

\$1,000 worth of diapers because of the marriage tax penalty. But they will also be having to buy diaper changing tables and cribs and all kinds of other things, such as car seats and so forth. Why? Because they are doing the right thing. Because they are making a lifetime commitment.

Because they are going to become property taxpayers, to send their kids to the schools, they are going to contribute to the United Way and to all the charities and the churches, for that Uncle Sam is penalizing them. Common sense says we need marriage tax relief. It is a good bill. I hope that we can pass it soon.

WHEN AND HOW MARRIAGE TAX PENALTY IS ELIMINATED IS IMPORTANT

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

Mr. MINGE. Mr. Speaker, it appears that the debate of the day is over the marriage tax penalty, and we have had a very attractive picture of a young couple at their wedding and an indication of what it costs that young couple. I do not think there is any real disagreement in this body over the importance of eliminating the marriage tax penalty. The real question is when do we do it and how do we do it.

There have been estimates circulating in Washington that the plan that the Republican leadership will be trotting out this week will cost three times as much as would be necessary to eliminate the marriage tax penalty if it were limited to moderate income taxpayers, such as the couple whose picture we have seen.

Also, there is a great deal of concern as to how we avoid simply being caught up in the enthusiasm of doing something by Valentine's Day. Well, for one thing, we ought to at least be adopting a budget in this body on a timely basis and making sure that our elimination of the marriage tax penalty fits into the budget that we are dealing with.

So, Mr. Speaker, I think that we would do well to admonish ourselves to proceed in a very deliberate fashion, to consider the alternatives, and to make sure that by the time we are done we are proud of our product and we are proud of our process.

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MARRIAGE TAX PENALTY

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

Mr. MORAN of Virginia. Mr. Speaker, the problem is there is no surplus. Even though CBO has projected a \$1.9 trillion surplus over the next 10 years, they made false assumptions in coming up with that surplus.

For example, if we project the current level of appropriations and only

increase by the rate of inflation, not assuming population changes or any attempt to improve quality of life of the American people, then more than a trillion dollars is going to be used up in meeting just the need to increase by inflation. It does not assume that we will sustain any of the tax extenders.

Obviously, we are going to do that. It does not assume that we will fix the alternative minimum tax. If we do not do that by 2009, we are going to have more than 15 million people paying the alternative minimum taxes. It is going to reach down to people with incomes below \$50,000 a year. That has to be fixed.

It is going to cost as much as \$230 billion just to sustain the kind of rational tax cuts that are necessary. We want the marriage penalty fixed but not when half of the people that are benefited are now getting a marriage bonus. Because they get married, they pay less taxes. Half of the money in today's bill that is being marked up would go to those families. That is not of the best use of our resources.

PROVIDING FOR CONSIDERATION OF H.R. 2005, WORKPLACE GOODS JOB GROWTH AND COMPETITIVENESS ACT OF 1999

Ms. PRYCE of Ohio. Mr. Speaker, by the direction of the Committee on Rules, I call up House Resolution 412 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 412

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2005) to establish a statute of repose for durable goods used in a trade or business. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII and except pro forma amendments for the purpose of debate. Each amendment so printed may be offered only by the Member who caused it to be printed or his designee and shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening

business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. BURR of North Carolina). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my friend, the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. All time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 412 is a modified open rule providing for the consideration of H.R. 2005, the Workplace Goods Job Growth and Competitiveness Act. The rule provides for one hour of general debate, equally divided between the chairman and ranking member of the Committee on the Judiciary.

After general debate, the bill will be considered under an open amendment process, during which any Member may offer any germane amendment as long as it is preprinted in the CONGRESSIONAL RECORD.

And the minority will have an additional opportunity to change the bill through the customary motion to recommit, with or without instructions.

So I think it is fair to say that this rule encourages a full debate and accommodates any Member who wants to improve upon the underlying legislation.

Mr. Speaker, this act is a bipartisan bill that creates a uniform statute of repose for durable goods. In layman's terms, that means that 18 years after a product is sold, durable goods manufacturers will have some protection from the liability for injury caused by use of their products.

