neal  
Nolan  
Norcross  
O'Halleran  
O'Rourke  
Pallone  
Panetta  
Pascrell  
Payne  
Pelosi  
Perlmutter  
Peters  
Peterson  
Pingree  
Polis  
Price (NC)  
Quigley  
Raskin  
Rice (NY)  
Rosen  
Ruiz  
Ruppersberger  
Rush  
Ryan (OH)  
Sánchez  
Sarbanes  
Schakowsky  
Schiff  
Schneider  
Schrader  
Scott (VA)  
Scott, David  
Serrano  
Sewell (AL)  
Shea-Porter  
Sherman  
Sinema  
Sires  
Slaughter  
Smith (WA)  
Soto  
Speier  
Suozi  
Swalwell (CA)  
Takano  
Thompson (CA)  
Thompson (MS)  
Titus  
Tonko  
Torres  
Tsongas  
Vargas  
Veasey  
Vela  
Velázquez  
Visclosky  
Wasserman  
Schultz  
Waters, Maxine  
Watson Coleman  
Welch  
Wilson (FL)  
Yarmuth

# NOT VOTING—12

Bridenstine  
Clark (MA)  
Cuellar  
Granger  
Hurd  
Johnson, E. B.  
Palazzo  
Pocan  
Richmond  
Rooney, Thomas  
J.  
Roybal-Allard  
Walz

□ 1122

Mr. DIAZ-BALART changed his vote from “nay” to “yea.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. HURD. Mr. Speaker, I was unable to vote on the bill this morning due to travel to Sutherland Springs, Texas, to meet with the victims, their families, and the first responders of the attack that took place on November 5th, 2017. Had I been present, I would have voted “yea” on rollcall No. 622.

Stated against:

Mr. WALZ. Mr. Speaker, I was absent for rollcall No. 622 (on the passage of H.R. 2201). Had I been present, I would have voted “no” on this vote.

## PERSONAL EXPLANATION

Ms. CLARK of Massachusetts. Mr. Speaker, due to a prior family obligation, I was unable to vote on the following four rollcall votes. I would like the record to reflect how I would have voted.

Rollcall No. 619—“Yes.”

Rollcall No. 620—“No.”

Rollcall No. 621—“Yes.”

Rollcall No. 622—“No.”

## CONFERENCE REPORT ON H.R. 2810, NATIONAL DEFENSE AUTHORIZA- TION ACT FOR FISCAL YEAR 2018

Mr. THORNBERRY submitted the following conference report and statement on the bill (H.R. 2810) to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes:

(For conference report and statement, see proceedings of the House of November 9, 2017, published in Book II.)

## LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, I yield to the gentleman from California (Mr. MCCARTHY) for the purpose of the majority leader telling us the schedule for the week to come.

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

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

Mr. Speaker, on Monday, the House will meet at noon for morning hour and 2 p.m. for legislative business. Votes will be postponed until 6:30 p.m. On Tuesday and Wednesday the House will meet at 10 a.m. for morning hour and noon for legislative business. On Thursday, the House will meet at 9 a.m. for legislative business.

Mr. Speaker, the House will consider a number of suspensions next week, a complete list of which will be announced by close of business tomorrow.

In addition, the House will consider the conference report to accompany H.R. 2810, the Fiscal Year 2018 National Defense Authorization Act. This bipartisan agreement will strengthen our military, give our men and women in uniform a 2.4 percent pay raise, and en-

sure America's fighting forces have the resources they need to secure peace both at home and abroad.

I want to thank Chairman THORNBERRY and the entire House Committee on Armed Services for their hard work on this important bill.

Mr. Speaker, the House should also look forward to voting on the most significant tax reform in over three decades, H.R. 1, the Tax Cuts and Jobs Act, sponsored by Representative KEVIN BRADY.

America is among the highest taxed nations in the developed world. Americans pay more in taxes than we spend on housing, clothing, and food, combined.

Our current Tax Code is almost 2,600 pages long, with an additional 70,000 pages of forms and other regulations. That is just unacceptable.

We want to see economic growth in this country. Instead of “closed for business” signs, we want to see “now hiring” signs.

We want to double the standard deduction.

What does that mean?

It means, for every American, the first \$12,000 of income for an individual is tax free; for a couple, that is \$24,000 tax free.

We want to simplify the Tax Code so you can file it in minutes—instead of spending weeks—on a form the size of a postcard.

We want to bring back the trillions of dollars of American wealth that is forced to sit overseas, have it come back to America and invest in Americans.

That is what voting for the Tax Cuts and Jobs Act will accomplish. That is why I look forward to the House passing this critical bill without delay.

Lastly, Mr. Speaker, additional legislative items are possible in the House. If anything is added to our schedule, I will be sure to inform all Members.

Mr. Speaker, I thank my friend for yielding.

Mr. HOYER. Mr. Speaker, I thank the gentleman for that information.

I am going to have some specific questions about the tax bill, but before I do that, it is our understanding that substantial changes are being made in the tax bill that was put on the floor last Thursday, a week ago.

Does the gentleman know whether that is accurate or not?

I yield to the gentleman from California.

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

I would not use that term, “substantial,” because, as you know, we have gone through this process for quite some time. We are all writing to the same number: \$1.5 trillion. But, as you know, any bill, when it moves through regular order, where it gets introduced in committee and we have a markup, just as Ways and Means has done all week long—they will come to the final vote today—whatever amendments pass will be added.

You will then see that bill posted. You will then, next week, see the Rules Committee take it up, and then you will see that bill on the floor, just as with any other regular order bill in the process.

Mr. HOYER. Mr. Speaker, regular order is having hearings and witnesses, is it not?

I yield to the gentleman from California.

Mr. MCCARTHY. Mr. Speaker, for the last three decades, we have done that, and I don't think the American people want to continue to wait.

I know we go through this every week, time and again, and so I can quote you back the number of hearings. I can quote you back what people even ran a campaign on and put out to the American public. But what is most important that I can quote to you is the lack of growth that has happened, how much people have to pay in taxes, the trillions of dollars that are sitting overseas.

What I have found time and again, and I know we have talked about this before, but just by the introduction of our bill, I was sitting in the Oval Office last week and there was a company there, Broadcom, that was created in America, but because of our Tax Code, they were forced to leave America to try to be competitive.

□ 1130

They looked at this bill, and they told me a couple of days before: If you really believe this bill is going to pass, we will come back.

When they come back, that is \$20 billion in revenue each year. They will spend another \$3 billion each year on R&D. Then they will spend \$6 billion in manufacturing.

The gentleman and I have had so many discussions about how to bring manufacturing jobs back. That is why I am so excited about this bill coming to the floor the next week.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his remarks.

I don't share his enthusiasm for this bill, which I think will be very harmful, will explode the debt, and be a bait-and-switch on the middle class whether it will get a tax cut early and a tax increase later on.

Is the gentleman aware, when he talks about growth, that in the comparable 9 months of 2016 to the same months in 2017 under Trump, that there were 326,000 more jobs created in 2016 than have been created in 2017 in those analogous months?

Mr. Speaker, I yield to the gentleman.

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

Mr. Speaker, I am a little confused that the gentleman is not enthusiastic about this bill. I have read what some people on the other side of the aisle have said about this bill. I heard one phrase that the gentleman recently used about the middle class. I would just caution my friend in inferring any-

thing negative to the middle class with this bill because there were some on the other side of the aisle that made some comments.

Like most things we say, we get fact-checked. The Washington Post, to a few Senators and my own Senator from California, tried to claim this was poor for the middle class.

Do you know what happened?

She did not receive one Pinocchio, she did not receive two Pinocchios, and she did not even receive three Pinocchios. She received four Pinocchios on that statement. That is the most Pinocchios you can get.

Mr. Speaker, if I may, I wanted to do the research. I wanted to look. Is this tax bill good for all of America? Especially because I want the gentleman to be enthusiastic about it, I looked at Maryland's Fifth District. Now here are just a few facts:

Currently, in the Fifth Congressional District of Maryland, 47 percent of the filers take the standard deduction. So not only will they be better off, it will actually double, and they will see the increase in their pay on day one, January 1.

Another 11 percent have itemized deductions. They will no longer with our new higher standard deduction, so they will also save more money, not to mention the time and confusion by not having to itemize. That means, before we even look at lowering tax rates, 58 percent of my friend's district is better off on day one.

Now, how about the median family of four?

A median family of four in Maryland's Fifth Congressional District earns \$123,000. For the 20 percent of those families that don't itemize today, they will receive a tax cut of \$5,000. For the 80 percent who are itemizing today, they will get, on average, \$2,200 in a tax cut.

But those are not the only people I am worried about. How about the single mother who is earning \$30,000 in your district?

Well, she will no longer have to pay any tax under this plan. In fact, she will receive a refund of about \$500 to \$700.

How about the small business, the entrepreneur, the factory creating jobs?

The small-business owner making about \$400,000 in Maryland's Fifth Congressional District will see a savings of nearly \$19,000.

So what I am confused about is: How can't you be excited about this bill?

In short, Mr. Speaker, to the people not just in my friend's district, but all of America, let me state this: under our plan, the average family of four earning \$55,000 a year will not pay any tax.

For so many days and so many years, I have heard from the other side of the aisle and my friend talking about the middle class. We have a bill that is on the floor that is going to help the middle class, the single mother not to pay

any tax and getting money back; the median family there getting \$5,000 back; the small business getting 19—I don't know how much more we have to do to get my friend excited, but next week he will have the opportunity.

Mr. HOYER. Mr. Speaker, a lot more is the answer.

Why is the NFIB, Mr. Speaker, against this bill if it is so good for small business? Why is the AARP against this bill if it is so good for small business? Why is the Peter G. Peterson Foundation, which is worried about the national debt, against it?

Mr. Speaker, since I have been here, my Republican friends have been talking about we have got to balance the budget. The President said he is going to balance the budget in 9 years. That was hokey.

Our Republican friends have said they are going to balance the budget. They said it in the Price budget. They said it in the Ryan budget. The budget deficit keeps getting bigger, and they have been in charge of economic policy for a long time.

The fact of the matter is, Mr. Speaker, I have got a list of 50 groups that are against this bill because they think it hurts both the debt and middle-income people.

The distribution, according not to fact-checkers but the Joint Committee on Taxation, \$1 trillion of the tax cuts go to business, \$230 billion to individuals, and \$170 billion on estates essentially. Now, that doesn't add up to the \$1.7 or \$1.8 trillion that has been computed to be the deficit created—the additional debt—by this bill.

In fact, that is why this bill is being rewritten right now. I guarantee my friend—and he can call me this next week—that the bill that was introduced last Thursday will not look like the bill that we will consider on the floor. It won't.

It won't because, first of all, the debt is a problem for, apparently, some people. It is a big problem for me. We ought to pay for what we buy. That is what the chairman of the Ways and Means Committee, Mr. Camp, did: a bill that was paid for—an honest bill that was paid for, as was the 1986 tax reform bill. It did not add to the debt.

This adds an extraordinary amount to the debt. As a matter of fact, it adds in one fell swoop the debt that was created on the Reagan administration approximately \$1.7 trillion. It is being rewritten now.

My presumption is, as we have done 49 times this year, that this bill will be presented under a closed rule in a transparent Congress, where everybody's views are going to be considered. I stand here and say that the gentleman is not going to bring this bill to the floor with an open rule where amendments can be offered, where people can discuss options, and we can see what the ramifications are to middle class taxpayers.

The Joint Committee on Taxation also pointed out that, of this figure, individuals are going to get a tax cut of

which Mr. RYAN talks about of \$1,182—a typical family, he refers to them—but that figure will start to go down in 2019 and will go down further in 2020 so that it is a bait-and-switch. You get it up front, but we are going to take it away.

In the Ways and Means Committee, one of the reasons, Mr. Speaker, I tell the majority that I am not very enthusiastic is because they asked: Do we also do this for businesses? Do we also do it for the estate tax? Do we also do it for the wealthy?

The answer to that question is no. Only the middle-income worker has their tax cut reduced over the next 5 years, but not so with business, not so with the wealthiest taxpayers in America, and not so, obviously, with the estate tax. So that, I can tell the gentleman, is why I am not nearly as enthusiastic about it as some others would be.

We limit State and local tax deductions, which the middle class takes. We limit the mortgage interest deduction used by homeowners. We eliminate the student loan deduction and we eliminate the medical expense deduction. So if you have a major medical expense, you are going to lose under this bill.

It eliminates the deduction for moving expenses if your employer wants you to go more than 50 miles from your home. It eliminates the deduction for the adoption tax credit. That could be a credit of \$13,570 per eligible child that you will lose. It eliminates the deduction for teachers that helps them purchase pencils, papers, rulers, and other materials for students.

It eliminates the deduction for dependent care assistance—a substantial challenge for many of our families in America. It eliminates personal exemptions, which Americans can currently deduct for themselves, a spouse and dependents that grows to the size of the family. If you have a large family, you lose under this bill. If you have one child, the majority leader may be right. When you get to two children, three children, and four children with no deductions, you are going to lose under this bill. That is why I am not very enthusiastic about it.

I tell this leader, Mr. Speaker, perhaps the changes will make me more enthusiastic. Perhaps there will be a recognition that this is not the bill that is going to do what it is purported to do.

Mr. Speaker, I yield to the gentleman.

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

I just caution the gentleman on some of the things that he says because I do not want him to end up with any Pinocchio's. The gentleman knows my fondness for him. Just today in *The Washington Post* we had a joint editorial about our trip down to Puerto Rico, the Virgin Islands, and to the Keys in Florida.

The one thing I do want to say to the gentleman is I know he mentioned a

few people in the very beginning, NFIB, whether they support the bill or not, I say: Just stay tuned.

When the gentleman talks about will there be changes in the bill, this is the process. When you go through committee, do you not want to have the committee to have input?

So there will be some changes. Substantially? No. But I do want to also advise my good friend—maybe I could refer the gentleman to clause 5(a) of rule XXI of the House Rules. That will tell my friend how a bill comes to the floor coming out of the Ways and Means Committee when it deals with taxes.

Now, I know the gentleman talks about debt. I know the gentleman brought up teachers, that it is a \$250 tax credit. The only concern I have is that it is only in Washington that they could be opposed to a bill because they think we are eliminating a \$250 tax deduction while we are giving somebody \$12,000 more tax free. There is a lot more there going around, and I think that is a much bigger gift. If you ask the American public what they wanted, I will guarantee you which side they would pick.

Now, the gentleman talks about debt—and I have great respect for my friend—but just a few weeks ago, the gentleman voted for a budget that called to raise taxes by \$3.9 trillion. That same budget would also increase the deficit by \$6.8 trillion—that is not what the gentleman said on the floor; that is what he did on the floor—over 10 years. It assumed a \$764 billion deficit in 2027.

Now, we had a budget on our side. A budget lays out the framework for the future. The Republican budget resulted in a \$197 billion surplus in 2027 and a \$2.6 trillion deficit over 10 years. So I am concerned about the budget, and my votes show that. I want to put us on a path where we balance.

We had this debate just a couple weeks ago, and that debate set up the mechanism to go to tax. And the one thing I have learned time and again—and my friend and I have had this discussion—we have got to protect the entitlements for the future, but we know that is what is going to break us if we don't do something about it.

We have got to grow the economy. As we have watched the history of America, every generation has improved on the generation before it. But 75 percent of Americans believe this generation will not.

Why? Because of the last 10 years. It has been our lowest growth that we have seen in decades. We have always averaged more than 3 percent GDP, but we didn't then. We have just gone through two quarters at 3 percent where we had five hurricanes.

I watched the Atlanta Fed look at this and say that we could be above 4 percent.

Do you know what opportunities we have?

So it just won't be the Maryland Fifth District that is getting that money back or the small businesses that are hiring more with that \$19,000.

But imagine what that family will do with that \$5,000. They will get to determine that. They will buy more than just a pencil. They will invest in their kids' future.

So I think that it is an opportunity for all of us to come together, put people before politics, and let's make sure this bill goes out in a very strong vote.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, I heard almost word for word the majority party intone that vision and prediction when we passed the 2001 and 2003 tax cuts—almost word for word. That economic policy stayed in place until 2009.

Why?

Because the Republicans controlled the House, the Senate, and the Presidency.

□ 1145

And what did it bring us?

An almost Hoover-like depression. Not quite, because when we came into office, we invested in bringing back a declining economy.

Mr. Speaker, the majority leader didn't respond when I said the growth of jobs was better in 2016, under Barack Obama, than it has been under Donald Trump.

We are going to have an opportunity to debate this bill, but I will tell my friend, when he says this is the process, the process is going to be that the chairman of the committee will come in with a major amendment to this bill that none of us on this side will have seen, and the bill will be brought to the floor next week.

My friend, the majority leader—and I want to say something: he is my friend, and we do cooperate on a positive fashion—and I disagree strongly on this issue. I am against the creation of debt.

