



*Congress of the United States
House of Representatives
Washington, D. C. 20515*

*Anna E. Eshoo
Fourth District
California*

October 2, 1995

The Honorable Newt Gingrich, Speaker of the House
U.S. House of Representatives
H-233, The Capitol
Washington, D.C. 20515

Dear Mr. Speaker,

As you know, the ninth item in the Contract with America, the Common Sense Legal Reform Act, featured a promise to the American people to enact immediately securities litigation reform.

The Commerce Committee, led by Chairmen Bliley and Fields, has fulfilled the first part of the promise. Both Chairmen conducted numerous hearings over several days, undertook a long and strenuous markup, and managed this legislation on the floor for many hours. The House passed the bill 325 to 99 on March 8, 1995.

On the Senate side, Chairman D'Amato, did his part. Through great effort, the Chairman moved this legislation through both the Senate Banking Committee and the full Senate. The Senate passed their bill 69 to 30 on June 28, 1995.

But the process -- and the promise -- has stalled. I believe now is the time to get this issue moving again and I respectfully urge you to 'jump start' the process by appointing conferees immediately.

There are many difficult issues which need to be hammered out between the House and Senate versions of this legislation. At this point, however, there does not seem to be an attempt to develop any consensus between the two versions. The Conference Committee can develop that consensus.

As you know, California businesses -- especially the high technology industry -- are particularly susceptible to frivolous lawsuits because their stock prices are highly volatile. They cannot afford another year of being targeted by meritless lawsuits and another year of multi-million dollar out-of-court settlements. These companies know that their future

existence is at risk unless the manipulation of the system is stopped. It is not surprising that adopting securities litigation reform this year is their top priority.

Mr. Speaker, you have a demonstrated and deserved reputation for being able to move issues which are of importance to you. Your considerable influence is needed to get this process moving so that relief can be provided. My constituents -- and yours -- deserve no less. They want the House and the Senate to work together to achieve securities litigation reform this year. I urge you to appoint conferees as soon as possible and pledge to work with you in moving this important process along.

Sincerely,

A handwritten signature in black ink, appearing to read 'ana Eshoo', with a large circular flourish above the 'E'.

Anna G. Eshoo
Member of Congress

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cc: The Honorable Thomas Bliley, Chairman, House Committee on Commerce
The Honorable Alfonse D'Amato, Chairman, Senate Committee on Banking, Finance,
and Urban Affairs
The Honorable John Dingell, Ranking Member, House Committee on Commerce
The Honorable Paul Sarbanes, Ranking Member, Senate Committee on Banking,
Finance, and Urban Affairs
The Honorable Jack Fields, Chairman, Subcommittee on Telecommunications and
Finance
The Honorable Phil Gramm, Chairman, Subcommittee on Securities
The Honorable Edward Markey, Ranking Member, Subcommittee on
Telecommunications and Finance
The Honorable Christopher Dodd, Ranking Member, Subcommittee on Securities