fat consumption is no longer good for the American consumer, even though as free citizens they ought to have a right to choose.

''That sounds silly, Senator CRAIG. You ought not be saying things like that.''

When I watched the trial lawyers organize and convince the attorneys general that going after the tobacco companies was good because the tobacco companies had fallen out of favor and it was a politically correct thing to do, I said, ''And next will be firearms.'' There were some who chuckled. Of course, guess what. Next were the firearm manufacturers. That is what is going on out there today. Municipalities that do not enforce the law but, most important, municipalities that arrest people who illegally use firearms do not have a Justice Department that backs them up.

The Clinton administration ran from enforcement for 7 years. Of course, just this year they got a new religion out there because they have seen the polls and they have seen what the American people have said: Enforce the laws, Mr. President.

I wonder how my friends across the aisle would react if I proposed a similar amendment making bankruptcy relief unavailable to former Presidents of the United States? ''That would be foolish, LARRY. You should not do something such as that.''

That spells the intent of this amendment. I think the Senator from Iowa was a little kinder than I am, suggesting maybe there was an ulterior motive and it was probably more political than it was legally substantive. I think he is right.

It is also unfair because it would have the effect of putting the interests of some creditors ahead of others. The lawsuits we are talking about are not claims for real injuries resulting from somebody's bad acts. Instead, they are treasure hunts. We saw the hundreds of millions of dollars the trial attorneys made, and now States are getting, from the settlements from the tobacco industry. The treasure hunt resulted; the treasures were found. They are looking for multimillion-dollar verdicts or settlements to go to the trial lawyers and municipal governments they represent.

If there are legitimate creditors out there in a bankruptcy settlement, they are no longer protected because we have taken those companies out and they simply fall away. The effect of the Levin amendment would be that lawyers and government bureaucrats get paid first. Remember that: Lawyers and government bureaucrats get paid first. If there is anything left in this kind of bankruptcy of these multimillion-dollar verdicts, then and only then will a creditor get a dime.

The Levin amendment would also hurt the very people it claims to help because it would make it unlikely that more than a fraction of the judgments, if that much, would ever get paid off. This is because it would prevent more companies from taking a reorganization bankruptcy. Instead, it would simply, in all reality, force them into liquidation, where the creditors get nothing. Is that the intent of the Levin amendment? My guess is, if it is not the intent, it clearly is the result.

What is the practical effect of all of this? It means instead of a company continuing to exist, a company being allowed to stay in business, to reorganize, to keep its employees intact, they close their doors, they lay off their employees, and their creditors go wanting. Not only are the creditors not going to be there to get the benefit of it, the jobs are lost.

It means there will be no business-generating income to continue to pay the debts it created. Whatever you can squeeze out of a business today is all you are going to get. That is the result of this amendment. Maybe that is the intent of the amendment. If it is, why don't we be honest with ourselves? This amendment is not substantively charged, it is politically charged. I think all of us understand that. My guess is that is how the vote breaks out on an issue such as this. In short, the amendment turns bankruptcy policy on its head.

It is designed to destroy legitimate and law-abiding businesses. It injures consumers, and it destroys jobs. The Levin amendment is clear and simply bad policy for this country, and I hope the Senate will choose to defeat it. We should not mix that kind of politics with this kind of constructive policy change that these Senators have worked to bring to the floor. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Michigan.

Mr. LEVIN. I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. I thank the Chair, and I thank my colleague from Michigan for yielding time and for his leadership on this outstanding amendment.

Before I speak to the substance of the amendment, whenever we talk about gun issues, it seems some who are opposed say that is making it political. I do not quite get that. People on this side have as firmly held beliefs as the people on the other side. Most Americans seem to support what we are for, and if that is political, so be it. That is democracy.

Mr. HATCH. Will the Senator yield?

Mr. SCHUMER. I will be happy to yield.

Mr. HATCH. I ask the Senator, since he is just starting his remarks, if he will yield to the distinguished Senator from Alaska who has a very short statement.

Mr. SCHUMER. I will be happy to yield as long as the rest of my time is reserved.

Mr. HATCH. We will go right back to the Senator from New York. I thank my colleague for his courtesy.

The PRESIDING OFFICER. The Senator from Alaska.

