

care nurses in the years to come, and I appreciate the Chairman's willingness to work with us to get this in the bill.

Again, this is a very important piece of legislation, Mr. Speaker. It is widely supported by Members of Congress in both chambers, and by the health professions groups who fall under its jurisdiction. I urge all of my colleagues to support its passage.

Mr. BROWN of Ohio. Mr. Speaker, I ask for support of the bill, I have no further requests for time, and I yield back the balance of my time.

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

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the Senate bill, S. 1754, as amended.

The question was taken.

Mr. BROWN of Ohio. 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 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

PERSONAL EXPLANATION

Mr. SKAGGS (during debate on agreeing to the conference report to S. 1260). Mr. Speaker, I wanted for the RECORD to note my slight regret for having been absent from the proceedings of the House yesterday as I attended my dear mother's 80th birthday celebration in Kentucky.

As a result, I missed rollcall votes Nos. 521, on which I would have voted aye had I been present, 522, on which I would have voted no, and 523, on which I would have voted no.

CONFERENCE REPORT ON S. 1260, SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and agree to the conference report on the Senate bill (S. 1260) to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes.

The Clerk read the title of the Senate bill.

(For conference report and statement, see Proceedings of the House of Friday, October 9, 1998, at page H10266.)

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentleman from Michigan (Mr. DINGELL) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

Mr. BLILEY. Mr. Speaker, I yield myself 5 minutes.

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

Mr. BLILEY. Mr. Speaker, I rise in support of the conference report on the Senate bill, S. 1260, Securities Litigation Uniform Standards Act of 1998. This legislation we are considering today will eliminate State court as a venue for meritless securities litigation.

This legislation has broad bipartisan support. We recognize that the trial bar should not make an end run around the work we did in 1995 in overriding the President's veto of litigation reform in State court. This legislation will protect investors from baseless securities class action lawsuits in the capital markets.

The premise of this legislation is simple: lawsuits alleging violations that involve securities that are offered nationally belong in Federal court. This premise is consistent with the national nature of these markets that we recognize in the National Securities Market Improvement Act of 1995.

The legislative history accompanying the legislation makes clear that we are not disturbing the heightened pleading standard established by the 1995 Act.

The economic disruptions around the globe are reflected by the volatility that affects our markets. Stock prices are up one day, down the next. The prices are not falling due to fraudulent statements, which are the purported basis of many strike suits. The fall is due to economic conditions.

If there is intentional fraud, there is nothing in this legislation or in the Reform Act to prevent those cases from proceeding. We do not need to exacerbate market downturns by allowing companies to be dragged into court every time their stock price falls. The 1995 Reform Act remedied that problem for Federal courts, and this legislation will remedy it for State courts.

I would like to thank the gentleman from Ohio (Mr. OXLEY), the chairman of the Subcommittee on Finance and Hazardous Materials, for his hard work and leadership. I thank the gentleman from Michigan (Mr. JOHN DINGELL), the ranking member of the committee, for his constructive participation as we move the bill through committee.

I commend the gentleman from New York (Mr. TOM MANTON), the ranking member of the subcommittee, not only for his work on this legislation, but his valued service on the committee. It has been a pleasure working with him, and he will be missed.

I also commend the gentleman from Washington (Mr. RICK WHITE), the original cosponsor of the legislation, for his tireless efforts and willingness to compromise that has kept this legislation on track to becoming law.

Likewise, the gentlewoman from California (Ms. ANNA ESHOO) has been a leading proponent of this legislation, and has worked to ensure its passage,

and certainly the gentleman from California (Mr. COX), the chairman of the Republican policy committee who has been working on this issue for many years.

Finally, I also commend our colleagues in the other body for their work on this important legislation. Mr. Speaker, I urge my colleagues to join me and support S. 1260.

Mr. Speaker, I ask unanimous consent to include for the RECORD a complete copy of the conference report on S. 1260.

When the conference report was filed in the House, a page from the statement of managers was inadvertently omitted. That page was included in the copy filed in the Senate, reflecting the agreement of the managers. We are considering today the entire report and statement of managers as agreed to by conferees and inserted in the RECORD.

The SPEAKER pro tempore. Since the Chair is aware that the papers filed in the Senate contain that matter as part of the joint statement, its omission from the joint statement filed in the House can be corrected by a unanimous consent request.

Is there objection to the request of the gentleman from Virginia?

There was no objection.

The text of the Conference Report on S. 1260 is as follows:

CONFERENCE REPORT (H. REPT. 105-803)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1260), to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Securities Litigation Uniform Standards Act of 1998".

SEC. 2. FINDINGS.

The Congress finds that—

(1) *the Private Securities Litigation Reform Act of 1995 sought to prevent abuses in private securities fraud lawsuits;*

(2) *since enactment of that legislation, considerable evidence has been presented to Congress that a number of securities class action lawsuits have shifted from Federal to State courts;*

(3) *this shift has prevented that Act from fully achieving its objectives;*

(4) *State securities regulation is of continuing importance, together with Federal regulation of securities, to protect investors and promote strong financial markets; and*

(5) *in order to prevent certain State private securities class action lawsuits alleging fraud from being used to frustrate the objectives of the Private Securities Litigation Reform Act of 1995, it is appropriate to enact national standards for securities class action lawsuits involving nationally traded securities, while preserving the appropriate enforcement powers of State securities regulators and not changing the current treatment of individual lawsuits.*