He mentions the budget. Okay. That is a fair point. But I have been pretty consistent throughout my career to join with the Peterson Foundation that says we have got to get a handle on this debt. We have a growing economy and 4.4 percent unemployment. The stock market is going up.

So what do we have here?

An extraordinary stimulus bill with \$1.5 trillion, \$1.6 trillion, \$1.7 trillion, \$1.8 trillion of debt, presumably, as the majority leader admits, to stimulate the economy. Very frankly, if Democrats were doing this, we would be savaged by the other side.

We will debate this, and we will look forward to seeing how the bill is going to be when it comes to the floor. Hopefully, we might get the manager's amendment, or, better said, the chairman's amendment, prior to its coming to the floor. I would hope we would have, at least, maybe even 48 or 24 hours' notice of what that amendment is going to look like so that not only

we, but the American people, who will have no opportunity to come in and give their opinions or testify, at least they will know what we are voting on. We will try to make sure they know.

One other issue I would like to speak about, Mr. Speaker, before we end, and that is the request that the President of the United States made to us.

He talked about the order issued by President Obama dealing with childhood arrivals who came here as minors, not on their own volition, called DACA, or Deferred Action for Childhood Arrivals. There were a number of Republicans who had a press conference today, and they said we ought to pass that bill before the end of this year. I urge the majority leader to pass this bill by the end of next week, before the Thanksgiving break.

This, Mr. Speaker, I believe is an issue on which, as Mr. BARTON said, who is one of the senior Members on the Republican side of the aisle, if it is brought to the floor, it would have over 300 votes.

Representative BARTON said that, not me, I said that last week. I am glad that Mr. BARTON agrees with me.

We need to take care of this issue at the request of the President of the United States, who said: I love these kids. He didn't follow that with: I am not going to send them out of the country. What he said was that they were not protected the proper way and asked the Congress to take care of this.

I have urged the majority leader, Mr. Speaker, for the last 2 months, to bring this to the floor. I know that a task force has been appointed. I don't know that the task force has reached a conclusion, but I would urge the majority leader and Speaker RYAN, who urged the President not to rescind the protection of these young people, urged him not to rescind President Obama's order. But when he did, the President said: I am going to do it because it wasn't done properly. It is the Congress' responsibility.

Mr. Leader, I would urge you to bring to the floor the Dream Act, which is the manifestation of the response to that. There are other options as well. We understand that. But something ought to be brought to the floor so that these young people are not twisting in the wind through Thanksgiving and Christmas. This is the country they know. This is the country in which they have been brought up.

When Rush Limbaugh says, "We are not going to send these kids home," I can't believe that any of us on this floor are going to vote to send these young people home. We need legislation to pass to protect them and to give them the confidence.

There is a wonderful editorial—I urge all of you to read it—from Bob Gates, our former Secretary of Defense under both Presidents Bush and Obama. He wrote an editorial about the thousands of, essentially, DACA children, young people, who have served in our Armed Forces valiantly. As a matter of fact,

he said the attrition rate is a lot less with DACA-protected individuals than it is with others.

Bob Gates is right. We ought to act. President Trump, in this instance, is right. It is our responsibility. We ought to act. FRED UPTON said that today in the press conference. JOE BARTON said that in the press conference. The gentleman from Washington State, who led the press conference, said that.

Mr. Leader, this is an issue I think on which we agree. The tax bill is going to be an issue on which we are in contention. Let's give the American people another example, as we have in the past, of a place where we can work together, get something constructive and positive done for our country and for these young people.

Mr. Speaker, I yield to my friend.

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

The gentleman does know that we have put a task force together. I happen to serve on that task force. We have met over a half dozen times.

It is true that when the President made his decision, he made it based upon whether it was legal or not for an action the executive branch took. The courts said it was not. So it was, rightfully so, moved back into this body, which is the legislative body.

He gave us 6 months to get the job done. That is what we are continuing to work on. I look forward to continuing to work with the gentleman to get this done. I believe we will be able to.

There is one point I do want to bring up to points the gentleman made prior. I do know that he is concerned about this.

As the gentleman does know, if we just get 1 percent of growth in the GDP, that will add over a trillion dollars of extra revenue. The Atlanta Fed is already saying we are going to get 1½ trillion dollars. Who knows how high we can go, but I would never want to put a ceiling on America. I will always bet on America. I just want to unshackle the things that hold us back.

You are correct; you talked about how we now have the lowest unemployment in decades. For the 58th time since the election a year ago, the stock market broke a record. Business confidence is at an all-time high.

Most of that is happening because America has the anticipation of us passing a tax bill. That is why I think this is a moment that will be significant for every Member.

They will look back on their vote for next week as one of the most important votes they would ever take. What is the future you want to have for your children; what is the opportunity you want to give them?

Did you put the rhetoric aside; did you look at the bill based on constitutionality; did you look at the bill based upon your own constituents?

Take your partisan hat off, and when you look at that at the end of the day,

if it empowers your small businesses, if it gives every American more money in their own pocket, if the projections are that it is going to grow the economy, do what is right. Do what is right for America, and I believe, at the end of the day, history will treat you well.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his remarks.

I will say on this floor—the fact-checkers check me—millions and millions and millions of middle class taxpayers will get a tax increase under this bill. Check me. Millions of people.

Why do I say that?

The Joint Committee on Taxation tells me that. Other think groups tell me that from the conservative side of the ledger.

So we will argue this bill, but I will repeat again that I have heard that argument over and over and over again. I heard it in 1981, and we exploded the debt. I heard it in 2001 and 2003, and we exploded the debt. We had the deepest recession anybody on this floor who is sitting here now has experienced. I hear it today.

The reason the Peter G. Peterson Foundation is against this is because they believe exploding the debt by another \$1.5 trillion will be an extraordinary detriment to our country.

I want to say to every Member, Mr. Speaker, when you get up and say: I don't want to hurt my children, there may be people who get a tax cut under this bill, but I guarantee you the people who are getting a tax increase, in addition to the middle class I have just talked about, are the children. They are going to have to pay off this debt. We will not pay it off.

When you speak on this floor and say it is an immoral act to put our children more deeply into debt, if you believe that, you will not be able to vote for this bill.

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

#### HONORING THE LIFE, SERVICE, AND HEROISM OF JACK HENLEY

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

Mr. GIANFORTE. Mr. Speaker, with Veterans Day approaching, I want to recognize the life, service, and heroism of Jack Henley from Hamilton, Montana.

Jack was on the front lines in the Second World War. During the battle in the Philippines, he led a squad of men through heavy fire to fill a gap in the line, without losing a single man. He twice reentered the field of fire to save the lives of two wounded men.

For his actions, Jack earned the Silver Star and the Purple Heart. He reenlisted in 1948, training troops for the Korean war. Jack continued to serve in the Army Reserve until 1984.

During his 28 years of service, he was awarded 18 medals and decorations. His name is included in the Hall of Valor here in Washington, D.C.

I am proud to have this man as a fellow Montanan, and I am honored to recognize his extraordinary life. May we always remember Jack's story and those of all our Nation's veterans.

#### HONORING THE LIFE OF DARREN DRAKE

(Mr. GOTTHEIMER asked and was given permission to address the House for 1 minute.)

Mr. GOTTHEIMER. Mr. Speaker, I rise today in memory of 32-year-old Darren Drake from New Milford, New Jersey, whose promising life was cut short in last month's tragic and senseless act of ISIS-inspired lone-wolf terror in Manhattan.

Darren was one of our best and brightest, and a son of New Jersey through and through. A hardworking project manager at Moody's and a lifelong Jets fan, Darren earned more than three degrees from New Jersey universities. Not only was he driven and accomplished, Darren was also a committed public servant, serving as president of the New Milford School Board.

Darren was beloved. It was intensely moving to see so much of the North Jersey community come together at his wake and funeral last week and this week.

To his parents, Jimmy and Barbara, and everyone whose life he touched, I want to express my deepest condolences. Darren's death is our profound loss. He packed more into his years than most do in a lifetime. His life enriched our lives beyond measure.

No act of terror will ever be able to diminish the bright and burning love he had for his home, my State, and our country. I will spend my days here fighting terrorism at home and abroad in Darren's honor.

May God rest his soul.

#### HAPPY 242ND BIRTHDAY TO THE UNITED STATES MARINE CORPS

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

Mr. THOMPSON of Pennsylvania. Mr. Speaker, tomorrow marks the 242nd birthday of the U.S. Marine Corps.

In today's own unpredictable world, the Marines are as important and essential now as ever before.

I am proud to have a member of the Marine Corps serving in my Washington office as a legislative fellow. Paul Camacho achieved the rank of staff sergeant during his service from 2000 to 2008. He is a native of Philadelphia and served as a field artillery cannoner.

At one point, Paul was the youngest marine in the entire Marine Corps, an achievement that is celebrated each year during cake-cutting ceremonies.

To Paul and all those who are part of "The Few. The Proud. The Marines," I say happy birthday and thank you for

your service. Thank you to all who have served in one of the most respected fighting forces in the world.

Mr. Speaker, it was President Ronald Reagan who said "some people spend an entire lifetime wondering if they made a difference in the world. But, the Marines don't have that problem." Happy birthday.

□ 1200

#### PROTECTING ELECTORAL INTEGRITY

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

Mr. PAYNE. Mr. Speaker, study after study has shown that illegal voting is extraordinarily rare and voter fraud is almost nonexistent.

Instead of spending taxpayer money chasing after mythical claims of voter fraud, the Federal Government must address actual threats to our electoral system. It is imperative that the Federal Government protect the integrity of our elections, but the administration seems interested in only chasing voter fraud unicorns.

The real threats to our democracy are voter suppression, cybersecurity, weaknesses, and foreign meddling.

To protect the integrity of our elections, we must expand voting rights for all Americans, we must modernize our voting systems, and we must appoint an independent commission to investigate foreign meddling in the electoral system before the 2018 Federal election.

#### SALUTING ALL WHO DEFEND OUR GREAT NATION

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

Mr. FITZPATRICK. Mr. Speaker, on Veterans Day, we salute all those who have defended our great Nation and served in uniform. We say a profound thank you for so bravely offering yourself and your services for the betterment of our Nation.

Whether part of the Army, Navy, Air Force, Marines, or Coast Guard, you have served and sacrificed greatly to secure the freedom we enjoy here at home. Your commitment to duty and to serve a cause bigger than yourself commands our respect. You continue the greatest traditions of responsible citizens in this Republic, and you are a role model for younger generations of Americans.

To the families who have sacrificed alongside our veterans, we say thank you. You provide the love and care necessary for our servicewomen and -men to continue their honorable work.

I am honored to serve the veterans in my hometown community, in Bucks and Montgomery Counties, and across the Nation. Our gratitude is enduring, our support for you steadfast. We have your back.

#### OPPOSING REPUBLICAN TAX PLAN

(Ms. BARRAGÁN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BARRAGÁN. Mr. Speaker, I rise today to oppose the Republican tax plan and to highlight another devastating proposal in it.

The Republican tax plan proposes to eliminate the medical expense deduction. Eliminating this deduction could raise taxes on nearly 9 million people, including cancer patients and their families, seniors, and those with disabilities and chronic health plans.

Currently, people with high healthcare costs can deduct medical expenses that exceed 10 percent of their total income. Let me give you an example.

If you are a retiree living in southern California suffering from multiple sclerosis and you live on \$75,000 a year annual pension, you could write off \$70,000 a year in medical expenses, giving that person a tax break of about \$20,000. Removing the itemized medical deduction would spell financial disaster for that person.

Now, half of those claiming the deduction have an income below \$50,000 per year. So just think about how devastating losing this deduction will be.

I can't stand idly by while my Republican colleagues put forth a tax plan that takes money from the sickest and neediest among us in order to give tax cuts to corporations and the top 1 percent of earners. This is a bad bill.

#### SALUTING VETERANS

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

Mr. TAYLOR. Mr. Speaker, I rise to salute all veterans on this day.

As veterans, you may forever and eternally take your place amongst the unbroken line of patriots who have stepped forward, whether voluntarily or drafted, with youth and rigor and bravery for your Nation, for your family, and for the soldier on your left or right.

On this day, we bestow honor upon you for once standing the watch.

Because of the standard you have set, future generations will continue to serve with pride in our American heritage and be willing to preserve its providential promise, willing to uphold our God-given inheritance as free people, and they shall fight for freedom, whatever the cost, with dogged persistence and with an iron will handed down from your legacy.

Happy Veterans Day, and may God lift you up, and may He always bless these United States.

#### HONORING OUR NATION'S VETERANS

(Mr. PANETTA asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. PANETTA. Mr. Speaker: "Let us strive to bind up our Nation's wounds, to care for him who have borne the battle, his widow, and his orphan."

Those words were declared by President Abraham Lincoln at his second inaugural address where he set out our Nation's obligation to our veterans.

On the eve of Veterans Day, I rise to honor our heroes, the men and women who served our Nation, and remind us of our responsibility to those, our veterans.

Now, in my district, on the central coast of California, nearly 30,000 veterans live in that area, an area imbued with military history, from the former Fort Ord to the many military installations that are on Active Duty now, to the men and women who have served in our community and kept the security of our country safe.

It has been those servicemembers and their families who have not only served, but stayed in our community, who have fulfilled that obligation by serving those who served us. Now we have a healthcare clinic, the VA-DOD General Gurley health clinic; we have the Central Coast Veterans Cemetery; we have the Veterans Transition Center; and we have a Veterans Treatment Court.

On this Veterans Day, we not only want to thank our veterans for their service, but we recommit ourselves to serving those who served us.

#### IN HONOR OF VETERANS DAY

(Mr. KUSTOFF of Tennessee asked and was given permission to address the House for 1 minute.)

Mr. KUSTOFF of Tennessee. Mr. Speaker, I rise today in honor of Veterans Day, which is Saturday, November 11. On this Veterans Day, I know all Tennesseans join me in honoring the brave men and women who have served in our Armed Forces.

There is no greater sacrifice than to lay your life on the line for your family, friends, neighbors, and country. We must remember the great debt that we owe our veterans and members of the armed services who fight to maintain our freedom.

To all those who have lost loved ones to war, we join you in honoring their remarkable service. Their courage is what makes the United States of America the greatest nation on Earth.

Our veterans have sacrificed so much on our behalf, so it is our duty to ensure that their sacrifice ends when they come back home. I promise to always fight to protect our veterans and active servicemembers.

#### REPUBLICAN TAX BILL GIVING TAX BREAKS TO MILLIONAIRES AND BILLIONAIRES

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

Mr. ENGEL. Mr. Speaker, let's put rhetoric aside when it comes to the Republican tax bill. This is a bill that gives tremendous tax breaks to millionaires and billionaires while it hits the middle class.

The facade of it may look like middle class people are getting a tax break, but when you add on all the deductions that they will now no longer be allowed to take, it is a negative for the middle class.

The government is always accused of giving you something in one hand and taking it back in the other hand. A classic bait and switch, that is what this bill is about.

In my home State of New York, which is a high tax State, people will no longer have the ability to deduct State and local taxes or deduct mortgage interest to the degree that they have now.

So when you add it all up, what does it do?

Higher taxes for the middle class, lower taxes for millionaires and billionaires like our President—a classic bait and switch.

When you talk about New York, New York is a donor State. We give more money to the Federal Government than we get back, and this is just hitting New York in the head again.

We should be protecting the middle class and letting people who can afford to pay more, millionaires and billionaires, pay more, not the other way around.

Finally, whatever happened to the fiscal responsibility of the Republican Party? This blows a hole in the deficit—\$1.75 trillion.

#### OPPOSING SEISMIC TESTING AND OFFSHORE DRILLING IN GULF OF MEXICO AND WEST COAST OF FLORIDA

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

Mr. FRANCIS ROONEY of Florida. Mr. Speaker, I have been in the oil and gas business for many, many years, and the drilling business. I have been out to drilling rigs offshore, and I have been to platforms offshore. I have interests, now, in several countries that do oil and gas, but I must vigorously and relentlessly oppose any move towards seismic testing or offshore drilling in the eastern Gulf of Mexico and along the west coast of Florida.

Our west coast of Florida is highly developed with residential development and so are our bays. We can't tolerate the kinds of work boat, tank farm, and infrastructure necessary to service offshore rigs, because it is not just about the rigs.

This is a picture of work boats going from Grand Isle, Louisiana, out to the many, many rigs offshore the south Louisiana coast. This is a picture of work boats. This is what goes back and forth to offshore rigs every day.

Here is another one.

We don't have room for these things in our bays. We don't have time to see these things going off our coast, ruining the view that our tourists get.

Here is one last one. That is a cable tower putting down moorings, the big round metal moorings that these boats tie off on. We don't have room for those moorings in our rivers and bays. So, for that, I again want to oppose any move towards offshore drilling in the southwest Florida coast.

#### HONORING THE LIFE OF JACK BEATON

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

Mr. KIHUEN. Mr. Speaker, today I rise to remember the life of Jack Beaton, a loving husband and father from Bakersfield, California.