The thinking behind this legislation is that if a product has been used safely for a substantially long period of time, it is not likely that it was defective when it was originally purchased. If an injury occurs after almost two decades of use during which time the manufacturer had no control over the product, it is more likely that the product was either misused or not well maintained. In such cases, it is unfair to hold the manufacturer liable.

The encouraging news is that, in most cases when manufacturers are sued for injuries caused by old products, the manufacturer wins; but this justice is not won without a price. The costs of defending a case involving an old product are more burdensome because establishing a strong defense

may involve tracking down an employee who has long since retired, indeed may no longer be alive, digging up old records, and recalling events that occurred many, many years ago.

The time and money required to litigate such cases divert resources that could otherwise be spent on developing innovation, increasing production, creating jobs, or providing benefits to employees.

H.R. 2005 strives for a balance by providing remedies for legitimate claims and at the same time protecting manufacturers from the cost of unreasonable and unnecessary litigation.

The bill is narrow in its application of the liability protection it provides. The death and personal injury section of the bill is limited to those eligible for Worker's Compensation.

The bill also takes into account latent injuries, which may not manifest themselves for years, by exempting cases where harm is caused by toxic chemicals. Exemptions are also provided for cars, boats, aircraft, or passenger trains.

Further, if a product is covered by a warranty that exceeds 18 years, the bill allows suits to be filed until the end of the warranty period.

Establishing a national statute of repose for durable goods is not a new idea. Bills containing a national statute of repose have been considered by every Congress for almost 2 decades. And currently 19 States have statutes of repose laws covering a variety of products and ranging from 6 to 15 years.

But durable goods are often sold nationally, which creates a disparity of results for claimants and manufacturers in different States. The provisions of H.R. 2005 would preempt State law, thereby extending the 18-year time limitation for workers and States that have statute of repose laws and creating a uniform law in the 30 States that do not have these laws on the books.

Statute of repose laws are not unique to the United States. European and Japanese manufacturers benefit from statute of repose laws that provide a competitive advantage in the amount of time and resources they save, which then can be used to grow their businesses and market their products.

These are many of the arguments in favor of H.R. 2005. But this legislation does not have its opponents. And while the Committee on Rules did not hear from the Members who have concerns about this bill, the committee recognizes that some disagree with the provisions, which is why the rule allows for a full debate and a limited number of amendments.

So, Mr. Speaker, I would urge all of my colleagues, regardless of their views on H.R. 2005, to support this fair and open rule.

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

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

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, I thank the gentlewoman from Ohio (Ms. PRYCE) for yielding to me the customary 30 minutes.

Mr. Speaker, I am a cosponsor of the underlying bill, the Workplace Goods Job Growth and Competitiveness Act, H.R. 2005. This bill establishes a uniform nationwide 18-year time limit on the civil liability of manufacturers of durable goods, such as machine tools.

Under the measure, civil suits for damages against durable goods manufacturers could be brought only within 18 years after the product enters the stream of commerce. This is a common sense reform proposal that would promote the competitiveness of American manufacturers while simultaneously protecting U.S. workers.

My district in Rochester, New York, is a large manufacturing district. We are the proud birthplace of a number of Fortune 500 companies, such as Eastman Kodak, Xerox Corporation, Bausch & Lomb, and Johnson & Johnson. Indeed, we are the largest per capita exporting city in the United States. This region exports more than all but nine States. We are among the top 10 exporting areas in the entire country.

But the durable goods manufacturing industry is subject to frequent product liability lawsuits targeted against products that are often decades old and have been resold or modified without the original manufacturer's knowledge or control. The potential liability in these products is literally endless.

Wasting money on everyone but the injured parties in these lawsuits is inefficient and does little good. In fact, it hurts American workers, businesses, and consumers. And our foreign competitors do not have the same risks and costs as the United States manufacturers.

The European Union and Japan both have a 10-year statute of repose, so they maintain a distinct cost advantage from pricing products. And implementing the 18-year limit would help to even the playing field.

