

raised as this bill moved through the committee process and explain how each has been addressed in the legislation before us today. This explanation is for the benefit of other Members and also for prosecutors and judges who will interpret this act later on.

First, some Members thought that this legislation might inhibit common and acceptable business practices. For example, employees who leave one company to work for another naturally take their general knowledge and experience with them and no one, no one wishes to see them penalized as a result. Similarly, reverse engineering is an entirely legitimate practice.

Our bill was carefully drafted to avoid this problem. The very high intent requirements and the narrow definition of a trade secret make it clear that we are talking about extraordinary theft, not mere competition.

Second, several Members were concerned that people acting in the public interest as whistleblowers would be subject to the penalties in this bill.

Again, we have carefully fine-tuned the language to avoid this problem. There is a specific exemption for people who report information about suspected criminal activity to government authorities. In addition, the intent requirement for domestic economic espionage specifies that the offender intends to confer an economic benefit to someone other than the owner of a trade secret. If the motivation truly is the well-being of the public, the activity is not covered by this intent requirement. In other words, we are talking about thieves, not whistleblowers, and the legislation makes that clear.

I am pleased we were able to advance this better than legislation on a bipartisan basis. I urge my colleagues to support it.

Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. LOFGREN] who represents parts of Silicon Valley and has been an instrumental leader on this issue.

Ms. LOFGREN. Mr. Speaker, as we look ahead to the next century, I think all of us or many of us realize that our prosperity in America is going to be based on knowledge and information. In my county we have added over 50,000 jobs in 1 year's time. We have unemployment of 3.7 percent, and that is fueled by technology, it is fueled by high-skilled jobs and information. If we do not take steps to protect knowledge and information, as this bill does, we will face adverse economic consequences in Silicon Valley and ultimately throughout the United States.

So I commend the ranking member and the chairman for this bill and urge my colleagues to support it.

Mr. SCHUMER. Mr. Speaker, I thank the gentlewoman from California [Ms. LOFGREN] for her remarks and support.

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of the Economic Espionage Act, which passed the House Judiciary Com-

mittee by voice vote. This bill would specifically make it a Federal crime to steal trade secrets from American companies. Currently, the theft of trade secrets has been prosecuted under laws such as wire fraud, mail fraud, and the interstate transportation of stolen property.

Under this bill, if the intent of stealing a trade secret is to benefit a foreign company or foreign government, the individual charged with economic espionage would be subject to a maximum fine of \$10 million and 25 years in prison. If foreign espionage is not involved, the penalty would be punishable by up to \$5 million and 15 years in prison. Additionally, any property derived from the crime would be subject to forfeiture.

This bill is long overdue. We must do everything that we can to enable American businesses to compete on a level playing field with the rest of the world and this bill will help us to achieve this goal.

Mr. BUYER. Mr. Speaker, I congratulate the gentleman from New York [Mr. SCHUMER] on the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. BUYER] that the House suspend the rules and pass the bill, H.R. 3723, as amended.

The question was taken.

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

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

#### PAROLE COMMISSION PHASEOUT ACT OF 1996

Mr. BUYER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1507) to provide for the extension of the Parole Commission to oversee cases of prisoners sentenced under prior law, to reduce the size of the Parole Commission, and for other purposes, as amended.

The Clerk read as follows:

S. 1507

*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 "Parole Commission Phaseout Act of 1996".

##### SEC. 2. EXTENSION OF PAROLE COMMISSION.

(a) IN GENERAL.—For purposes of section 235(b) of the Sentencing Reform Act of 1984 (98 Stat. 2032) as it related to chapter 311 of title 18, United States Code, and the Parole Commission, each reference in such section to "ten years" or "ten-year period" shall be deemed to be a reference to "fifteen years" or "fifteen-year period", respectively.

(b) POWERS AND DUTIES OF PAROLE COMMISSION.—Notwithstanding section 4203 of title 18, United States Code, the United States Parole Commission may perform its functions with any quorum of Commissioners, or Commissioner, as the Commission may prescribe by regulation.