Jack traveled to the Route 91 music festival with his wife, Laurie, to celebrate their 23rd wedding anniversary. Jack died a hero, shielding Laurie from the gunfire.

Laurie said Jack made her feel loved every single day. He was also a loving father to his two children. He always had a smile on his face and was a kid at heart.

Jack was known as a hard worker who was always willing to give someone a helping hand. He was the type of person who had literally given someone the shirt off his back. His children's friends said that he, Jack, was a role model to them both as a father figure and as a best friend.

I would like to extend my condolences to Jack Beaton's family and his friends. Please know that the city of Las Vegas, the State of Nevada, and the whole country grieve with you.

#### FOREVER GRATEFUL FOR OUR VETERANS

(Mr. BERGMAN asked and was given permission to address the House for 1 minute.)

Mr. BERGMAN. Mr. Speaker, as a nation, we find ourselves in seemingly uncertain times: instability in North Korea, terrorism throughout the world, and divisiveness on so many fronts. Yet across our Nation, young men and women continue to step up to serve when their country needs them most. They serve our great Nation willingly, honorably, and without bias.

In the 1940s, when an unprecedented attack on American soil led us into the Second World War, our brave men and women in uniform stood up to defend our Nation.

In the 1950s, when our country faced the spread of communism to Korea, it was our veterans who were there.

In the 1960s and 1970s, when the United States was brought into the war in Vietnam, knowing there would be no hero's welcome when they came home, our men and women were steadfast.



In the first Gulf War, Operation Enduring Freedom, Operation Iraqi Freedom, and the many missions they have faced in the past two decades, our soldiers, sailors, airmen, marines, and coastguardsmen have defended our great Nation from those who wish to do us harm.

On this Veterans Day, I submit to our men and women: Your service is not over and your mission is not complete. Now, more than ever, your country needs you. Stand up. Tell your story. The next generation needs to hear from you. We are forever grateful for your service.

□ 1215

#### OPPOSE THE TAX BILL

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

Mr. NOLAN. Mr. Speaker, the simple truth is that the rich are getting richer in degrees unparalleled in human history in this country, the poor are getting poorer, and the middle class are getting crushed.

And now our Republican colleagues have offered a proposal to the Congress of the United States to make it worse. The fact is that, under the Republican tax bill, the upper 1 percent will be getting a \$1.7 trillion tax deduction. At the same time, independent reports tell us the middle class will be getting—millions of them—will be getting an increase in their taxes, and we will be passing on \$1.5 trillion in debt to our children and our children's children.

Mr. Speaker, this tax bill is a scam. It is traditional old-fashioned trickle-down economics that has never worked and has been the ruination of every great economy in every great country in the world. We have to oppose it and stop them from succeeding in this tax scam.

#### GOD BLESS OUR VETERANS AND GOD BLESS AMERICA

(Mr. ARRINGTON asked and was given permission to address the House for 1 minute.)

Mr. ARRINGTON. Mr. Speaker, before I go back to the great State of Texas today, I just want to say happy Veterans Day to our men and women who have sacrificed and served so bravely.

I want to say, from all those who I represent in west Texas, thank you for giving up your day so that we could have our tomorrow. You represent the very best of our American values, and we are the most powerful, the most prosperous, and most generous Nation in the world. We are the most free Nation in the history of the world because of you.

God bless our veterans and God bless America.

#### TRIBUTE TO VETERANS OF THE ARMED FORCES OF THE UNITED STATES

(Ms. JACKSON LEE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON LEE. Mr. Speaker, I, too, rise to salute our veterans and to indicate to all of them that they are truly heroes walking amongst us.

I want to thank all of the armed servicemen and -women for their selfless dedication to the protection of this Nation every day, putting on the uniform unselfishly and standing in the gap.

I think it is also important to note the many families who are also a part of this freedom.

And let me acknowledge the 21.6 million brave men and women who are veterans of our Nation's military service: 30,000 of them in the 18th Congressional District.

But I want to take a moment—and I will be speaking about this tomorrow and on Saturday, Veterans Day, about POWs and MIAs. I want to salute Congressman SAM JOHNSON from Texas and Senator JOHN MCCAIN from Arizona, both of whom suffered injuries, whom you can even see now in the United States Congress, during their time as a POW. I honor them, and I hold them in high esteem.

And to the families of the MIAs from all of the wars, I want to say to them that we continue to pray for your loved ones.

As a sponsor of eight pieces of legislation and 35 pieces of legislation that I cosponsored to make lives of veterans better, today I salute you and say happy Veterans Day. God bless all of you, and God bless this free Nation, the United States of America.

Mr. Speaker, I rise to pay tribute to all the men and women who have served in the Armed Forces of the United States and risked their lives to defend our freedoms and way of life.

Veterans are truly heroes walking among us.

I want to thank all of our armed servicemen and women for their selfless dedication to our protection every day.

Each Veterans Day, Americans come together to remember those who have served our country around the world in the name of freedom and democracy.

The debt that we owe to them is immeasurable.

Their sacrifices, and those of their families, are freedom's foundation.

Without the brave efforts of all the soldiers, sailors, airmen, marines, Coast Guardsmen and women, and the National Guard and their families, our country would not live so freely.

I offer my deepest gratitude to our nation's troops and reservists, their families, and the 21.6 million veterans, including 29,126 here in the 18th Congressional District.

21.6 million brave men and women are veterans of our nation's military service.

Nine in ten military families believe the public does not understand or appreciate their sacrifices.

We use Veterans Day to show our veterans and military families how important they are to us and how grateful we are for them each and every day.

November is National Caregivers Month to show our caregivers how grateful we are for them.

It is only fitting that we thank those caregivers who serve our military today.

5.5 million spouses, parents, children, and other loved ones care for our wounded warriors and 15 percent of caregivers spend 40 plus hours a week providing care for our military families.

As a Senior Member of the House Committees on Judiciary and Homeland Security, Ranking Member of the Subcommittee on Crime, Terrorism, Homeland Security, and Investigations, I care deeply about our veterans.

In this Congress alone, I have sponsored 8 pieces of legislation and cosponsored 35 pieces of legislation that will positively benefit our veterans and their families.

On the battlefield, the military pledges to leave no soldier behind.

As a nation, let it be our pledge that when they return home, we leave no veteran behind.

This day and every day, let us honor their service with actions that fulfill our commitment to our troops, their families, and our veterans—and that are worthy of our grateful nation.

#### ISSUES OF THE DAY

The SPEAKER pro tempore (Mr. FRANCIS ROONEY of Florida). Under the Speaker's announced policy of January 3, 2017, the gentleman from Texas (Mr. GOHMERT) is recognized for 60 minutes as the designee of the majority leader.

Mr. GOHMERT. Mr. Speaker, I just want to start out echoing what my friend, Congressman RICK NOLAN, was saying: We should not be about the rich getting richer.

There are different strategies to try to accomplish fairness in a free country. If it is truly free, people are going to have to have the opportunity to fail as well as succeed. The only other alternative is the government kills any incentives to be more productive and just says: We are going to flatline everybody across the board, no matter how much you produce.

We have seen, over and over throughout history, that never works. Income redistribution never works. You kill the incentives. And, as I was told back in the summer of 1973, in an exchange program at the Soviet Union, by a bunch of farmers who were sitting in the shade mid-morning in the middle of the summer, I asked—and I tried to use my best Russian: When do you work out in the field? I couldn't tell what was cultivated and what wasn't. It all looked terrible.

They all laughed. I thought maybe I had translated something wrong. But one of the farmers, in Russian, said: I make the same number of rubles if I am out there in the field, or in the Sun, or here in the shade, so I am here in the shade. That is why socialism doesn't work.

So there have been many different strategies that have been utilized

throughout this Nation's history, and throughout the history of the world, to try to create—sometimes it is not an effort to create fairness in this country. It has normally been, thank God. But under the Obama administration's efforts to redistribute income, it brought about, for the first time in our Nation's history, that the top 1 percent of our Nation made 95 percent of the income.

I just was staggered. But that happened under the Obama administration. And, obviously, that tells us that the strategy for encouraging success, financial success, was an abysmal failure. Under the 8 years of Commander in Chief Obama, as he commanded over the economy, he made sure—I don't think it was intentional—but his efforts made sure that the very richest in the country became much richer and the rest of the country suffered.

And those on food stamps skyrocketed to the highest level ever. I think over 50 million. We had 95 million Americans, for the first time in our history, who got so tired of applying for jobs, unsuccessfully, they quit even applying.

And so how does the Obama administration respond? They responded by not counting those 95 million in the unemployed numbers because they were no longer looking for jobs. The economy, it really hasn't recovered. People have been flatlined, or less, when adjusted for the little inflation we have had.

So it is time to try something different than the Obama efforts that put 95 percent of the Nation's income in the top 1 percent's pockets. We are already seeing that change, and I am hoping that our efforts, especially in creating tax cuts, will cause the economy to just skyrocket, the way it did after the 30 percent tax cut kicked in under President Reagan by 1983.

I do want to touch on something that came out in the last week. This article from *The Hill* says: "Early Comey draft accused Clinton of gross negligence on emails." It turns out—we find out now—that FBI Director Comey started drafting months before Hillary Clinton was interviewed, and months before discussion with Cheryl Mills and the other potential targets of the criminal investigation over the destruction of Hillary Clinton's emails.

It should have been obstruction of justice. That is not gross negligence when you tell somebody to go destroy your phone with a hammer, and you have them use BleachBit to take out everything in your phone or in your computer. That is not gross negligence, that is intentional obstruction of justice, when you know that there is a subpoena after the things you are destroying.

But FBI Director Comey decided to play politics instead of law and order. Maybe that would make a good new series on television or Netflix—not "House of Cards," but "House of Injustice"—where we play politics with jus-

tice, instead of trying to do justice, trying to fulfill the oath to pursue justice.

In any event, he had "gross negligence," as the term he attributed to Hillary Clinton, in that first draft. But, apparently, when he realized that gross negligence would be a crime, he eliminated what would clearly have been a complete accusation of a crime having been committed by Hillary Clinton.

So, interesting, just more information coming out about why James Comey should not—well, he should be considered someone worthy of investigation himself. He admitted to leaking information in order to manipulate the Justice Department, not by being up front and recommending a special counsel—oh, no. He wanted to create a special counsel, just like he did when he told John Ashcroft to recuse himself.

Ashcroft, obviously, not knowing what Comey had in mind, but he was going to appoint his child's godfather to be special counsel—Patrick Fitzgerald—and let him go on a witch hunt trying to get Karl Rove or Vice President Cheney—unsuccessful. So he manipulates and creates a case against Scooter Libby, so he could at least have a scalp to show for the millions and millions of dollars that were wasted.

But from Comey's standpoint, his child's godfather made a lot of money, and Comey got to lash out at the Bush administration, so probably from their standpoint it worked out real well.

But it also points to the fact that since James Comey has been involved up to his eyeballs in what is going on as FBI Director, whoever were to be special counsel, if anyone, they would need to be someone who is not close friends with James Comey. And, as Comey apparently pointed out to the *Washingtonian*, when they were doing a big article on him back in 2013, basically, Bob Mueller—if the world were on fire, Bob Mueller would be the one standing there with him to defend him at the end.

So, clearly, Mueller, if he were interested in ethics, would have refused—and actually interested in following the law himself—he would have refused to be appointed special counsel. But we now know that since Mueller, as FBI Director, was involved in the investigation of Russia's efforts to gain United States uranium, to try to corner the market on uranium, and they were apparently committing crimes in their efforts paying bribes, whatever is necessary, to try to acquire United States uranium, the investigation went on apparently for 3 or 4 years, as an undercover person.

Well, Mueller and the U.S. attorney in charge of the investigation, named Rod Rosenstein, actually the guy who appointed Mueller to be special counsel, they ended up ensuring that the records of that long-term investigation would be sealed, and they even went to court and got a court order to seal it.

And whose name was on the motion to seal those documents? Rod Rosenstein. He did have a deputy sign on his behalf, but Rod Rosenstein was sealing the records so people couldn't know that Russia was committing crimes while they were trying to acquire U.S. uranium.

□ 1230

If people saw that the FBI and the Justice Department knew that Russia was committing crimes, paying bribes trying to acquire U.S. uranium, then they would have been complicit with the effort to approve the sale of uranium to a country that was committing crimes to get it. If they had not approved that, then it is doubtful that the Clintons would have struck the megamillions Russian lottery the way they did, and their foundation.

So the last two people in the country that should have been involved in an investigation into potential Russian collusion should be a person named Rod Rosenstein and another person named Robert Mueller.

I have great respect for his valiant service to our country in Vietnam. This isn't about Vietnam. This is about manipulating the justice system. It is about sealing an ongoing investigation that showed crimes being committed to put our national security at risk, and not speaking up against the sale of 20, 25 percent or so of America's uranium to an entity that would provide it to Russia.

We now know that that uranium did not stay in the United States, as some had said. Well, when you are going to sell uranium to people who have been paying bribes, acting illegally, is it any surprise that if they are willing to violate the law, that they would be willing to violate the terms of an agreement or other laws regarding that uranium?

So I am still hoping—and, yes, I believe in prayer, so I am hoping and praying that justice will be done, that those who should not be investigating will step out of the picture or be forced to step out of the picture, and we can have a fair investigation into potential crimes.

Another very important piece of information that has come out about the shooter in the Sutherland Springs massacre has been this scream, this cry for more gun control, and that is immediately after we had a radical Islamist terrorist screaming "Allahu Akbar." Even on FOX they said that means "praise be to God." No. It means "praise be to Allah."

If you want to look for "praise be to God," you can look for somebody to actually say in English, "Praise be to God;" or you could look on top of the Washington Monument, where American leaders had inscriptions on all four sides of the metal capstone on top of the Washington Monument; but on the side facing the U.S. Capitol, they had inscribed in Latin, "Laus Deo," meaning "praise be to God;" not "praise be to Allah," but "praise be to God."

The reason they had “Praise be to God” facing the Capitol is that this is east of the Washington Monument, and what they aspired to have was the first rays of God’s sun every morning striking “Praise be to God,” enlightening those words before anything else in our Nation’s Capital was lit; “Praise be to God,” then the rest of the Capital City would be lit. That is why it is there.

It turns out that the New York killer, the radical Islamist, he came to the U.S. under the diversity visa lottery program that was started because apparently some Senators and a few Democratic House Members believed that we were having too many Hispanics come in and we were not having enough Irish come in. So they created this program so immigrants like Irish, who were not being properly represented in the numbers, could have a chance to come into the U.S. the way so many Hispanics were.

Well, I didn’t think we cared about national origin that we needed a special program to give some other countries a chance that Hispanic countries would not have, but apparently some thought that was going to be appropriate.

It is high time to get rid of the program. We have known for years terrorists have been trying to win the lottery, and terrorists have won the lottery.

My friend, the chairman of the Judiciary Committee, BOB GOODLATTE, had a terrific op-ed in *The Hill*, entitled: “Visa lottery program is too much of a gamble for our nation and needs to end.”

Republicans in the House voted to end the diversity visa lottery back in 2005. The Senate wouldn’t take it up. Senators were still there that helped start the program, like Senator SCHUMER. Then Democrats had the majority for the next 4 years after 2006. They certainly weren’t going to end the diversity visa lottery program. They are the ones who wanted it.

Then, in 2012, in the session after we got the majority back, we voted again to end the lottery, but the Senate, again, wouldn’t take it up.

In the last session, we didn’t get it voted out, but I am grateful to the chairman of the Judiciary Committee, BOB GOODLATTE, for pushing, as he has, and I am hoping we can get that bill to the floor that will allow us to end it.

In that op-ed, Chairman GOODLATTE says: “The visa lottery, which was enacted 10 years prior to 9/11, is foolish in the age in which we live. Those in the world who wish us harm can easily engage in this statistical gamble with nothing to lose. The Office of the Inspector General at the State Department has found that it poses significant national security risks. In fact, Saipov—the New York City radical Islamic terrorist—is the fifth person who has been accused or convicted in connection with terrorism plots to have come here through the visa lottery.

“In another instance, Hesham Hadayet, an Egyptian terrorist who killed two and wounded several others at Los Angeles International Airport on July 4, 2002, was a lawful permanent resident who received his green card through the program”—the diversity visa lottery program—“since his wife was a visa lottery winner.”

So this Egyptian terrorist was a lottery winner, or his wife was, and the two people who he killed in L.A. Airport and those he wounded were the losers of that lottery.

Chairman GOODLATTE goes on to say: “Additionally, in August of 2002, Pakistan national Imran Mandhai pleaded guilty to conspiring to wage jihad by plotting to destroy electrical power stations, the Israeli consulate, and other south Florida targets. He entered the United States with his parents, who had won the visa lottery, in 1998.