Moreover, the measure would not harm workers on the ability to be justly compensated in the event of injury. In fact, the measure guarantees the worker would be eligible for Worker's Compensation. The worker could also have a cause of action for negligent maintenance of the machine.

The bill provides a valid solution to a problem facing durable goods manufacturers while ensuring the injured claimants will recourse to benefits in the Worker's Compensation system. It is a modest, targeted bill that deserve Congress' support.

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

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 2 minutes to my distinguished colleague, the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Speaker, I thank the gentlewoman for yielding me the time.

Mr. Speaker, we are going to hear a lot of talk today about the details in this bill. I would like to offer just a few general thoughts.

It is important for us to recognize that this bill will not cause injured parties to go uncompensated. The bill does not apply unless injured parties are covered by Worker's Compensation. This bill does not override more protective, more generous express warranties that these products might have. And this bill is very limited in terms of both the time period and the goods that it covers.

What this bill does do, importantly, is it separates out the least productive portion of the cost, the price, of goods and services in this country, the litigation-driven costs. It separates those out and tries to get a handle on them.

The National Association of Manufacturing Technology says that one-third of respondents say they have been sued in these types of lawsuits, suits against manufacturing equipment; and while it is true that only five percent of these claims actually make it to trial, and of those that actually make it to trial, the vast majority result in favor of the manufacturer, the fact that they have to constantly defend these suits is a litigation-driven cost, it is a litigation tax not borne by these employers but borne by consumers because it raises the cost of all of their products.

And unless we create a national standard, those manufacturers who have to deal with a multitude of States also have to follow a multitude of liability provisions, increasing their costs.

So this is a tax on every good and service. It makes our goods less competitive worldwide. As my colleagues have already heard, the European Union and Japan have a more limited statute of repose. This is a tax, a drag on the economy. It costs us jobs.

I would urge all of my colleagues to support not only this very reasonable rule but also the underlying bill.

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

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I thank the gentlewoman for yielding, and I rise in support of this rule and the legislation it deals with.

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This bill before us today is about helping create American jobs. I represent the town of Vero Beach, Florida, the home of Piper Aircraft. Let me share with my colleagues what has happened to this company and their employees over the past 15 years. In 1988, Piper had about 3,000 employees and produced more than 500 aircraft per year. Just 3 years later, in July of 1991, Piper Aircraft was forced into Chapter 11 bankruptcy and the workforce had declined from 3,000 to 400.

What happened? Why did 2,600 Americans lose their jobs? Yes, 2,600 Americans lost their jobs. They lost their

jobs because of excessive lawsuits. The courts held Piper liable for every aircraft that they had produced since 1937. Piper may not have seen an aircraft since it was sold and left their facility since 1940, yet they were being held liable in courts, even if the plane had been significantly altered or had been poorly maintained for 50 years. This was wrong. Yet it was happening.

Piper could not purchase liability insurance. No one would insure that kind of liability. Piper had to pay for lawsuits and settlements out of their own pocket. This led to their having to file Chapter 11 bankruptcy and the loss of jobs to more than 2,600 Americans.

Around this same time, a French airplane manufacturer made significant gains in providing aircraft to the U.S. market. Aerospatiale gained a significant share of the U.S. market because U.S. manufacturers of small aircraft had been forced into bankruptcy. Our liability laws had resulted in the destruction of jobs here in the U.S. and the creation of jobs in France. I believe our business in Congress should be to create U.S. jobs, not jobs for foreign competitors.

In 1994, the Congress passed legislation limiting liability to 18 years for aircraft produced in the United States. What has this done for Piper Aircraft? These liability limitations have resulted in the creation of over 1,000 jobs in Vero Beach, Florida. Today, 5 years after Congress passed that liability limitation, Piper now employs 1,500 people; and I believe they will continue to grow in the years ahead. This year, Piper will again produce 500 aircraft, four times what they had produced 5 years ago.

Liability reform creates jobs. Do we want to create more jobs here in America by establishing reasonable liability limits? H.R. 2005 will do this for the rest of American industries like the reforms that were passed in 1994 and have worked so well. If Members want to create more jobs here in the United States, support this rule and support the underlying bill.