ALASKA AIRLINES FLIGHT 261

Mr. STEVENS. Mr. President, I am here because I am deeply saddened to report to the Senate a very serious loss, as far as the country is concerned and a real sad loss for myself personally. I was saddened last night when my wife and I received a call about the loss of Alaska Airlines Flight 261 on a flight from Puerto Vallarta, Mexico, to San Francisco.

Eighty-eight people were on board that plane, many of them apparently employees or relatives or friends of employees of that airline. While the search continues, we have been told now that no survivors have been found. My thoughts and prayers and I hope all of our thoughts and prayers are with the families of these people who have perished.

Among those on the plane were at least five Alaskans. We think there were more. One was one of my very close and dear friends, Morris Thompson—we called him Morrie—his wife Thelma and their daughter Cheryl.

Morrie Thompson has been a respected leader of the Native community of our State and a businessman. Just last fall, he retired as the chief executive officer of Doyon Limited, which is one of 12 regional corporations for our Alaska Native people. Because of Senate business, I was unable to attend that retirement dinner in Fairbanks, but my granddaughter Sara went as my representative.

Morrie had a tremendous background. He was not only a great leader for the Native people of Alaska, but he was a leader in his own right nationally. He was a member of the University of Alaska's Board of Regents. He served as president of the Alaska Federation of Natives. During the Nixon administration, he was the Commissioner of the Bureau of Indian Affairs for our Nation in Washington, DC, and a special assistant to the Secretary of the Interior for Indian Affairs in the Department of the Interior. He was president of the Fairbanks Chamber of Commerce and in 1997 was named Business Leader of the Year by the University of Alaska.

He is going to be remembered for his work on the Alaska Native Claims Settlement Act, landmark legislation in 1971, which was a tremendous economic boost for our Native people. His greatest legacy will be among the young people of our State who have benefited from Morris Thompson's fellowship program and the Doyon Foundation, which he created to subsidize tuition for Native students in Alaska.

My heart goes out to the Thompsons' surviving daughters, Nicole and Allison, and to all the members of their family. Morrie has not just been a political friend or a business friend. We have joined one another in each other's homes for dinner and raised our children together in a way.

There are many families, I am sure, mourning over this terrible tragedy. Also on that plane was the son of a former State legislator, Margaret Branson. Her son Malcolm and his fiancee Janice Stokes, both of Ketchikan, were returning from a vacation in Mexico.

I have this report for the Senate. I have been in touch with Jim Hall of the National Transportation Safety Board and the Secretary of Transportation, Secretary Slater. It is my intention to go to California on Thursday to meet with NTSB officials in Oxnard and the Coast Guard officials in Port Hueneme, CA, concerning the crash.

I say to the Senate that Alaska Airlines has an exemplary safety record. In my State, their pilots and planes fly in the most challenging terrain and weather of our whole Nation, if not the world. This is a great tragedy for that small airline and for our State.

My thoughts are with those people who are involved in trying to make certain the airline continues and their personal families of that airline who are affected by this tragedy are cared for as well as the relatives of people who have lost their lives.

I thank my colleagues very much for their courtesy in allowing me to make this report to the Senate.

The PRESIDING OFFICER. Under the previous agreement, the Senator from New York is recognized.

Mr. SCHUMER. Mr. President, I thank the Senator from Alaska for his remarks and say to him that—and I am sure I speak for all the people of my State—we share the grief of the families who have lost loved ones and all those who have been affected by this terrible tragedy. To hear of an outstanding citizen and his wife and daughter losing their lives on that flight reminds us all that there but for the grace of God go each of us.

BANKRUPTCY REFORM ACT OF 1999—Continued

Mr. SCHUMER. Mr. President, before I get into the substance of my remarks, every time some of us on this floor bring up gun issues—not to eliminate them, but to make sure those who should not have them do not get them—we hear from those who are opposed to us that we are being political.

I do not understand that remark other than it being a defensive remark. First, I believe my views as strongly, say, as the Senator from Idaho believes his. I do not think I am being any more or any less political than he is by defending that viewpoint. That is what the Senate is all about.

Second, if one wants to argue about politics, a vast majority of Americans support the position I support. That is what democracy is all about, and politics is a good thing if you are representing people's views and trying to do good for your country, your State, and your communities. So I do not quite get the political nature of the comment.

Third, we are not saying that all gun manufacturers are subject to suit or subject to successful suit. I heard the Senator from Idaho mention Wal-Mart. This is not a suit aimed at Wal-Mart. This is a suit aimed at dealers, often a handful of dealers, who are reckless, or worse, in the way they distribute guns.