“Similarly, in August 2002, two diversity lottery winners from Morocco—Ahmed Hannan and Karim Koubriti—were indicted as members of an alleged terrorist ‘sleeper’ cell in Michigan. In June 2003, a jury convicted Koubriti of conspiring to provide material support or resources to terrorists, and Hannan of possessing false documents.”

So visa lottery applicants, some of them—many of them submit several applications under different names in order to increase their chances of winning the visa lottery.

Chairman GOODLATTE continues: “And marriage fraud is rampant in the program. ‘Pop-up’ spouses often appear in between the time that the applicant registers for the lottery and the time when the applicant is interviewed by the State Department. These ‘spouses’ pay the applicant in order to be part of the applicant’s green card winnings.”

Winnings from the visa lottery.

Chairman GOODLATTE continues: “The United States has the most generous immigration system in the world, admitting more than 1 million legal immigrants each year.”

There is no country in the world that allows that many people to come into their country legally. We are far from being the largest country either geographically or population-wise, yet we are the most generous country in the world in allowing people into our country legally.

Chairman GOODLATTE goes on: “Eliminating the visa lottery does not negate our Nation’s generosity, but makes our immigration system smarter and safer for the age in which we live. Our immigration policy should be based primarily on our national needs, security, and economics, as opposed to an arbitrary system. The visa lottery is too much of a gamble for our Nation to make with today’s ongoing threat of terrorism and must come to an end.”

There is no other country in the world that is so stupid regarding its own national security and national interests that it allows a lottery to determine who would get a visa to come into their country. It, hopefully, will be ending soon.

That is why there was this article in *The Daily Caller*: “GOP Senators Distance Themselves from Diversity Visa Program They Helped Create.”

There are some who helped create the diversity visa lottery program in the Senate who are saying: You know what? Maybe it is time to get rid of it. I hope we will.

Yesterday, though, in the House Judiciary Committee, we did have a bill come up. It is being urged by law enforcement, Federal law enforcement, by the Justice Department, FBI, the National Security Administration, CIA, our intelligence folks. They are saying: We have got to have this 702 program reauthorized that will end on December 31 of this year.

Well, we know that the system has been abused. We were assured when I was here early on in Congress that: Gee, just reauthorize this, because there are no Americans who are going to be harmed by allowing these warrantless wiretapping situations. The only way an American could be caught up in this wiretapping would be if they are talking to a known foreign terrorist or a member of a known foreign terrorist organization.

So that gave me some security. And back then—some years back when we were authorizing the program, I said to my friends that were against the program because they were afraid an American would be caught up: Well, if they are afraid of being caught up in this wiretapping or this tapping into phone calls, then just make sure that their foreign terrorist friends call them on somebody else’s phone.

That was glibly said. Little did I know that it is not just known foreign terrorists and it is not members of known terrorist organizations; it has gotten so far afield that even if a Member of Congress has an innocent visit with a diplomat or an ambassador from a foreign country, that can be—and apparently, we are told, has been—used to listen in and monitor conversations. But we were assured there is a great safeguard, because if an American is picked up under this monitoring of foreign terrorists, then the American name will be masked so nobody will know who it was.

So through the Fourth Amendment, we will protect them from having a warrantless search of a conversation without a warrant from a judge, which requires that they are proving probable cause to believe that the individual is involved in a crime, has committed a crime. And then with that probable cause being proved—as a judge, I signed felony warrants for searches, for seizures, for arrests, but you had to have probable cause.

□ 1245

But you had to have probable cause. This allows them to grab those conversations without probable cause.

So with all that we have begun to learn, and especially when we found out how liberal the Obama administration was with unmasking American

names and that we had people who have shown themselves to be extremely political in their decisions and activities, even being willing to go on Sunday morning television shows six times in 1 day and lie intentionally to the American public about the Benghazi matter, that that same political person would be unmasking American names right and left, and although I know there is one Republican who said, "Oh, I talked to her, and I'm convinced that she's fine," well, I am not. We need that being thoroughly investigated, as well as the other unmaskings being properly and thoroughly investigated by people who are not so gullible.

This is serious stuff. When we in Congress allowed this loophole around the Fourth Amendment requirement for warrants in order to seize or obtain evidence, we anticipated that it would be carefully and strictly adhered to. And then we see the unmasking has been so liberally done, and there certainly seems to be a *prima facie* indication, when you look at who unmasked and the people who were unmasked, that you have one political party in power investigating their political opponent for political gain. And, once again, thank God it didn't end up the way they hoped.

But this is still quite serious, and that is why I applauded my friend, another fellow felony judge in our background. Former Judge TED POE and ZOE LOFGREN from California, Democrat, had a good amendment in my opinion, and it was going to require that before law enforcement—once they obtained these American names and numbers, well, law enforcement, apparently, once they have obtained these American names and numbers and phone numbers and conversations, and obtained them without probable cause in compliance with the Fourth Amendment, there are countless numbers of queries being made into the database on that individual or on the phone number just doing phishing expeditions, and then, if they find something, seeing if they can use that information to help prosecute them on another matter. Those are truly phishing expeditions. They should not be allowed without a warrant.

Okay. We will say you obtained the information legally, even though you did it in violation of the Fourth Amendment. But if you are going to go back and research that database, you should have probable cause before you start being allowed to basically listen in on conversations or follow up on all kinds of activity that was gathered without any probable cause.

This is what the government does that the Founders were afraid of. They didn't know that there would be cell phones some day or the highly technically proficient ability to communicate we have now. But they knew that mankind would not change. It has not changed. There has always been evil. There will always be evil in this world, and we have to guard against be-

coming part of the problem when we are in the government.

The Founders' safeguards, all of those amendments, basically, were safeguards, whether it was the First, Second, Fourth, Fifth, Eighth, Tenth, I mean, those are critically important—Sixth Amendment. Those are all important to preserving our rights. So I was saddened that that amendment failed: 12 voting for it, 21 voting against it.

I appreciate the chairman and the ranking member, Mr. CONYERS, agreeing to an amendment that Mr. CICILLINE made, my Democratic friend. And, in fact, I had an identical amendment I was going to make, except mine added two other safeguards, two other laws.

My friend and neighbor—office neighbor, that is—agreed to accept my friendly amendment, to add those other two laws, to ensure that when the U.S. Government went after and examined and queried this 702 material—the warrantless wiretapping, as The Hill calls it—that these laws would apply to those queries to hopefully increase the concern by those making the queries that they could be punished.

But this article goes on and says: "The current law allows Federal investigators to search collected data belonging to American citizens, an authority critics say circumvents Fourth Amendment protections against unlawful search and seizure.

"The Liberty Act would require criminal investigators to obtain a court order before viewing the content of any American's communications collected under the NSA program—but would not require a warrant to search the database in the first place."

So the Liberty Act it is referring to actually was used as the amendment to that bill.

Anyway, I know Mr. CONYERS is quoted in the article, saying: "We have been assured in explicit terms that if we adopt this amendment today"—talking about the Poe-Loftgren amendment—"leadership will not permit this bill to proceed to the House floor."

And that was also a concern mentioned by our friend from New York, JERRY NADLER.

But I would submit that we should not be afraid of Republican leadership doing the wrong thing. At least, it doesn't hurt, I guess, to have a healthy fear because that certainly has happened. But we still ought to be pushing to do everything we can to ensure that the U.S. Constitution is properly followed and we don't continue to have loopholes around it.

So that is an ongoing fight, and the Senate has got to take it up. But there are concerns that the Senate is just going to rubberstamp what the NSA wants. They are not going to have any of the safeguards that we put in the bill as it is already, which I still don't feel is enough, and that is why I voted against it, as did the man who sits next

to me in the Judiciary Committee, JIM JORDAN. ANDY BIGGS voted against it as well.

So there were a number of us who voted against the bill because the proper protections, in our opinion, are not there. We have just got to continue to advocate for that.

I also want to mention a bit of fake news that came from the Huffington Post.

I have met Ms. Huffington. She could not have been more congenial. When I was at ABC, going to be on the Stephanopoulos show Sunday morning, she was a delight to talk to, but the stuff coming out of her publication sometimes is rather astounding.

We had a debate in the Natural Resources Committee. We were voting on some bills, and a comment I made that was not necessarily central to the discussion but I thought might be interesting—I mean, if they would look at my full comments and comments I have made and continue to make, as I have said before, British Petroleum should never have been allowed to keep operating their drilling platform in the Gulf of Mexico called Deepwater Horizon. They had hundreds of egregious safety violations when other companies had one or two.

The only reason we can find that the Obama administration allowed British Petroleum to continue to drill with such egregious safety violations, with such complete, utter disregard for the safety and well-being of those on the platform and of wildlife in the Gulf of Mexico and those bordering the Gulf of Mexico, all we can find is they were about to come out and endorse the President's cap-and-trade program, something that Speaker PELOSI desperately wanted.

I had read an article that indicated they even had BP representatives in the office of Senator John Kerry trying to work out when they would do the big rollout of this big oil company that was going to support cap-and-trade. Basically, they would have an inside deal and would have made billions of dollars that other oil companies would not have made because they didn't have the inside track like the Obama administration was going to give BP.

But that is when the Deepwater Horizon blew, from what I understood, and so that is why the Obama administration was so slow to respond. They kept hoping this was going to go away and it wasn't going to be as serious, because BP was assuring them: Oh, it's not that bad. We have got it under control.

They didn't have it under control. They should never have been allowed to have been drilling when that blow-out occurred. It did have an adverse effect on the Gulf. It did have a very adverse effect on so many things.

But the comment that the Huffington Post wanted to create some fake news, latched onto, is I was really upset and concerned about the damage that BP had caused.

I have to go back and look. It wasn't that long after this happened, but I

drove hundreds of miles along the beach, and I kept getting out with my high-def camera expecting to be able to find a lot of oil on the beaches. I know I had read and seen there was a spot south of New Orleans, and, apparently, I didn't start close enough to that.

I understood it was really ruining the beaches of Florida, and I went along the Miracle Coast and along the Mississippi and Alabama coast there. Everywhere I went, I would maybe find a few drops of oil like we have on our Texas beaches quite often, but it is just a drop or two here or there. I was going: Where's all the oil?

Everybody said: Well, it is, like, 5, 10 miles up the coast.

So I kept going up, looking for this big oil spill on the beach. And I knew there were people who were undertaking heroic efforts, you know. I had seen those on the news. I had talked to people who were doing it.

Kevin Costner had a great idea, it appeared, for sopping up the oil to keep it from getting to the coast. So there were Herculean efforts being made to stop the oil. But there should have been more oil on the beach.

So they want to make it sound like I am just oblivious to any oil ever coming ashore because I did say what is absolutely true, that it is amazing the way nature seems to take care of problems, and we know that because there is ongoing oil seepage every day.

I don't want oil on our beaches. I hate oil on the beaches.

□ 1300

Really, it is infuriating when you are walking along the beach and you step on an oil bubble and then you have to spend a bunch of time trying to get that oil off your foot, even a small drop. But you could go to southern California, off the coast, and find drops of oil here and there from natural seepage.

The National Oceanic and Atmospheric Administration, you can go to their website, and they talk about natural oil seeps. They said: "A 2003 report from the National Research Council estimates that, on average, approximately 160,000 tonnes"—and it is spelled t-o-n-n-e-s; apparently metric tons—"of petroleum enter North American waters through natural seeps each year."

Apparently, 1 ton is about 7.33 barrels per ton, or 307.86 U.S. gallons per metric ton. So if you multiplied 307—or 308, if you want to round it; multiply 160,000 tons by 308, then you could get an idea of how many gallons of oil seep out just through cracks in the Earth's surface and come up through the waters.

They are hard to find, although sometimes you can see them from satellites or from aircraft. You can see the oil shimmering on top of the water since it is lighter than water. It floats up through the seawater and comes to the surface.

Anyway, just more fake news trying to create a big deal where there wasn't

any. But you can go online to Woods Hole Oceanographic Institution. They have a good article on the natural oil seeps. It says: "As much as one-half of the oil that enters the coastal environment comes from natural seeps of oil and natural gas. These geologic features are known to occur in clusters around the world, such as off the southern coast of California and in the Gulf of Mexico, but are still relatively unstudied. In recent years, advances in remote sensing have enabled more accurate detection and estimates of natural oil flows into the ocean."

"In locations where seeps are found, oil flows slowly up through networks of cracks, forming springs of hydrocarbon similar to the La Brae tar pits on land. Lighter compounds rise buoyantly to the water's surface and evaporate or become entrained in ocean currents; others fall the seafloor and collect over hundreds or thousands of years."

So if you multiply 308 times 160 tons, and then multiply that times thousands of years, you will get an idea as to how much natural seepage there has been of crude oil into the ocean.

But at least the Huffington Post article points out that—and this was from the Deepwater Horizon blowout—"About 24 percent is believed to have evaporated or dissolved. The remaining 35 percent was 'naturally dispersed' or persisted in the environment." And it says only "41 percent was directly or chemically recovered, burned or skimmed."

So they only got 41 percent. That is pretty good. It is not good enough. We need to be better at doing that. But it really is amazing how nature seems to respond to catastrophes, but we are supposed to tend the garden, and that means we do the best we can to keep the garden clean.

Mr. Speaker, I want to return to the issue about the shooting down in Sutherland Springs. The President, I think, appropriately pointed out when he was asked about it. He said: I think that mental health is your problem here.

People are screaming for more gun control. Yet every time it seems that more gun control is pled for, our people that mean well stand up and scream: Oh, you got to do something. I don't care if it is wrong. Just do something.

Well, it may be well-intended, but that is extremely foolish. You can do more harm by doing something even if it is wrong. It is often tragedies that lead to the worst legislation because people in Congress feel like we have got to do something. We have got to do something quick, even if it is wrong, so that the American people think we are dealing with it.

Jefferson was not at the Constitutional Convention, but I understand he suggested that potentially a good amendment would be that you could not pass a bill here in Congress until it had been on file for a year.

Obviously, that has never made its way into the law, but some of our worst legislation comes too quick as an

overreaction to some tragedy, some failure when we don't have adequate time to see what would be the best thing to do.

As it turns out in the Texas shooting, the gun laws were entirely adequate to prevent that from happening, but for those who put their faith in the government keeping us protected, which our Founders did not do—that is why we have a Second Amendment—you have to look no further than this tragic massacre to understand the government is not likely going to be there to protect you.

It turns out the shooter, a man full of evil, was convicted of a crime that should have prevented him from even having a gun. Yet the Air Force failed to get the conviction into the databank so that when searches were done, background checks didn't pick it up.

So when the government fails, the Founders expected that by having a Second Amendment where, not the military of the United States, but actually militia groups that form up, they would be able to have weapons. Those were rank and file citizens who were not hired by the government. They were simple citizens of the United States who would respond to suppress any outrage that the government might try to impose.

That is what happened when Patrick Henry got 5,000 people to come out when the British Government, that was the law of the land, started going through their homes and taking whatever they wanted.

They responded with guns, citizens coming out of their homes. No, I am not advocating for those who want to create more fake news. I am not advocating for a revolution. We have, fortunately, a Constitution in place that they didn't have in 1775, that allows us to fix things without having to have a revolution.

But the answer is not more gun control laws. This guy was full of evil. He had mental health problems. The system should have prevented him from having a gun. The laws that were in place should have prevented that, and I am grateful that the State of Texas did its part.

He applied for a concealed carry permit, and even though the Air Force conviction wasn't there, there was enough evidence to prevent him from getting a concealed carry permit in the State of Texas. But the other laws, where the Federal Government is supposed to protect us, failed to work because the government often fails to do its job.

The thing that really, to me, became an outrage—and it is something that our Founders feared perhaps more than anything else when they were trying to set up a good governing document—was persecution of Christians. That is why so many people came to this country in its earliest days.

Christians were being persecuted, as has happened for over 2,000 years. They thought if they came to America and

they could have a country where they could be free to practice their Christian beliefs without government prosecuting and persecuting them, that it would be just a little slice of heaven on Earth, as much as you could get while there is still so much evil in the world.

Now, as this country, led by its Supreme Court, others like the ACLU, and Freedom From Religion groups, they—we have already been told, you can't mention God. You can't pray. You can't mention your religion. Well, that is certainly not what was the feeling of those who were the predominant Founders and those who made the best improvements in America.

It was a Great Awakening, a huge revival in America. Before the mid-1700s, so much of the country turned to God, had Christian beliefs, Biblical beliefs, and their children—children like Sam Adams—grew up having such profound faith in God, profound faith in the Bible.

I was looking down the hall in what is right below the rotunda and one of the signs up there mentioned Sam Adams. Sam Adams was called the Father of the American Revolution. He was a product of the Great Awakening in the 1700s.

He was so moral. I guess many people knew that he knew how to make good beer. But he also had profound belief in the Bible, in God, in nature's God, and that is what drove him to push for a country where there could be equality; where people could practice their religious beliefs, whether they were atheists, Buddhists, Confucianists, Orthodox Jews, Muslim, only so long as they did not believe that their religion should overtake and supplant the U.S. Constitution, which is what radical Islamists believe.