##### (c) REDUCTION IN SIZE.—

(1) Effective December 31, 1999, the total number of Commissioners of the United

States Parole Commission shall not be greater than 2. To the extent necessary to achieve this reduction, the Commissioner or Commissioners least senior in service shall cease to hold office.

(2) Effective December 31, 2001, the United States Parole Commission shall consist only of that Commissioner who is the Chairman of the Commission.

(3) Effective when the Commission consists of only one Commissioner—

(A) that Commissioner (or in the Commissioner's absence, the Attorney General) may delegate to one or more hearing examiners the powers set forth in paragraphs (1) through (4) of section 4203(b) of title 18, United States Code; and

(B) decisions made pursuant to such delegation shall take effect when made, but shall be subject to review and modification by the Commissioner.

##### SEC. 3. REPORTS BY THE ATTORNEY GENERAL.

(a) IN GENERAL.—Beginning in the year 1998, the Attorney General shall report to the Congress not later than May 1 of each year through the year 2002 on the status of the United States Parole Commission. Unless the Attorney General, in such report, certifies that the continuation of the Commission is the most effective and cost-efficient manner for carrying out the Commission's functions, the Attorney General shall include in such report an alternative plan for a transfer of the Commission's functions to another entity.

(b) TRANSFER WITHIN THE DEPARTMENT OF JUSTICE.—

(1) EFFECT OF PLAN.—If the Attorney General includes such a plan in the report, and that plan provides for the transfer of the Commission's functions and powers to another entity within the Department of Justice, such plan shall take effect according to its terms on November 1 of that year in which the report is made, unless Congress by law provides otherwise. In the event such plan takes effect, all laws pertaining to the authority and jurisdiction of the Commission with respect to individual offenders shall remain in effect notwithstanding the expiration of the period specified in section 2 of this Act.

(2) CONDITIONAL REPEAL.—Effective on the date such plan takes effect, paragraphs (3) and (4) of section 235(b) of the Sentencing Reform Act of 1984 (98 Stat. 2032) are repealed.

##### SEC. 4. REPEAL.

Section 235(b)(2) of the Sentencing Reform Act of 1984 (98 Stat. 2032) is repealed.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana [Mr. BUYER] and the gentleman from New York [Mr. SCHUMER] each will control 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. BUYER].

GENERAL LEAVE

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

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

There was no objection.

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

Mr. Speaker, in the Sentencing Reform Act of 1984, Congress abolished parole in the Federal system, and decided to phase out the Parole Commission. In 1990, Congress extended the time line for this phaseout by an additional 5 years, because there were still

several thousand parole-eligible offenders in the Federal system and the Sentencing Reform Act had not made any provisions for the necessary, ongoing functions of the Commission.

The Commission is currently set to expire November 1, 1997, and S. 1507, the Parole Commission Phaseout Act, would extend the Commission for an additional 5 years. If this bill is not enacted, the Commission must soon begin to take steps in preparation for shutting down the agency.

There are several considerations which justify support for S. 1507. At the end of fiscal year 1996, there will still be approximately 6,700 parole-eligible, old law defendants in the Federal system. Constitutional requirements, specifically the ex post facto clause, necessitate the extension of the Commission or the establishment of a similar entity. Otherwise, those remaining old law offenders will file habeas corpus petitions seeking release on the grounds that their right to be considered for parole had been unconstitutionally eliminated.

S. 1507 also includes provisions to guarantee the continued downsizing of the Parole Commission. It directs the Attorney General to report to Congress not later than May 1 of each year on the most cost-efficient and effective method for continuing the Parole Commission's functions.

It also allows the Attorney General to provide an alternative plan for another entity to carry out those functions. If the Attorney General decides there should be a transfer to another division within the Department of Justice, the transfer can take effect automatically on November 1 of that year, unless Congress acts otherwise.

This bill also mandates the reduction in size of the number of commissioners. By the end of 1999, the number of commissioners shall not be greater than two, and by the end of 2001, the only remaining commissioner shall be the chairman.

It is necessary for Congress to pass this legislation this year to end any confusion concerning the ongoing functions of the Commission. Under the current law, the Commission will soon be required to set final release dates for the old law prisoners.