About 6 months ago, my office issued a report which showed that 1 percent of the dealers issued close to 50 percent of the guns traceable in crimes. These were not the 1 percent who had the greatest volume. These were obviously the 1 percent who, for some reason, were not living up to their responsibilities under the Brady law, which is the law of the land. That kind of fact is what brought these suits about.

The suit, for instance, brought forward by the City of Chicago claims that some manufacturers and some dealers are completely reckless in how they distribute guns. If each dealer were careful, if each dealer and manufacturer did what the law says, the number of people killed with guns by criminals and the number of children who get guns would decline. These lawsuits are a very legitimate part of American life.

I wish we didn't need lawsuits, but since this Senate has stymied every single measure to bring rationality to our laws about guns, not to take people's guns away, as some of the opponents argue in terms of setting up a straw man, but to say that the same responsibilities that someone who drives a car or practices free speech has, because none of those rights is absolute, should be visited upon gun manufacturers, gun dealers and, yes, gun owners. If this Chamber had moved forward in accordance with the will of the American people, we wouldn't have these lawsuits. But that is not the case. One can speculate as to why.

We have a Senate totally deadlocked, a Congress unable to even pass something as minute as closing the gun show loophole. So we have these suits. They are legitimate lawsuits. They are tried by a jury in accordance with American law.

Mr. President, I ask the Senator from Michigan to yield me 3 additional minutes.

Mr. LEVIN. I yield my friend from New York 3 additional minutes.

The PRESIDING OFFICER. We have approached the time for the recess.

Mr. SCHUMER. I thank the Chair for his courtesy.

It is not the major gun dealers who are seeking the shield of bankruptcy; it is the companies, sometimes small, often nasty, that have sought this. Look at the so-called ring of fire, gun manufacturers around the city of Los Angeles that manufacture cheap handguns, who know darn well that those handguns are often ending up in the hands of young people who shouldn't have them. They are the people against whom the Senator from Michigan so wisely is seeking to allow the court process to continue. It would be the height of special interest folly if we allowed dealers to escape the punishment meted out by a civil court through a bankruptcy loophole that was never intended to allow people to evade justice.

This amendment is about justice, pure and simple. It doesn't preordain what the courts will decide, but it clearly states that if the court should decide a gun manufacturer or a gun dealer was reckless, was negligent, then they can be held accountable. If we don't pass it, it is another in a long line of sops to the gun lobby in which this Chamber has unfortunately participated over the last several years. I hope this body has the courage to stand tall and pass an amendment that we all know is right.

I thank the Chair for his courtesy.

Mr. LIEBERMAN. Mr. President, I rise to express my opposition to Senator LEVIN's amendment, which would deny bankruptcy protection to gun companies, and to explain the reasons for my position. I intend to vote against Senator LEVIN's amendment despite the fact that I have consistently supported gun control legislation.

I know my colleague's intentions are good, but this amendment is not the right way to address the serious problem of gun violence in our nation. It would establish a dangerous new precedent in our Bankruptcy Code, and it would unfairly discriminate against an entire category of companies, regardless of whether a given company is behaving responsibly. In Connecticut, for example, Colt's Manufacturing, which has been at the forefront of developing new technologies to make guns safer, teeters at the edge of bankruptcy because it has been caught up in the tide of lawsuits against gun companies. Would it be fair to deny Colt the normal protections afforded to any company trying to reorganize? My colleague from Michigan refers to the irresponsible practices of a few gun companies, but his amendment could cripple reputable companies such as Colt's.

Senator LEVIN seeks to amend the Bankruptcy Code so that firearm manufacturers filing for reorganization would not be entitled to the ordinary protections from product liability lawsuits. He argues that a loophole in the bankruptcy system allows gun companies to stay lawsuits and discharge their debts. In fact, the stay of lawsuits and discharge of debts to which Senator LEVIN refers is no loophole, but is essential to the proper operation of Chapter 11 of the Bankruptcy Code. On more than one occasion, otherwise healthy companies have been hit with huge numbers of product liability cases simultaneously, and had to file for protection under Chapter 11. One recent example is Dow Corning, which filed for reorganization in response to the thousands of lawsuits over silicone breast implants, and which is now paying out claims in an orderly and expeditious process. If the lawsuits are not stayed by the bankruptcy court, then