We have now come to a place where Christians are being so vilified and belittled and besmirched that this country is beginning to look like the places that the Christians that fled to America had to leave to avoid persecution.

So we get these Twitter comments that say—an article from the Huffington Post, naturally—playing up the ridicule of Christians.

One tweet from Rosanne Cash says: "They were in a church that was full of prayers. They need a government that will enable commonsense gun laws."

Karen Tulmulty said: "Thoughts and prayers for people who were mowed down in a church sounds especially hollow."

Michael McKean said: "They were in church. They had the prayers shot right out of them. Maybe try something else."

Keith Olbermann said: "'Thoughts and prayers' again . . . idiot? These people were in CHURCH. They WERE praying."

Katie Mack said: "At this point, 'thoughts and prayers' just means 'shut up and take it.'"

□ 1315

Wil Wheaton said: "The murdered victims were in a church. If prayers did

anything, they would still be alive, you worthless sack of S-dot-dot-dot."

Chris Evangelista: "They were already in a church . . . it's almost like prayers do absolutely nothing and actual reform is needed."

Marina Sirtis said: "To all those asking for thoughts and prayers for the victims . . . it seems that your direct line to God is not working."

Josh Gad: "Terror attack that kills six gets travel bans same day. Deadliest mass shooting and deadliest church shooting ever get prayers and too soon to talk."

Roxane Gay: "After a mass shooting in a church, the phrase 'thoughts and prayers' from the mouths of useless politicians becomes even more asinine."

Robert McNamara: "We need more than prayers. . . . Today's victims were at church praying. We need sensible gun regulation and a ban on AR-15 weapons."

By the way, if there were a ban on AR-15s, then the shooter would have been allowed to continue shooting, and he probably would have killed everybody in the church because the guy that stopped him, thank God, had an AR-15 that he used to shoot him and get the carnage to stop.

Sara Bonaccori says: "Clearly your prayers aren't working if a mass shooting can take place in a church. Maybe we can try a legislative solution now?"

Mr. Speaker, it just goes on and on belittling Christians and belittling people who believe in the power of prayer.

Then we had an article from The Hill today. Representative JARED HUFFMAN in a news interview says that he thinks there is too much religion in politics. Huffman told The Washington Post that he has for years not answered questionnaires that ask him about religious beliefs instead putting: unspecified or none of your business. I don't believe in religious tests.

I don't either. Although if somebody says they are a Christian and they come before our committee and they keep making a big deal about how I am a Christian, then, as we know even in court, credibility is always an issue. If you say under oath you are one thing and it turns out you are not, then you are not really a Christian, you don't have Christian beliefs, and that is worth knowing.

You say you are a Christian? What does that mean? I will not hesitate to ask that if it is going to reflect not on their religious beliefs. I am not going to hold those against anybody. But if you say you are one thing and you are lying, that is important to find out.

Anyway, more of the same. There is a great article in National Review by David French, dated November 6: "In the Face of Evil, Prayer Is the Most Rational and Effective Response."

He points out that: "While I disagree with atheists, my quarrel right now isn't with their disbelief, it's with their choosing this moment to not only mock Christians but to also display

their ignorance of basic Christian theology."

"You see, the presence of evil—especially the increasing presence of evil—demands a prayerful response. Scripture is full of examples of God's people crying out to Him in great distress. Jesus cried out to God in His great distress. Time and again God responds in ways that bring healing and restoration to broken people and broken nations. He always responds in some way—often not the way we ask or demand."

If He were to intervene and stop all evil, then it means we become robots; we don't have free choice. We become basically robots. As any parent knows, you can order your child to love you or to hug you, but there is nothing that means more to your heart and soul than a sweet, little child running up to you voluntarily, throwing their arms around you, and saying, "I love you, Daddy" from the heart.

If we have a Heavenly parent, doesn't it make sense that that Heavenly parent would want us free to choose to love the Heavenly parent?

The article says: "Progressives always respond to mass shootings with a series of proposals that wouldn't have stopped the mass shooting."

Mr. Speaker, it is happening again. It is happening again. This shooter in Sutherland Springs, Texas, could not have lawfully possessed his weapons, but he ignored existing gun laws. So who follows the laws if you pass laws to take away guns? The honest people, the ones who are victims in a shooting like this. That is who follows.

There are laws in Texas that enable a church to be a gun-free zone, and apparently too many people assume every church is gun-free. If someone had had a gun in that church, there would not have been 25 people killed.

So, Mr. Speaker, my thoughts and prayers are with the country, and I hope and pray others will join.

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

#### TAX REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2017, the gentleman from California (Mr. SHERMAN) is recognized for 60 minutes as the designee of the minority leader.

Mr. SHERMAN. Mr. Speaker, I want to thank the Speaker for recognizing me and indicating that I can speak for an hour. We get caught up in so many issues here that we sometimes don't explore them in depth, and with 1 hour, I plan to look in depth first at the President's trade policy toward China, and then toward the Republican tax bill.

The President is meeting again with President Xi from China. They will put out a beautiful joint statement, they will pose for photographs, and there will even be a business deal or two to announce.



These are the two largest economies in the world. They involve tens of trillions of dollars. So every month, a few big things happen that are bad, and one or two big things happen that are good. There is always a particular business deal that you can package and wrap as a photo op.

But the fact is that we have to look at the overall trading relationship. The trading relationship is this: we run hundreds of billions of dollars of trade deficit, and every billion dollars of trade deficit cost us 10,000 jobs.

So let's look at what has happened while President Trump has been in office. We look each month at our trade and goods with the People's Republic of China, and we start with a deficit of just a bit over \$22 billion, and for the most recent statistics available, August of this year, we are up to almost \$35 billion.

What is interesting about this chart is that every month Trump has been in office, our trade deficit with China has grown. Now, he can say that he doesn't have the power to do anything about that; he just wants to be a pretend President, a pretense President, a posing President. He can pose for a picture, but he doesn't have the authority to do anything.

That is completely wrong. Look at section 338 of the Tariff Act of 1930, and you will see that the President acting alone could eliminate this deficit by imposing tariffs on Chinese goods now. But he won't do that because his plan—and what he has done over the last 2 years is he campaigns like he is BERNIE SANDERS at least on these issues, and he governs like he is from Goldman Sachs which, of course, many of his advisers actually are.

Even after the campaign was over in November of last year, the campaign continues, and he continues to pretend to be in favor of the trade policies associated with BERNIE SANDERS and others, and he continues to govern in the interests of Goldman Sachs.

Now, this chart does not reflect services because services trade between the United States and China is not available on a monthly basis, but the trend would be exactly the same: huge growth in the deficit month after month after month—February, March, April, May, June, July, and August of this year—and likely to continue for the other months that the President continues to serve and the statistics become available.

Now, we are told perhaps that it is okay to give away all these American jobs because we would need Chinese help to deal with North Korea. Let's see how that is working out. The President, prior to this trip, had met with President Xi twice, and now we have a third meeting.

After those first two meetings, North Korea explodes a hydrogen bomb and tests a missile capable of reaching major cities in the mainland of the United States all with the acquiescence of the Chinese Government. So whether

you are concerned with our national security or whether you are concerned with jobs and trade policy, we can no longer have a President who poses and pretends and ignores the statutory authority that he has on laws that have been on the books since the 1930s.

Now let's talk about the Republican tax bill. This is a bill which will raise taxes on millions of middle class families. Now, it gets worse in a few years. There is a bit of a bait-and-switch. They will want to tell you: Just look at how this bill will affect your tax return in 2019.

If you plan to still be alive in 2027, take a look at the effect it is going to have then.

Let's look at middle class families—not the poorest 20 percent in our country, not the richest 20 percent—that middle 60 percent. Roughly 30 percent of those families in the middle class are going to see a tax increase on their 2027 tax return, and that tax increase is calculated at an average of \$1,300 per family.

Let's look at the individual provisions to see how fair they are to middle class families. First, right off the bat, they take away the personal exemption which, on next year's tax return, the first year that this new bill would be effective, is worth \$4,150 per person in your family. That is nearly \$21,000 for a family like mine of five.

They take away \$21,000 of deductions even from the poorest families in America and from every middle class family as well. Now, they say they are going to replace that with a child tax credit. But if your children are over age 16, that credit is limited to a few hundred dollars next year, and then they make it zero 5 years from now. So if your kids are going to turn age 17 sometime in the next 5 years, they have got your name on this bill.

They also do increase the standard deduction. But tens of millions of Americans don't even take the standard deduction. They choose to itemize their deduction.

So one replacement is inapplicable in a few years to kids of a few years old, and the other is inapplicable to the millions of families that don't itemize their deductions. But even if it is applicable to you, you are losing for a family of five \$2,100 roughly. What about a family of six, a family of seven, a family of eight? Another \$4,150 per child, and they replace it with an increase in the standard deduction of \$1,200 and a per-child credit of \$600 or \$300 or absolutely zero if your kids are over age 16 and it is a few years from now.

Next, let's talk about moving expenses. The current code says that if you are working at a factory, it closes down, and it is moving 100 miles, 300 miles away, and you have to move your home, if you have to find a new home to live in, you get to deduct your moving expense. They take that away. But what do they leave? If you own a factory, you shut it down, and you move it to China, then all of the moving expenses are tax deductible.

□ 1330

Don't let them tell you they are taking away the moving expense deduction. Sure, they are taking it away from individuals and employees, but they are leaving the moving tax deduction for those who are moving their factories to China.

Of course, they take away the student loan debt interest deduction. If you are investing in yourself, in a family member, or in education, the interest deduction is wiped off your tax return. But if you are investing in a Chinese factory, the deductions are there for you. They are not anti-investment. They are just anti-investment in the skills and capacity of American workers.

Next is the medical deduction. There is a deduction for medical expenses. It is available only to a few families with particularly large medical needs. You don't get the medical deduction unless your un-reimbursed medical expenses—thanks to the Affordable Care Act, most people have at least decent insurance. You still have some medical expenses that are out-of-pocket, but if your out-of-pocket medical expenses exceed 10 percent of your income, then to the extent of that excess, you can take a deduction.

If your out-of-pocket, uncovered medical expenses are 13 percent of your income, you can deduct the 3 percent. That is not overly generous. It is not even applicable to most families.

Who needs it?

People with disabilities, families with children with special needs, and people with cancer and other severe diagnoses. That is who they target.

They say: Well, if you make some money, and then you have to spend it dealing with medical services, dealing with therapies for special needs children, for disabled, for people with cancer. Well, just because you don't have the money because you had to spend it on medical services doesn't mean we can't tax you on the money. And they do.

Well, there is another group of people who are unlucky enough to have extraordinary expenses, and that is casualty losses. If you have a small fire or some small casualty, you are not going to get a deduction. The deduction applies only when your casualty losses exceed 10 percent of your income, and then only to the extent that they exceed 10 percent of your income.

We have had the wildfires in my State of California, not to mention the hurricanes in the Caribbean, and there are people who are going to say: Well, thank God that if the disaster had to hit our community, it hit us in 2017, because our casualty losses are deductible.

But what about the next disaster?

People with uninsured, out-of-pocket losses exceeding 10 percent of their income will not get a deduction.

Here is the Republican response: Look, if it is an enormous disaster that happens to take your house and the

CNN cameras are there, then your congressional delegation can come beg for a special tax rule for those affected by that disaster.

Well, first, what if your home burns down and CNN isn't there? It is not part of an enormous disaster? It is just something that hits you and a couple of neighborhoods?

You will never get a special tax provision. We are not going to write one for three or four people, or 30 or 40 people, or 80 or 90 people affected by a small brush fire.

But what if you are part of the next enormous catastrophe?

Your congressional delegation will be here, having to decide whether to bargain to give you a chance to take the same deduction that has been in the Tax Code since the 1950s, or whether to bargain to try to get disaster relief to rebuild the infrastructure and the public assets in your community.

Your congressional delegation probably doesn't have enough clout to do both. So which are they going to do?

It is clearly wrong and unfair to tax people on that portion of their income that they have to use to deal with a truly extraordinary casualty loss.

But there is another provision. This one hasn't been talked about much. That is the way in which they index Tax Code provisions for inflation.

There are some of the provisions they don't index at all. So they say that you can take your property tax deduction and itemize it—only the portion up to \$10,000. Well, \$10,000 sounds like a lot of money, but they don't index it.

So what about 10 years from now? What about 20 years from now?

You say: Well, I won't be in my house 20 years from now.

Yes, but the person you sell your house to will be there. If they say, "My God, all the prices are higher, all the wages are higher, all the taxes are higher," that \$10,000 limit on property taxes means, "I can't deduct but half my property tax bill." That will be factored into the price of your house.

As to the things affecting home ownership, no indexing. Everything that looks big now gets smaller and smaller every year as a result of inflation. Oh, by the way, this tax bill is going to cause more inflation.

There are other provisions where they say they are keeping the indexing, but they change from CPI indexing to chained CPI indexing.

What does that mean?

It is a system for indexing the brackets less than what would be if just look at the Consumer Price Index.

You say: I am only going to be in the 25 percent bracket under this bill. As I get raises to just compensate me for inflation, I will still just be in the 25 percent.

No, you won't. If you are fortunate, your employer will adjust your wages for real inflation, but the brackets are only going to increase for chained CPI.

We take away the State and local tax deduction. First, this is a departure, as

other provisions are, from the concept that we should tax people based on their ability to pay. If you make a certain salary and 10 percent of it is taken out and used by your local and State governments, then your ability to pay is the 90 percent of your salary you get to keep.

But they don't want to tax you on what you keep after State and local taxes. They want to tax you on the money that has already been spent on taxes.

The effect of this is not just on the middle class families who are going to lose a tax deduction on their return and be taxed unfairly. If you read what is put out by the rightwing think tanks, they say: We know why we are pushing this State and local tax elimination. Because that will create a political atmosphere where States like California and New York and New Jersey will slash the amount of money that they spend on things like public safety and education.

We won't just be affecting the people who are not taking the tax deduction. We will be turning to poorer families and lower middle class families who depend upon public schools, and it will just cause a political situation where less money is spent on local education.

So this doesn't just affect those who it affects on their tax return. This affects everyone who lives in the community.

As I have alluded to before, they take away a big chunk of the home mortgage deduction, particularly to the person you would sell your house to later. If you sell your house—and God knows what the inflation rate may be. It may be significant. It may be \$500,000, which doesn't sound like a whole lot of money then, even though it does sound like a big chunk of money now. I remember when \$50,000 for a home was thought to be a very high price. Anyway, the home mortgage deduction is limited for that buyer to \$500,000 of mortgage. The property tax is limited to \$10,000 of property tax.

What effect is this going to have on the ability to sell your home, which, in many parts of the country, is your whole nest egg?

People pay a big mortgage payment every month and they have equity in their home. Maybe they can retire because they have got 20, 25 percent equity in their home.

Well, yesterday, before the Financial Services Committee, we had Mark Zandi testify, who is one of the leading economists in this country, the head of the economics operation at Moody's Analytics. He said that in major metropolitan areas, like the one I represent, we are going to see a double-digit decline in home values as a result of this bill. A lot of that is the limit on home mortgage deduction and the property tax. There are other elements of this bill that also adversely affect home prices. A double-digit decline.

Then what does that do to the community?

You may say: I don't own a home. I just work at a restaurant. I live in an apartment.

Who is going to come to that restaurant and how big are they going to tip if they have just gone to Zillow and seen the value of their home and they have seen a double-digit decline?

The whole community.

This affects people from the New York metro area, the Philly metro area, Los Angeles, San Diego, and Orange County in California.

You are sucking money out of the local economy and giving it to the Federal Government by taking away the State and local property tax deduction. You are then slashing the value of homes with a double-digit decline.

What money is going to be in circulation to buy goods and services to support the entire regional economy?

This is going to hit like a hurricane in areas of the country that did not experience one.

My party is so focused on the great unfairness of this bill and the fact that it provides the bulk of its benefits to the top 5 percent and even the top 1 percent. That fact is hidden by the anomaly that most of the economic projections of this bill don't even look at the repeal of the estate tax. They only look at the income tax provisions. You can't just exclude a whole chunk of this tax bill in analyzing it.

We, as a party, are so focused on the huge unfairness that we almost don't want to talk about the effect it will have on the overall national economy. This isn't just an unfair bill. That isn't just a bill that enriches the rich. This is a deficit-exploding, outsource-promoting, job-killing, growth-reducing disaster for our Nation's economy.

You want to know the effect of huge tax cuts on an economy?

Look at Kansas. They slashed their taxes and now a Republican legislature is reversing it because of what that has done to tax receipts and to the Kansas economy.

Let's take a look and see what effect this is likely to have at the national level. I turn to the Center on Budget and Policy Priorities, where they say that this tax cut is an ineffective way to spur economic growth and is likely to harm the economy if it adds to the deficit.

Well, what is the plan in the budget Republicans all voted for?