This bill will extend the life of the Parole Commission, which at this point in time is necessary. But this bill will also force the Department of Justice to continue to monitor the number of old law offenders presently in the Federal system and to report to Congress on the progress of the phaseout.

As the number of old law offenders decreases, it will soon be possible for another entity to handle all the Parole Commission's functions. The Parole Commission is supportive of this bill.

Mr. Speaker, on behalf of the gentleman from Florida [Mr. MCCOLLUM], the chairman of the Subcommittee on Crime, I would like to thank the gentleman from New York [Mr. SCHUMER], the ranking member of the Sub-

committee on Crime, for his cooperation in moving this legislation. I urge my colleagues to support the bill.

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

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

Mr. Speaker, I rise in support of the bill, and I agree with the gentleman from Indiana. This bill does deserve passage, both from the point of view of tough law enforcement as well as from the point of view of reinventing government.

As the gentleman mentioned, were we not to take this action, prisoners who have a constitutional right to have their parole status reviewed, would have the ability to file habeas petitions and seriously muck up the works in our Federal courts. That is not a desirable outcome for law enforcement in the United States, and this bill prevents that from happening.

But, Mr. Speaker, it also does allow and really mandates that the Commission downsize and then terminate itself as the need to deal with the old law prisoners decreases and eventually disappears.

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I urge my colleagues to support this bill. I would urge, also, that the Parole Commission explore some of the opportunities that may be available to it to reduce costs even further. As we mentioned in one of the hearings, in California, there are jurisdictions that are using interactive video conferencing to decrease the costs of moving prisoners or moving hearing officers. These are all ideas that can be pursued administratively to further cut costs. I hope that the commission will explore them fully. I am aware of no legislative action to accomplish any of them. I would urge passage of this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Indiana [Mr. BUYER] that the House suspend the rules and pass the Senate bill, S. 1507, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### CARJACKING CORRECTION ACT OF 1996

Mr. BUYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3676) to amend title 18, United States Code, clarify the intent of Congress with respect to the Federal carjacking prohibition, as amended.

The Clerk read as follows:

H.R. 3676

*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 "Carjacking Correction Act of 1996".

#### SEC. 2. CLARIFICATION OF INTENT OF CONGRESS IN FEDERAL CARJACKING PROHIBITION.

Section 2119(2) of title 18, United States Code, is amended by inserting " , including any conduct that, if the conduct occurred in the special maritime and territorial jurisdiction of the United States, would violate section 2241 or 2242 of this title" after (as defined in section 1365 of this title".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana [Mr. BUYER] and the gentleman from Colorado [Mrs. SCHROEDER] will each control 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. BUYER].

GENERAL LEAVE

Mr. BUYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

Mr. Speaker, H.R. 3676, the Carjacking Corrections Act, amends section 2119(2) of title 18, United States Code, to clarify that rape constitutes a serious bodily injury for the purposes of the penalty enhancement provided in the Federal carjacking statute.

Mr. Speaker, few crimes are as vicious as carjackings. It is a tragic reflection of our time that victims of carjackings are actually glad that they only lost their car. It is a sad day when people can say they are happy to have just been abandoned, often at night, far from home, having just had one of their most valuable pieces of property taken from them. But these victims know they could have been raped or killed. Could we ever forget the story of Pamela Basu, who died in a horrible carjacking right here in our Nation's Capital when she was dragged for a mile and a half while trying to rescue her 2-year old daughter who was still in the backseat of the car? Many Americans witnessed that account on our national news. Carjackers are some of society's most ruthless criminals—when we talk about carjackers, we are not just talking about car theft, we are talking about violent predators.

Mr. Speaker, the federal carjacking law, section 2119(2) of title 18, currently allows for an additional 10 years in prison if serious bodily injury results from a carjacking. Serious bodily injury is defined in title 18 as "a substantial risk of death," "extreme physical pain," "protracted and obvious disfigurement," or "protracted loss or impairment of a bodily member, organ or mental faculty." Under this bill serious bodily injury, for purposes of the penalty enhancement under the carjacking statute, will include sexual abuse and aggravated sexual abuse, as already defined in title 18.