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

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

In closing, I would just repeat that this is a modified open rule which only limits amendments through a preprinting requirement that the gentleman from California (Mr. DREIER) announced last Thursday. All of the Members who wish to participate in debate or offer thoughtful amendments may do so under this process. I urge support for this fair rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert extraneous material into the RECORD on H.R. 2005, the legislation under consideration.

The SPEAKER pro tempore (Mr. BURR of North Carolina). Is there objection to the request of the gentleman from Ohio?

There was no objection.

WORKPLACE GOODS JOB GROWTH AND COMPETITIVENESS ACT OF 1999

The SPEAKER pro tempore. Pursuant to House Resolution 412 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2005.

The Chair designates the gentleman from Ohio (Mr. LATOURETTE) as Chairman of the Committee of the Whole, and requests the gentleman from New York (Mr. QUINN) to assume the chair temporarily.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2005) to establish a statute of repose for durable goods used in a trade or business, with Mr. QUINN, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. CHABOT) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Chairman, I yield myself such time as I may consume.

I would first like to thank the bipartisan cosponsors of this bill, the gentleman (Ms. KAPTUR), a Democrat; the gentleman from Illinois (Mr. SHIMKUS), a Republican; and the gentleman from New York (Ms. SLAUGHTER), another Democrat, for their strong support of this bill.

Our bill, the Workplace Goods Job Growth and Competitiveness Act of 1999 is a straightforward, commonsense product liability reform measure that limits frivolous lawsuits while ensuring that no injured party ever goes uncompensated. This modest proposal is critically needed to encourage economic growth, maintain the competitiveness of American durable good manufacturers and keep U.S. manufacturing jobs from moving overseas.

I hope that today we can engage in an honest and principled debate over this very important issue. However, I should warn my colleagues that oppo-

nents of this bill may, and I want to emphasize may, try to cloud the debate with anecdotes that do not hold up under closer scrutiny.

In the Committee on the Judiciary, for example, we heard opponents allude to various cases to make their points, but they did not tell us all the facts. In one case, they did not tell us that as the technology improved, the company developed a new safety device and began to retrofit their products. They did not tell us that the company sent out 13 notices to past purchasers to inform them of the new safety technology. They did not tell us that the printing press in question was 20 years old or had been resold five times and that the current owner, a leasing company, did not make the safety repairs. They did not tell us that the company leasing the machine deliberately altered the press and removed other safety guards. And they certainly did not mention that the employee who was injured was injured when he deliberately and inexplicably reached into the moving printing press.

So I ask that Members consider this bill on its merits and not be swayed by unreliable stories from those who continue to support frivolous lawsuits, lawsuits that are devastating to small business owners, devastating to their employees, and ultimately very expensive to consumers and to taxpayers.

Our bipartisan bill would help remedy this problem by recognizing that after a reasonable length of time, 18 years, manufacturers should not bear the burden of capricious litigation over products that have functioned safely for many, many years. It is essentially a statute of limitations past which a company cannot be sued for an injury caused by an overage product.

However, unlike a statute of limitations, a statute of repose measures the time available to file a claim for personal or property injuries from the date of the initial sale of the capital equipment. This limitation would not apply in any case where the injured party is not eligible to receive workers' compensation, ensuring that all employees retain the ability to seek compensation. I want to emphasize that, that if workers' comp does not cover the employee, this statute has absolutely no effect at all, so we are not jeopardizing anybody's right to recover here.

This is a reasonable proposal, based in part on the General Aviation Revitalization Act of 1994 which created a similar 18-year statute of repose for the general aviation industry. The General Aviation Revitalization Act overwhelmingly passed Congress and was signed by the President. It is now the law of the land. It is also important to note that 19 States have already enacted some form of a statute of repose, all of them shorter than 18 years. Our bill will create a uniform standard that will discourage forum shopping by creative trial lawyers.

Mr. Chairman, even though manufacturers of durable goods are targeted as