To deliberately use this tax cut to increase the deficit by \$1.5 trillion. But the Congressional Budget Office, under the Republican administration of this House and of this Congress, says it is going to do \$1.7 trillion. They say: Well, let's look at it more dynamically.

If you look more dynamically, it is going to increase the deficit by \$2 trillion or \$2.5 trillion, because it raises interest rates; it encourages offshore initial investment, stripping economic growth out of the United States, and for a host of reasons I will get to.

The more you look at the tax cut, the more apparent it is that it will cut

economic growth and increase the deficit by even more than the \$1.7 trillion that the Congressional Budget Office, during Republican control of Congress, is currently estimating.

Why is this?

Well, first, because incentives to invest in the Tax Code have little or no effect on privatization, according to a Congressional Research Service report. The empirical evidence in numerous report shows that the 2003 tax cuts had little impact on investment or employment.

□ 1345

Now, I speak with a little bit of experience here because I lived 20 years of my life in the tax world, most of it right at the intersection of investment and tax law.

I sat with families and charged them a large amount per hour to describe what the latest tax law said and what effect it would have on different investments. And my experience as a CPA and tax attorney and certified tax law specialist by my State bar was identical to that of Warren Buffett, who said:

I have worked with investors for 60 years, and I have yet to see anyone, not even when capital gains rates were 39.9 percent or when they were 15 percent, as they are now, I have never seen anyone shy away from a sensible investment because of the tax rate on the potential gain. People invest to make money, and potential taxes have never scared them off.

Now, that is why, when you look at the effect of this bill, you come to the conclusion, as the Congressional Budget Office did in looking at the Bush tax cuts and whether to extend them or allow them to expire, that, if you have taxes and you use that money to pay the deficit, that does more to help the economy. It is more important to fight the deficit than it is to tell various families, often at the very high end, that they get a tax cut.

Well, let's look at American economic history. I designed this chart here, and I focused it only after the 1986 tax cut for which Ronald Reagan is famous. There were many things about our economy back in the early 1980s, in the 1970s, and in the 1960s that aren't relevant today. We didn't have the trade policies back in the 1970s that we have today.

So we look at the Ronald Reagan 1986 tax policy as slightly adjusted by George H.W. Bush. We look at the policies that we had—I know the 1986 tax law. You think, well, that must have affected 1986. No, it really became effective in 1988. So you look at 1988 to 1993 and you see that we have economic growth of 2.67 percent.

Then, in 1994, you see the effect of the Clinton tax policies adopted in 1993, and we see economic growth of well over 4 percent. And these figures here are real economic growth per year adjusted for inflation, 4.4 percent.

So then George W. Bush gets elected, and starting in 2001, his tax policies are adopted by this Congress and enacted

into law, and we see that economic growth is only 1.7 percent.

Now, those Bush tax policies continued in force until 2013 because Democrats allowed them to stay in force until we finally adopted Obama tax policies, effective in 2013. Those policies continue to be in force right up to today.

The most recent statistics we have are up through September 30 of this year. The economic growth under those policies has been 2.22 percent.

So what we have seen here is that, when we adopt Republican economic policies and they become effective, we have substantially lower economic growth than when we adopt Democratic tax policies and when Democrats actually pass those policies and have the guts to pass those policies and put them into law.

So you have got to admire the Republican Party. They are able to get Member after Member after Member to say, without any proof, that trickle-down economics works, that if you just cut taxes, you somehow help the economy.

It doesn't matter if you can line up 100 Members to say the same falsehood at the same lectern in the same congressional Hall on the same House floor. What matters is the real history. And the real history is that the higher rates imposed under Democratic administrations have not just led to higher tax revenues, they have led to higher rates of economic growth.

Well, why is this?

Well, first, and perhaps most important, is having money available for business investment. There is a pool of savings capital available in our markets and in our economy, and the Republican proposal would come in and scoop \$1.2 trillion of that—take it out of the markets, take it out of the banks where it could be lent to small businesses, take it out of the bond markets where it can be used for expansions by big business—and just use it to pay for the tax cuts.

No wonder tax cuts that increase deficits hurt business investment and hurt the economy.

But there is more. We then add to our national debt, and the national debt is forever. Not only do we have the increase in the debt of \$1.5 trillion to \$1.7 trillion, but that debt will be here not just 10 years from now; it is there forever. Your great-grandchildren are going to be paying interest on that debt.

Then we have the international impact. You see, their proposal provides for a zero percent U.S. tax on any money made by any factory as long as you move that factory abroad. If the wage rates are too high in China, you can put it in Vietnam.

Now, in addition to saying you move your factory abroad, you pay zero tax on all the manufacturing profits because that manufacturing is being done abroad, we encourage moving the factory abroad. The work is being done abroad. We don't tax it.

But in addition, what is an area of economic activity where Americans excel? It is the creation of intellectual property.

Well, manufacturing might be done abroad; the design, the patents, the copyrights, the trade names, the marketing plans, the trade secrets, the intellectual property is created here. Under this bill, not only the profit you make on the foreign factory, but the profit you make from all that intellectual property can pay almost a zero percent American tax if you just take that patent and put it in a file in the Cayman Islands.

Now, I don't want to say that our current system for taxing international transactions is anything that we can be proud of. The present system, if you make money in a U.S. factory, there is a tax of 35 percent; you make it in a foreign factory, we also have a tax of 35 percent, but you can defer it. So, right now, if you are just trying to decide where to put the factory, you have got a tax in the United States that you actually have to pay and a tax on a factory abroad that you will pay eventually.

Well, what do they do? That take that 35 percent "eventually" tax and turn it into a zero percent "forever" tax. How much more incentive could they provide to move American factories overseas?

Now, the present system also has a problem in that you can defer tax only on the money you keep offshore. So their solution is to say, well, bring it onshore. We will provide a little tiny tax on it, and then all the money you made overseas the last 10 or 20 years, no U.S. tax, and at least the money gets repatriated.

Democrats are anxious to work with Republicans on repatriation. They could probably get a more Republican plan adopted than one that I would endorse in this speech, but why not tax the unrepatriated money? That way we would be saying, bring that money back or don't bring it back, you pay the same tax, so you might as well bring it back.

What we can also do is move to worldwide unitary apportionment: eliminate all the tax gains, and most of them are international; eliminate all the reasons to move factories abroad and generate another \$1 trillion every 10 years for our Treasury. That is the system that we ought to be moving to.

I am not here to say our present system is wonderful. I am here to say that we should not adopt a Republican system because it moves us even further away from what would be a fair system that would not encourage offshoring.

Another way in which we are affected internationally is that this tax bill would change currency values, change the exchange rate between the euro, the yen, the Chinese currency, and other currencies around the world in a way that will encourage Americans to import and discourage those abroad from buying our products—just another economic harm.

Another economic harm is touted by the conservative supporters of this policy. They say that by cutting taxes, we will get the Federal Government and State and local governments to spend less money on infrastructure and education. Well, if you want to ask what is it that makes a country wealthier than others, it is, first and foremost, the education of its workers, and then, second, the infrastructure that is available to productive activity.

In addition, as I mentioned before, they are going to cut the value of homes nationwide, most pronounced in the major metropolitan areas. What does that do to middle class spending, which drives our economy? It drives that middle class spending down. Who is going to go out to a restaurant if you have just been told that you have had a double-digit decline in the value of your home?

This bill will also cause higher interest rates because the Federal Government is going to be borrowing another \$1.5 trillion to \$1.7 trillion.

Now, so there is a difference between me and my party leadership. They say that the main reason to vote against this bill is that it is unfair by giving huge tax breaks to the top 1 percent and increasing taxes for millions of American families. I say you should vote against this bill because it is a deficit-exploding, outsourcing-promoting, job-killing, economic growth-depressing bill. But I think we will agree, whether you vote against this bill because it is unfair or you vote against this bill because it is bad for our economy, you will be performing an important service to our country.

Let me not neglect the fact that if you vote—that the bill isn't totally without being useful to somebody. It will reduce taxes for the Donald Trump family by over \$1 billion in estate tax and tens of millions of dollars in income tax.

Maybe that is not enough for you. Look at what it will do for the Koch brothers—far more than it will do for the Trump family. So if that is important to you, if that is the result you want to achieve, then vote for the bill.

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

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. ROYBAL-ALLARD (at the request of Ms. PELOSI) for today.

#### ENROLLED BILLS SIGNED

Karen L. Haas, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 194. An act to ensure the effective processing of mail by Federal agencies, and for other purposes.

H.R. 3243. An act to amend title 40, United States Code, to eliminate the sunset of cer-

tain provisions relating to information technology, to amend the National Defense Authorization Act for Fiscal Year 2015 to extend the sunset relating to the Federal Data Center Consolidation Initiative, and for other purposes.

#### BILL PRESENTED TO THE PRESIDENT

Karen L. Haas, Clerk of the House, reported that on November 7, 2017, she presented to the President of the United States, for his approval, the following bill:

H.R. 304. To amend the Controlled Substances Act with regard to the provision of emergency medical services.

#### ADJOURNMENT

Mr. SHERMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 p.m.), the House adjourned until tomorrow, Friday, November 10, 2017, at 9 a.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

3136. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's direct final rule — Black Stem Rust; Additions of Rust-Resistant Species and Varieties [Docket No.: APHIS-2017-0049] received November 3, 2017, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Agriculture.

3137. A letter from the Acting Director, Financial Crimes Enforcement Network, Department of the Treasury, transmitting the Department's final rule — Imposition of Special Measure against Bank of Dandong as a Financial Institution of Primary Money Laundering Concern (RIN: 1506-AB38) received November 7, 2017, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Financial Services.

3138. A letter from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting the Department's final rule — Clarifications to the Export Administration Regulations for the Use of License Exceptions [Docket No.: 160303181-6181-01] (RIN: 0694-AG80) received November 7, 2017, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Foreign Affairs.

3139. A letter from the Federal Liaison Officer, Patent and Trademark Office, Department of Commerce, transmitting the Department's final rule — Rule on Attorney-Client Privilege for Trials Before the Patent Trial and Appeal Board [Docket No.: PTO-P-2016-0029] (RIN: 0651-AD10) received November 7, 2017, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on the Judiciary.

3140. A letter from the Executive Analyst (Political), Department of Health and Human Services, transmitting a notification of a nomination, pursuant to 5 U.S.C. 3349(a); Public Law 105-277, 151(b); (112 Stat. 2681-614); to the Committee on Oversight and Government Reform.

3141. A letter from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting the Administration's summary presentation of a final rule — Federal Acquisition Regulation; Federal Acquisition Circular 2005-96; Introduction [Docket No.: FAR 2017-0051, Sequence No.: 1] received November 7, 2017, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Oversight and Government Reform.

3142. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's IRB only rule — Relief for Victims of Hurricane Maria and the California Wildfires (Announcement 2017-15) received November 3, 2017, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Ways and Means.

3143. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's IRB only rule — Treatment Under Section 956(c) of Certain Receivables Following Hurricane Irma or Hurricane Maria [Notice 2017-68] received November 3, 2017, pursuant to 5 U.S.C. 801(a)(1)(A); Public Law 104-121, Sec. 251; (110 Stat. 868); to the Committee on Ways and Means.

3144. A letter from the Acting Assistant Secretary for Legislation, Department of Health and Human Services, transmitting a report entitled, "Episodic Alternative Payment Model (APM) for Radiation Therapy Services", pursuant to Public Law 114-115, Sec. 3(b); (129 Stat. 3133); jointly to the Committees on Energy and Commerce and Ways and Means.

3145. A letter from the Assistant Attorney General, Department of Justice, transmitting the Attorney General's Fourth Quarterly Report of FY 2017 on the Uniformed Services Employment and Reemployment Rights Act of 1994, pursuant to 38 U.S.C. 4332(b)(2); Public Law 103-353, Sec. 2(a) (as added by Public Law 110-389, Sec. 312(c)); (122 Stat. 4165); jointly to the Committees on the Judiciary and Veterans' Affairs.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THORNBERRY: Committee of Conference. Conference report on H.R. 2810. A bill to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense and for military construction, to prescribe military personnel strengths for such fiscal year, and for other purposes (Rept. 115-404). Ordered to be printed.

Mr. HENSARLING: Committee on Financial Services. H.R. 3973. A bill to amend the Securities Exchange Act of 1934 to require certain entities to develop internal risk control mechanisms to safeguard and govern the storage of market data (Rept. 115-405). Referred to the Committee of the Whole House on the state of the Union.

#### DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XIII, the Committee on Transportation and Infrastructure discharged from further consideration. H.R. 3017 referred to the Committee of the Whole House on the state of the Union.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following

titles were introduced and severally referred, as follows:

By Mr. BRADY of Texas (for himself, Mr. NEAL, Mr. REICHERT, Mr. PASCRELL, Mr. SAM JOHNSON of Texas, Mr. ROSKAM, Mr. SMITH of Nebraska, Ms. JENKINS of Kansas, Mr. PAULSEN, Mr. REED, Mr. RENACCI, Mrs. NOEM, Mr. HOLDING, Mr. RICE of South Carolina, Mr. CURBELO of Florida, Mr. BISHOP of Michigan, Mr. BLUM, Mr. WALKER, and Mrs. WALORSKI):

H.R. 4318. A bill to amend the Harmonized Tariff Schedule of the United States to modify temporarily certain rates of duty; to the Committee on Ways and Means.

By Mr. FITZPATRICK (for himself and Ms. SINEMA):

H.R. 4319. A bill to amend the FAST Act to improve contracting opportunities for veteran-owned small business concerns, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. VELÁZQUEZ (for herself, Mr. LOBIONDO, Mr. MEEKS, Mr. JEFFRIES, Ms. CLARKE of New York, Mr. LANCE, Mr. PASCRELL, Mr. KING of New York, Mr. SMITH of New Jersey, Mr. SERRANO, Mr. SEAN PATRICK MALONEY of New York, Miss GONZÁLEZ-COLÓN of Puerto Rico, Mr. PALLONE, Mr. KHANNA, Mr. SOTO, Mr. EVANS, Ms. NORTON, Ms. JACKSON LEE, Ms. WILSON of Florida, Mrs. RADEWAGEN, Mr. JONES, Mr. SIREs, Mr. PEARCE, Mr. LOEBSACK, Mr. QUIGLEY, Mr. CROWLEY, Mr. CARSON of Indiana, Mr. ENGEL, and Mr. MCEACHIN):

H.R. 4320. A bill to amend title 38, United States Code, to establish a presumption of service connection for certain veterans with tinnitus or hearing loss, and for other purposes; to the Committee on Veterans' Affairs.

By Ms. VELÁZQUEZ (for herself, Mr. LOBIONDO, Mr. MEEKS, Mr. JEFFRIES, Ms. CLARKE of New York, Mr. LANCE, Mr. PASCRELL, Mr. KING of New York, Mr. SMITH of New Jersey, Mr. SERRANO, Mr. SEAN PATRICK MALONEY of New York, Miss GONZÁLEZ-COLÓN of Puerto Rico, Mr. PALLONE, Mr. KHANNA, Mr. SOTO, Mr. EVANS, Ms. NORTON, Ms. JACKSON LEE, Ms. WILSON of Florida, Mrs. RADEWAGEN, Mr. JONES, Mr. SIREs, Mr. PEARCE, Mr. LOEBSACK, Mr. QUIGLEY, Mr. CROWLEY, Mr. CARSON of Indiana, Mr. ENGEL, and Mr. MCEACHIN):

H.R. 4321. A bill to amend title 38, United States Code, to establish a presumption of service-connection of disabilities relating to blast exposures with respect to disability compensation payments by the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. CARBAJAL (for himself and Mr. SMUCKER):

H.R. 4322. A bill to exclude from consideration as income under the housing assistance programs of the Department of Housing and Urban Development amounts received by a family from the Department of Veterans Affairs for service-related disabilities of a member of the family, and for other purposes; to the Committee on Financial Services.

By Mr. DUNN (for himself, Mr. TAKANO, Mr. SMITH of Texas, Mr. LOUDERMILK, Mr. BABIN, Mr. KNIGHT, Mr. MARSHALL, and Mr. BANKS of Indiana):

H.R. 4323. A bill to promote veteran involvement in STEM education, computer science, and scientific research, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. WILLIAMS:

H.R. 4324. A bill to require the Secretary of the Treasury to make certifications with respect to United States and foreign financial institutions' aircraft-related transactions involving Iran, and for other purposes; to the Committee on Financial Services.

By Mr. HIGGINS of New York (for himself and Mrs. DINGELL):

H.R. 4325. A bill to limit the fees charged by the National Archives and Records Administration to veterans for military service records, and for other purposes; to the Committee on Oversight and Government Reform.

By Mr. LAHOOD (for himself, Mr. RODNEY DAVIS of Illinois, Mr. RUSH, Ms. KELLY of Illinois, Mr. LIPINSKI, Mr. GUTIÉRREZ, Mr. QUIGLEY, Mr. ROSKAM, Mr. DANNY K. DAVIS of Illinois, Mr. KRISHNAMOORTHY, Ms. SCHAKOWSKY, Mr. SCHNEIDER, Mr. FOSTER, Mr. BOST, Mr. HULTGREN, Mr. SHIMKUS, Mr. KINZINGER, and Mrs. BUSTOS):

H.R. 4326. A bill to designate the facility of the United States Postal Service located at 1211 Towanda Avenue in Bloomington, Illinois, as the "Sgt. Josh Rodgers Post Office"; to the Committee on Oversight and Government Reform.

By Mr. FRANCIS ROONEY of Florida (for himself, Mr. WILSON of South Carolina, Mr. BYRNE, Mr. ROKITA, Mr. GARRETT, Mr. DUNN, Mr. NORMAN, Mr. PERRY, Mr. ROGERS of Alabama, Mr. BUDD, Mr. YOHO, Mr. FERGUSON, and Mr. MEADOWS):

H.R. 4327. A bill to amend the National Labor Relations Act to provide that a question of representation affecting commerce shall exist when a petitioner establishes that fewer than 50 percent of the current bargaining unit members had the opportunity to vote in a certification election covering their bargaining unit or no certification election was conducted, and for other purposes; to the Committee on Education and the Workforce.

By Ms. GABBARD (for herself, Mr. CLEAVER, Ms. HANABUSA, Ms. JAYAPAL, and Mr. POE of Texas):

H.R. 4328. A bill to authorize the Secretary of Veterans Affairs to make grants for the rehabilitation of World War I memorials; to the Committee on Veterans' Affairs.

By Mr. WALDEN:

H.R. 4329. A bill to amend the Klamath Basin Water Supply Enhancement Act of 2000 to improve infrastructure, and for other purposes; to the Committee on Natural Resources.

By Mr. JOHNSON of Georgia (for himself, Ms. MOORE, Mr. CLAY, and Mr. THOMPSON of Mississippi):

H.R. 4330. A bill to provide that any State or local law enforcement agency that has in effect a cooling-off period is ineligible to receive Federal funds pursuant to a Department of Justice law enforcement grant program, and for other purposes; to the Committee on the Judiciary.

By Mr. JOHNSON of Georgia (for himself, Mr. CLAY, Ms. NORTON, Mr. CUMMINGS, Mrs. WATSON COLEMAN, Mr. ELLISON, Mr. HASTINGS, Mr. GRIJALVA, and Mr. CONYERS):

H.R. 4331. A bill to amend title 18, United States Code, to provide a penalty for assault or homicide committed by certain State or local law enforcement officers, and for other purposes; to the Committee on the Judiciary.

By Mr. JOHNSON of Georgia (for himself, Mr. COHEN, Ms. NORTON, Ms. MICHELLE LUJAN GRISHAM of New Mexico, Mr. CONNOLLY, Mrs. WATSON COLEMAN, Mr. HASTINGS, Mr. DAVID SCOTT of Georgia, Mr. CLAY, Mr. ELLISON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CICILLINE, Mr. CONYERS, and Ms. MOORE):

H.R. 4332. A bill to provide that in the case of a law enforcement officer who uses deadly force against a person, and thereby causes the death of that person, a hearing shall be conducted before a judge to determine whether there is probable cause for the State to bring criminal charges against the law enforcement officer relating to the death of the person, and for other purposes; to the Committee on the Judiciary.

By Mr. FASO (for himself, Mr. PETERSON, Mrs. COMSTOCK, Ms. SHEA-PORTER, Ms. PINGREE, Mr. MOULTON, Ms. NORTON, Mr. BARLETTA, Mr. LANCE, Ms. STEFANIK, Mr. SEAN PATRICK MALONEY of New York, Mr. COHEN, Mr. KEATING, Mr. POCAN, Ms. LOFGREN, Mr. ESPAILLAT, Mr. KATKO, Mr. SMITH of New Jersey, Mr. KING of New York, Mr. COURTNEY, Mr. COLLINS of New York, Mr. ZELDIN, and Mr. DONOVAN):

H.R. 4333. A bill to provide for the issuance of a Lyme Disease Research Semipostal Stamp; to the Committee on Oversight and Government Reform, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CORREA (for himself, Ms. BROWNLEY of California, Mr. RYAN of Ohio, Ms. MOORE, Mrs. TORRES, Mrs. DAVIS of California, Ms. BLUNT ROCH-ESTER, Mr. AGUILAR, Mr. MCEACHIN, Mr. GENE GREEN of Texas, Ms. LOFGREN, Mrs. CAROLYN B. MALONEY of New York, Mr. BRENDAN F. BOYLE of Pennsylvania, Mr. LOEBSACK, Ms. SCHAKOWSKY, Mr. GALLEGO, Ms. HANABUSA, Mr. PETERSON, Mr. O'HALLERAN, Mr. GOMEZ, Mr. VARGAS, Mr. WALZ, Ms. TITUS, Mr. RUIZ, Mr. ESPAILLAT, Mr. CARBAJAL, Mr. CARSON of Indiana, Ms. MCCOLLUM, and Mr. EVANS):

H.R. 4334. A bill to provide for certain reporting requirements relating to medical care for women veterans provided by the Department of Veterans Affairs and through contracts entered into by the Secretary of Veterans Affairs with non-Department medical providers, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CORREA:

H.R. 4335. A bill to amend title 38, United States Code, to provide for headstones and markers for, and interment in national cemeteries of, deceased spouses and dependent children of members of the Armed Forces serving on active duty, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. LEWIS of Minnesota (for himself, Mr. FERGUSON, Mr. GARRETT, and Mr. SMUCKER):

H.R. 4336. A bill to amend the institutional refunds provision of the Higher Education Act of 1965; to the Committee on Education and the Workforce.

By Mr. ROYCE of California (for himself and Mrs. CAROLYN B. MALONEY of New York):

H.R. 4337. A bill to amend the Defense Production Act of 1950 to require national security reviews carried out by the Committee on Foreign Investment in the United States to take into account the potential effects of

covered transactions on personally identifiable information; to the Committee on Financial Services, and in addition to the Committees on Foreign Affairs, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. TENNEY:

H.R. 4338. A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish urns for the remains of certain veterans whose remains are placed in non-traditional resting sites; to the Committee on Veterans' Affairs.

By Mr. BOST (for himself, Mr. LAWSON of Florida, Mr. KINZINGER, Mr. RODNEY DAVIS of Illinois, Mr. SHIMKUS, Mr. MOOLENAAR, and Mr. CARBAJAL):

H.R. 4339. A bill to establish a Department of Agriculture loan program to support mentorship and apprenticeship opportunities for veterans of the Armed Forces to become farmers or ranchers; to the Committee on Agriculture, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BRAT (for himself and Mr. SMITH of Texas):

H.R. 4340. A bill to amend the Immigration and Nationality Act to eliminate the diversity immigrant program, to focus family-sponsored immigration on spouses and minor children, and make mandatory and permanent requirements relating to use of an electronic employment eligibility verification system; to the Committee on the Judiciary, and in addition to the Committees on Ways and Means, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CARTWRIGHT (for himself, Mr. DEFAZIO, Mr. GENE GREEN of Texas, Ms. KAPTUR, and Mr. SCHIFF):

H.R. 4341. A bill to amend the Federal Election Campaign Act of 1971 to require corporations to disclose to their shareholders the amounts disbursed for certain political activity, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CICILLINE (for himself, Mr. SWALWELL of California, Mr. NADLER, Mr. KHANNA, Mr. MCGOVERN, Ms. LOFGREN, Ms. NORTON, and Mr. BLUMENAUER):

H.R. 4342. A bill to amend chapter 44 of title 18, United States Code, to restrict the ability of a person whose Federal license to import, manufacture, or deal in firearms has been revoked, whose application to renew such a license has been denied, or who has received a license revocation or renewal denial notice, to transfer business inventory firearms, and for other purposes; to the Committee on the Judiciary.

By Mr. CICILLINE (for himself, Ms. NORTON, Mr. NADLER, Mr. KHANNA, Mr. BLUMENAUER, and Mr. MCGOVERN):

H.R. 4343. A bill to amend the NICS Improvement Amendments Act of 2007 to provide notification to relevant law enforcement agencies in the event that a background check conducted by the National Instant Criminal Background Check System determines that a person may not receive a firearm, and for other purposes; to the Committee on the Judiciary.

By Mr. CICILLINE (for himself, Mr. KHANNA, Mr. MCGOVERN, and Mr. BLUMENAUER):

H.R. 4344. A bill to incentivize State reporting systems that allow mental health professionals to submit information on certain individuals deemed dangerous for purposes of prohibiting firearm possession by such individuals, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CRIST (for himself and Mr. DENHAM):

H.R. 4345. A bill to direct the Attorney General to establish and carry out a Veteran Treatment Court Program; to the Committee on the Judiciary.

By Mr. FOSTER (for himself, Mrs. McMORRIS RODGERS, and Mr. TAKANO):

H.R. 4346. A bill to amend title 38, United States Code, to provide for clarification regarding the children to whom entitlement to educational assistance may be transferred under the Post-9/11 Educational Assistance Program; to the Committee on Veterans' Affairs.

By Mr. GAETZ (for himself, Mr. PANNETTA, Ms. JACKSON LEE, Mr. LOEBACK, Mr. JONES, Mr. SOTO, Mr. COOK, Mr. ROSS, Ms. MCSALLY, and Mr. BILIRAKIS):

H.R. 4347. A bill to amend title 10, United States Code, to include veterans in the military adaptive sports program of the Department of Defense; to the Committee on Armed Services.

By Mr. KRISHNAMOORTHY (for himself, Ms. JACKSON LEE, and Ms. SHEAPORTER):

H.R. 4348. A bill to direct the Director of National Intelligence to produce a National Intelligence Estimate on Russian political intentions, and for other purposes; to the Committee on Intelligence (Permanent Select), and in addition to the Committee on Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LEWIS of Georgia:

H.R. 4349. A bill to require reporting by the Secretary of Education on missed opportunities, and for other purposes; to the Committee on Education and the Workforce.

By Mr. LEWIS of Georgia:

H.R. 4350. A bill to amend the Workforce Innovation and Opportunity Act to require the Secretary of Labor to submit to Congress an annual report relating to the amount of funds requested and awarded through YouthBuild programs, and for other purposes; to the Committee on Education and the Workforce.

By Mr. LEWIS of Georgia:

H.R. 4351. A bill to require reporting by the Department of Education on requests for funding projects or programs, and for other purposes; to the Committee on Education and the Workforce.

By Mr. LEWIS of Georgia:

H.R. 4352. A bill to amend the Carl D. Perkins Career and Technical Education Act of 2006 to require reporting by the Secretary of Education on requests for funding research that were not granted and had the greatest potential for improving career and technical education, and for other purposes; to the Committee on Education and the Workforce.

By Mr. LEWIS of Georgia:

H.R. 4353. A bill to amend the Public Health Service Act to require reporting by the National Institutes of Health on requests

for funding research that were not granted and had the greatest potential for improving public health, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LEWIS of Georgia:

H.R. 4354. A bill to require reporting by the National Science Foundation on requests for funding research that were not granted and had the greatest potential for promoting scientific progress and advancing national health, prosperity, and welfare, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. LEWIS of Georgia:

H.R. 4355. A bill to amend title 49, United States Code, to require reporting by the Department of Transportation on requests for funding projects or programs, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. LEWIS of Georgia:

H.R. 4356. A bill to amend title 49, United States Code, to require reporting by the Department of Transportation on requests for funding projects or programs through the Airport Improvement Program; to the Committee on Transportation and Infrastructure.

By Mr. LEWIS of Georgia:

H.R. 4357. A bill to amend title 38, United States Code, to require certain additional budgetary information to be included in the annual report submitted to Congress on the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. LEWIS of Georgia:

H.R. 4358. A bill to require the Commissioner of Internal Revenue to report on applications for tax credits under the low-income housing tax credit program that, in the preceding fiscal year, were approved but not allocated; to the Committee on Ways and Means.

By Mr. BEN RAY LUJÁN of New Mexico (for himself and Mr. RUIZ):

H.R. 4359. A bill to provide for rental assistance for homeless or at-risk Indian veterans; to the Committee on Financial Services.

By Mr. BEN RAY LUJÁN of New Mexico (for himself, Mr. GOMEZ, Mr. BROWN of Maryland, Ms. MICHELLE LUJAN GRISHAM of New Mexico, Ms. NORTON, Mr. KHANNA, Mr. KRISHNAMOORTHY, Ms. JAYAPAL, Mr. TED LIEU of California, Mrs. NAPOLITANO, Ms. PINGREE, Mr. PETERS, Mr. RASKIN, Ms. SÁNCHEZ, Mr. SARBANES, Ms. SEWELL of Alabama, Mr. DESAULNIER, Ms. VELÁZQUEZ, and Mr. SMITH of Washington):

H.R. 4360. A bill to amend title 38, United States Code, to include local government minimum wage requirements in determining the hourly minimum wage applicable for purposes of the work-study allowance under the educational assistance programs administered by the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. MESSER:

H.R. 4361. A bill to require the use of macroeconomic analysis in estimating the budgetary effects of major revenue legislation; to the Committee on the Budget, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. O'HALLERAN (for himself, Mr. GALLEGOS, and Ms. SINEMA):

H.R. 4362. A bill to amend title 38, United States Code, to provide for priority in the award of State home facility grants to nursing homes and domiciliaries from States that the Secretary determines have a great



or significant need for beds and which are located at least 100 miles away from the nearest existing State home facility; to the Committee on Veterans' Affairs.

By Mr. POLIS (for himself, Mr. RUIZ, Mr. GARAMENDI, Mr. NOLAN, Mr. HUFFMAN, Mr. MCGOVERN, Mr. POCAN, Mr. CARTWRIGHT, Mr. KIHUEN, and Ms. SHEA-PORTER):

H.R. 4363. A bill to require the Secretary of Veterans Affairs to establish a veterans conservation corps, and for other purposes; to the Committee on Veterans' Affairs, and in addition to the Committees on Transportation and Infrastructure, the Judiciary, and Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SENSENBRENNER:

H.R. 4364. A bill to authorize the Administrator of the Environmental Protection Agency, at the request of a Governor of a State, to waive the reformulated gasoline prohibitions and requirements under section 211(k) of the Clean Air Act with respect to the State or a portion of the State if the Administrator determines that the price of gasoline is excessively high; to the Committee on Energy and Commerce.

By Mr. TAYLOR (for himself and Ms. GABBARD):

H.R. 4365. A bill to require the prompt reporting for national instant criminal background check system purposes of members of the Armed Forces convicted of domestic violence offenses under the Uniform Code of Military Justice, and for other purposes; to the Committee on Armed Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. TORRES:

H.R. 4366. A bill to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to make payments to individuals entitled to educational assistance under the Post-9/11 Educational Assistance program who pursue a program of education solely through distance learning to be used to purchase computers; to the Committee on Veterans' Affairs.

By Ms. VELÁZQUEZ:

H.R. 4367. A bill to amend the Small Business Act to provide guaranteed disaster loans to certain small business concerns, and for other purposes; to the Committee on Small Business.

By Ms. VELÁZQUEZ:

H.R. 4368. A bill to amend the Small Business Act to require that community development block grant funds provided for the same purpose as assistance under certain disaster relief programs of the Small Business Act be used to repay such assistance, and for other purposes; to the Committee on Small Business, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. MAXINE WATERS of California (for herself, Mr. EVANS, Mrs. BEATTY, Mr. SEAN PATRICK MALONEY of New York, and Mr. PAYNE):

H.R. 4369. A bill to amend title 38, United States Code, to codify the authority of the Secretary of Veterans Affairs to assign a disability rating of total to a veteran by reason of unemployability, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. YOHO (for himself, Mr. GOSAR, Mr. FRANCIS ROONEY of Florida, Mr. PERRY, and Mr. PEARCE):

H.R. 4370. A bill to amend the Natural Gas Act to expedite approval of exports of small volumes of natural gas, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WILSON of South Carolina:

H. Res. 612. A resolution recognizing and reaffirming the critical relationship between the United States and the Republic of Korea since the establishment of the Republic of Korea in 1948; to the Committee on Foreign Affairs, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CARTER of Texas (for himself, Mr. BISHOP of Georgia, Mr. LOEBSACK, Mr. WILLIAMS, Mr. COLE, Mr. HECK, Mr. ZELDIN, Mrs. LOVE, Ms. KAPTUR, Mr. MARSHALL, Mr. BRADY of Texas, Mr. SCHRADER, Mr. THOMPSON of Pennsylvania, Mr. GARRETT, Mr. ROGERS of Kentucky, Mr. O'ROURKE, Mr. COSTA, and Mr. PALAZZO):

H. Res. 613. A resolution supporting the goal of ensuring that members of the Armed Forces have opportunities to receive career technical education training and credentialing opportunities during their term of service to ensure they can transition directly into in-demand civilian careers; to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. KAPTUR (for herself, Mr. LIPINSKI, Mr. SMITH of New Jersey, Mrs. WALORSKI, Mr. FRANKS of Arizona, Mr. HIGGINS of New York, Mr. ROKITA, Ms. ESTY of Connecticut, Mrs. DINGELL, Mr. MCGOVERN, Mr. TONKO, Mr. SIRES, Mr. ADERHOLT, Mr. COHEN, Mr. QUIGLEY, Mr. PRICE of North Carolina, Mr. CARTWRIGHT, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. BISHOP of Georgia):

H. Res. 614. A resolution celebrating the 99th anniversary of Polish independence; to the Committee on Foreign Affairs.

## MEMORIALS

Under clause 3 of rule XII,

145. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 103, congratulating the government and people of the Republic of China (Taiwan) on their 106th National Day on October 10, 2017; which was referred to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. PERLMUTTER introduced a bill (H.R. 4371) for the relief of Melecio Andazola-Morales; which was referred to the Committee on the Judiciary.

## CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 7 of rule XII of the Rules of the House of Representatives, the following statements are submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill or joint resolution.

By Mr. BRADY of Texas:

H.R. 4318.

Congress has the power to enact this legislation pursuant to the following:

U.S. CONST. art. I, §8, cl. 1 and 3

“The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, . . . to pay the Debts and provide for the common Defence and general Welfare of the United States . . .” and

“To regulate commerce with foreign nations, and among the several states, and with the Indian tribes. . . .”

By Mr. FITZPATRICK:

H.R. 4319.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8, Clause 18

By Ms. VELÁZQUEZ:

H.R. 4320.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1

The Congress shall have Power to . . . provide for the . . . general Welfare of the United States; . . .

By Ms. VELÁZQUEZ:

H.R. 4321.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1

The Congress shall have Power to . . . provide for the . . . general Welfare of the United States; . . .

By Mr. CARBAJAL:

H.R. 4322.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, clause 1 provides Congress with the power to “lay and collect Taxes, Duties, Imposts and Excises” in order to “provide for the common Defence . . . of the United States.”

By Mr. DUNN:

H.R. 4323.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18:

The Congress shall have power to make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department of Officer thereof.

By Mr. WILLIAMS:

H.R. 4324.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8, Clause 3 (“To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes”)

By Mr. HIGGINS of New York:

H.R. 4325.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8, Clause 18

By Mr. LAHOOD:

H.R. 4326.

Congress has the power to enact this legislation pursuant to the following:

The Congress shall have Power To establish Post Offices and post Roads

By Mr. FRANCIS ROONEY of Florida:

H.R. 4327.

Congress has the power to enact this legislation pursuant to the following:

Article 1 Section 8

By Ms. GABBARD:

H.R. 4328.

Congress has the power to enact this legislation pursuant to the following:

U.S. Constitution including Article 1, Section 8, Clause 1 (General Welfare Clause) and Article 1, Section 8, Clause 18 (Necessary and Proper Clause), Article 4, Section 3, Clause 2 (Property).

By Mr. WALDEN:

H.R. 4329.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 14 of the United States Constitution (relating to the power of Congress to make rules for the government and regulation of the land and naval forces), and Article IV, Section 3, Clause 2 (relating to the power of Congress to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States).

By Mr. JOHNSON of Georgia:

H.R. 4330.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Cl. 18

By Mr. JOHNSON of Georgia:

H.R. 4331.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Cl. 18

By Mr. JOHNSON of Georgia:

H.R. 4332.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Cl. 18

By Mr. FASO:

H.R. 4333.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8 of the United States Constitution

By Mr. CORREA:

H.R. 4334.

Congress has the power to enact this legislation pursuant to the following:

(1) The U.S. Constitution including Article 1, Section 8.

By Mr. CORREA:

H.R. 4335.

Congress has the power to enact this legislation pursuant to the following:

(1) The U.S. Constitution including Article 1, Section 8.

By Mr. LEWIS of Minnesota:

H.R. 4336.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 and Clause 18 of the United States Constitution.

By Mr. ROYCE of California:

H.R. 4337.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8.

By Ms. TENNEY:

H.R. 4338.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18: The Congress shall have power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Mr. BOST:

H.R. 4339.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8 of the United States Constitution

By Mr. BRAT:

H.R. 4340.

Congress has the power to enact this legislation pursuant to the following:

American immigration law stems from Congress' power to "establish a uniform Rule of Naturalization" (Article 1, Section 8, Clause 4).

By Mr. CARTWRIGHT:

H.R. 4341.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3

By Mr. CICILLINE:

H.R. 4342.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8 of the United States Constitution

By Mr. CICILLINE:

H.R. 4343.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8 of the United States Constitution

By Mr. CICILLINE:

H.R. 4344.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8 of the United States Constitution

By Mr. CRIST:

H.R. 4345.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8 of the Constitution.

By Mr. FOSTER:

H.R. 4346.

Congress has the power to enact this legislation pursuant to the following:

Clauses 12, 13, 14, and 18 of Section 8 of Article 1 of the U.S. Constitution.

By Mr. GAETZ:

H.R. 4347.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8

By Mr. KRISHNAMOORTHY:

H.R. 4348.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8: To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Mr. LEWIS of Georgia:

H.R. 4349.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4350.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4351.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4352.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4353.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the

United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4354.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4355.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4356.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4357.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. LEWIS of Georgia:

H.R. 4358.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I of the United States Constitution and its subsequent amendments, and further clarified and interpreted by the Supreme Court of the United States.

By Mr. BEN RAY LUJÁN of New Mexico:

H.R. 4359.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section VIII

By Mr. BEN RAY LUJÁN of New Mexico:

H.R. 4360.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section VIII

By Mr. MESSER:

H.R. 4361.

Congress has the power to enact this legislation pursuant to the following:

Article I, section 9, clause 7 of the United States Constitution.

By Mr. O'HALLERAN:

H.R. 4362.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18

By Mr. POLIS:

H.R. 4363.

Congress has the power to enact this legislation pursuant to the following:

Under Article I, Section 8, Clause 12 & Clause 18 of the Constitution, Congress, has the power "to make all laws which shall be necessary and proper" for carrying out power including the power "to raise and support armies"

By Mr. SENSENBRENNER:

H.R. 4364.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3

By Mr. TAYLOR:

H.R. 4365.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States;

To borrow money on the credit of the United States;

To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes;

To establish a uniform Rule of Naturalization, and uniform Laws on the subject of Bankruptcies throughout the United States;

To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures;

To provide for the Punishment of counterfeiting the Securities and current Coin of the United States;

To establish Post Offices and Post Roads;

To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries;

To constitute Tribunals inferior to the supreme Court;

and Offenses against the Law of Nations;

To declare War, grant Letters of Marque and Reprisal, and make Rules concerning Captures on Land and Water;

To raise and support Armies, but no Appropriation of Money to that Use shall be for a longer Term than two Years;

To provide and maintain a Navy;

To make Rules for the Government and Regulation of the land and naval Forces;

To provide for calling forth the Militia to execute the Laws of the Union, suppress Insurrections and repel Invasions;

To provide for organizing, arming, and disciplining, the Militia, and for governing such Part of them as may be employed in the Service of the United States, reserving to the States respectively, the Appointment of the Officers, and the Authority of training the Militia according to the discipline prescribed by Congress;

To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of particular States, and the acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings; And

To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Mrs. TORRES:

H.R. 4366.

Congress has the power to enact this legislation pursuant to the following:

According to Article 1: Section 8: Clause 18: of the United States Constitution, seen below, this bill falls within the Constitutional Authority of the United States Congress.

Article 1: Section 8: Clause 18: To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Con-

stitution in the Government of the United States, or in any Department or Officer thereof.

By Ms. VELÁZQUEZ:

H.R. 4367.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1

The Congress shall have Power to . . . provide for the . . . general Welfare of the United States; . . .

By Ms. VELÁZQUEZ:

H.R. 4368.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1

The Congress shall have Power to . . . provide for the . . . general Welfare of the United States; . . .

By Ms. MAXINE WATERS of California:

H.R. 4369.

Congress has the power to enact this legislation pursuant to the following:

Article 1 of the U.S. Constitution

By Mr. YOHO:

H.R. 4370.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8

By Mr. PERLMUTTER:

H.R. 4371.

Congress has the power to enact this legislation pursuant to the following:

Article 1 Section 8

#### ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions, as follows:

H.R. 44: Mr. COOK, Ms. SCHAKOWSKY, Mr. GRAVES of Georgia, and Mr. CARTER of Texas.

H.R. 173: Mr. MAST and Mr. SWALWELL of California.

H.R. 176: Mr. FRANKS of Arizona.

H.R. 299: Mr. FRELINGHUYSEN.

H.R. 411: Mr. OLSON and Mr. HIGGINS of Louisiana.

H.R. 488: Mr. KING of New York.

H.R. 559: Mr. GRAVES of Georgia and Mr. FERGUSON.

H.R. 592: Mr. BARTON and Mr. LAMALFA.

H.R. 669: Mr. PALLONE.

H.R. 785: Mr. MOOLENAAR.

H.R. 850: Mr. COMER.

H.R. 908: Mr. BILIRAKIS.

H.R. 912: Ms. MOORE.

H.R. 964: Mr. BARLETTA and Mr. CAPUANO.

H.R. 1034: Mr. BLUMENAUER, Mr. KHANNA, and Ms. JACKSON LEE.

H.R. 1046: Mr. PRICE of North Carolina and Mrs. BROOKS of Indiana.

H.R. 1155: Ms. DEGETTE.

H.R. 1164: Ms. GRANGER.

H.R. 1176: Ms. BORDALLO.

H.R. 1264: Mr. SESSIONS.

H.R. 1384: Ms. BONAMICI.

H.R. 1456: Ms. PINGREE.

H.R. 1580: Mr. BISHOP of Michigan.

H.R. 1626: Mr. MAST.

H.R. 1730: Mr. MCGOVERN.

H.R. 1734: Mr. QUIGLEY.

H.R. 1818: Mr. SCHWEIKERT, Mr. BROWN of Maryland, and Mr. SIREs.

H.R. 1825: Mr. WELCH and Mr. FRELINGHUYSEN.

H.R. 1828: Mr. KILMER.

H.R. 1907: Mr. YARMUTH.

H.R. 1957: Mr. LARSEN of Washington and Mr. DESAULNIER.

H.R. 2147: Mr. LARSON of Connecticut.

H.R. 2234: Mr. LIPINSKI and Mr. PETERS.

H.R. 2392: Mr. RASKIN.

H.R. 2405: Mr. JODY B. HICE of Georgia.

H.R. 2583: Ms. JAYAPAL and Mr. PETERS.

H.R. 2589: Mr. JOHNSON of Ohio.

H.R. 2669: Mr. SMITH of Washington.

H.R. 2670: Mr. MCEACHIN.

H.R. 2690: Mr. GOMEZ.

H.R. 2712: Mr. MEADOWS.

H.R. 2719: Ms. MCCOLLUM, Ms. LOFGREN, Ms. ROS-LEHTINEN, and Mr. KILMER.

H.R. 2723: Mr. YODER, Mr. LUETKEMEYER, and Mr. MULLIN.

H.R. 2832: Mr. COMER.

H.R. 2841: Mr. NADLER, Mr. SERRANO, Mr. KHANNA, Mr. BLUMENAUER, and Mr. MCGOVERN.

H.R. 2865: Mr. GARAMENDI.

H.R. 2902: Miss RICE of New York, Ms. SCHAKOWSKY, Mr. O'ROURKE, Ms. FRANKEL of Florida, and Mr. PETERS.

H.R. 2996: Mr. POE of Texas and Mr. COMER.

H.R. 3108: Mr. GRIJALVA.

H.R. 3124: Mr. BLUMENAUER.

H.R. 3211: Mr. ELLISON and Mr. O'HALLERAN.

H.R. 3274: Mr. MCNERNEY.

H.R. 3324: Mr. CLYBURN.

H.R. 3345: Mr. SEAN PATRICK MALONEY of New York and Ms. ROSEN.

H.R. 3394: Mr. KELLY of Mississippi.

H.R. 3444: Mr. CARBAJAL and Mr. HUFFMAN.

H.R. 3477: Mr. COHEN.

H.R. 3477: Mr. PETERS.

H.R. 3545: Mr. PETERSON.

H.R. 3596: Mr. THOMPSON of Mississippi.

H.R. 3635: Mr. BILIRAKIS.

H.R. 3637: Mr. BISHOP of Georgia and Ms. LOFGREN.

H.R. 3642: Mr. UPTON.

H.R. 3738: Mr. LOWENTHAL.

H.R. 3760: Mr. DEFazio.

H.R. 3773: Mr. BEYER.

H.R. 3784: Mr. ENGEL, Mr. GONZALEZ of Texas, and Mr. KILMER.

H.R. 3790: Mr. HUDSON and Mr. JOHNSON of Louisiana.

H.R. 3792: Mr. LIPINSKI.

H.R. 3857: Ms. MCSALLY and Mr. ROTHFUS.

H.R. 3867: Mr. BLUMENAUER.

H.R. 3871: Ms. SHEA-PORTER, Mr. PANETTA, Mr. LAWSON of Florida, Mr. MCGOVERN, Mr. CÁRDENAS, and Mr. POCAN.

H.R. 3887: Ms. NORTON.

H.R. 3969: Mr. GONZALEZ of Texas.

H.R. 3994: Mrs. BROOKS of Indiana and Mr. MCKINLEY.

H.R. 4006: Mr. KILMER.

H.R. 4007: Mr. SHIMKUS.

H.R. 4014: Ms. BROWNLEY of California.

H.R. 4015: Mr. MEEKS.

H.R. 4081: Ms. ROSEN and Ms. GABBARD.

H.R. 4131: Mr. VALADAO.

H.R. 4137: Mr. GRIFFITH.

H.R. 4143: Ms. HERRERA BEUTLER and Mr. KIND.

H.R. 4159: Mr. GONZALEZ of Texas, Ms. NORTON, Mr. SHERMAN, Ms. BARRAGÁN, Mr. EVANS, Mr. MEEKS, and Mr. COHEN.

H.R. 4160: Mr. GONZALEZ of Texas, Ms. NORTON, Ms. BARRAGÁN, Mr. COHEN, and Mr. CARSON of Indiana.

H.R. 4183: Mr. QUIGLEY, Mr. KEATING and Mr. COHEN.

H.R. 4186: Mr. GUTIÉRREZ, Mr. HASTINGS, Ms. MOORE, and Mr. ENGEL.

H.R. 4202: Mr. GAETZ.

H.R. 4209: Mr. SMITH of Washington.

H.R. 4229: Mr. POLIQUIN, Mr. PETERSON, Mr. WESTERMAN, Mr. WILSON of South Carolina, Mr. KILMER, Mr. CRAWFORD, and Mr. COOPER.

H.R. 4239: Mr. FLORES and Mr. DUNCAN of South Carolina.

H.R. 4240: Ms. CLARKE of New York, Mr. GARAMENDI, Mrs. CAROLYN B. MALONEY of New York, Mrs. DAVIS of California, Mr. WELCH, Ms. LOFGREN, Mr. VARGAS, Ms. SLAUGHTER, Ms. SPEIER, Mr. DESAULNIER, Mr. KHANNA, Mr. NADLER, Mr. SWALWELL of California, Ms. PELOSI, Mr. KILDEE, Mr. DEUTCH, Mr. KENNEDY, and Mr. SCOTT of Virginia.

H.R. 4253: Ms. LOFGREN.  
H.R. 4277: Ms. VELÁZQUEZ.  
H.R. 4290: Mr. RICHMOND and Ms. MOORE.  
H. J. Res. 53: Mr. O'HALLERAN.  
H. Con. Res. 66: Ms. NORTON, Ms. SHEA-POR-  
TER, and Mr. SERRANO.  
H. Res. 129: Mr. MCCAUL.  
H. Res. 307: Mr. ESTES of Kansas.  
H. Res. 393: Mr. CASTRO of Texas, Ms.  
VELÁZQUEZ, and Ms. KELLY of Illinois.

H. Res. 604: Mr. UPTON, Mrs. DINGELL, Mr.  
YOUNG of Iowa, and Mrs. NAPOLITANO.

PETITIONS, ETC.

Under clause 3 of rule XII,

66. The SPEAKER presented a petition of  
the Common Council of Syracuse New York,  
relative to Common Council Resolution No.

34-R 2017, urging Senator CHARLES SCHUMER,  
Senator KIRSTEN GILLIBRAND, and Congress-  
man JOHN KATKO to take the necessary ac-  
tions to ensure that the SALT Deduction re-  
mains a part of the Federal Tax Code; which  
was referred to the Committee on Ways and  
Means.

**NOTICE**

*For conference report and statement, see proceedings of the House of November 9, 2017, published in Book II.*