

extended to mortgage originators and those loans that are current at the time they are acquired by a new servicer. This legislation simply recognizes that the relationship between a mortgage servicer and a customer more closely resembles the relationship between a mortgage originator and a consumer than the relationship between a consumer and a third-party debt collector.

So, Mr. Speaker, I urge all of my colleagues to stand up for consumers and help to increase the efficiency of the mortgage servicing industry by supporting this commonsense and bipartisan legislation.

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

The SPEAKER pro tempore (Mr. UPTON). The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and pass the bill, H.R. 163, as amended.

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

A motion to reconsider was laid on the table.

TRUTH IN LENDING INFLATION ADJUSTMENT ACT

Mr. BACHUS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5507) to amend the Truth in Lending Act to adjust the exempt transactions amount for inflation.

The Clerk read as follows:

H.R. 5507

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 "Truth in Lending Inflation Adjustment Act".

SEC. 2. AMOUNTS OF EXEMPT TRANSACTIONS ADJUSTED FOR INFLATION.

(a) CREDIT TRANSACTIONS OTHER THAN MORTGAGES.—Section 104(3) of the Truth in Lending Act (15 U.S.C. 1603(4)) is amended by striking "\$25,000" and inserting "\$75,000".

(b) CONSUMER LEASES.—Section 181(1) of the Truth in Lending Act (15 U.S.C. 1667(1)) is amended by striking "\$25,000" and inserting "\$75,000".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alabama (Mr. BACHUS) and the gentleman from Texas (Mr. BENTSEN) each will control 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. BACHUS).

GENERAL LEAVE

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material into the RECORD on this legislation.

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

There was no objection.

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

I rise in strong support of H.R. 5507, the Truth in Lending Inflation Adjustment Act. This bill makes a very modest change in the Truth in Lending Act.

This legislation adjusts for inflation the dollar threshold for transactions that are exempt from the Truth in Lending Act. The Truth in Lending Act offers great protection to consumers and, under the current law, merchants need not comply with the Truth in Lending Act for credit and leasing transactions when the amount financed exceeds \$25,000. Congress set this dollar amount at \$25,000 in 1968, and in the last 34 years inflation has eroded the effectiveness of the Truth in Lending Act. This bill corrects that problem and ensures that the Truth in Lending Act will once again apply to most consumer credit and leasing transactions by raising that to \$75,000.

This bill will not result in significant new costs to financial institutions and merchants because most financial institutions and merchants voluntarily comply with the requirements of the Truth in Lending Act even for transactions above the current threshold of \$25,000.

Let me commend the gentleman from New York (Mr. LAFALCE), Member of the other party, for his sponsorship of this legislation.

I do want to again commend, as with the previous legislation, these two consumer protection items or pieces of legislation had broad bipartisan support, once again, just a demonstration of what this Congress can do when it puts aside its differences and works together in a bipartisan way.

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

□ 1145

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

Mr. Speaker, let me say at the outset that I am standing in for the gentleman from New York (Mr. LAFALCE), who is traveling in his district and could not get back here in time this morning for this bill. I have a statement that I will put into the RECORD that actually is a statement he would have made had he been here at this time.

Mr. Speaker, I rise in support of H.R. 5507, a bill to update and enhance an important consumer protection. In 1968, Congress enacted the Truth in Lending Act to ensure that consumers receive accurate and meaningful disclosure of the cost of consumer credit. Such disclosures enable American consumers to compare credit terms and make informed credit decisions.

Prior to 1968, consumers had no easy way to determine the true cost of their credit transactions, nor did they have a basis for comparing the various creditors in the marketplace. TILA addressed this problem by providing a standardized finance cost calculation, the annual percentage rate, or APR, and by requiring creditors to provide

clear and accurate disclosures of all credit terms and costs. Over the past 30 years, however, key statutory protections and remedies stated in 1968 dollars have not been updated to reflect inflation and to provide comparable protections in today's dollars.

The bill we are considering today, H.R. 5507, though modest in scope, provides the first update of an important section of TILA in 34 years. This is clearly an overdue change in the law.

TILA protections apply to all credit transactions secured by home equity and other non-business consumer loans or leases under \$25,000. In 1968, this \$25,000 limit on unsecured credit and lease transactions was considered more than adequate to ensure that most automobile, credit card, and personal loan transactions would be covered.

This is clearly not the case today. It is now quite common for many non-mortgage credit transactions to exceed \$25,000. H.R. 5507 ensures that TILA protections will continue to apply to most consumer credit and lease transactions by raising the statutory exemption from \$25,000 to \$75,000. By doing so, we are providing updated protections to consumers that will ensure that a broad range of transactions are covered by TILA.

Though I welcome the overdue change provided for in H.R. 5507, I would have preferred that the agreement we reached with my Republican colleagues on the Committee on Financial Services to schedule this bill would have also included other provisions from the broader TILA modernization bill, H.R. 1054, introduced by our colleague, the gentleman from New York (Mr. LAFALCE), the ranking member of the committee.

This comprehensive bill, which he introduced at the outset of the 107th Congress and is known as the Truth in Lending Modernization Act of 2001, amends TILA to restore important consumer protections that have been weakened by inflation. It also ensures that consumers benefit from advances in accounting technology and strengthens TILA's civil liability and rescission remedies.

But I am, nonetheless, very pleased that we were able to agree on bringing up H.R. 5507 to the House today, along with H.R. 163, a bill to amend the Fair Debt Collection Practices Act, and H.R. 4005, to make the District of Columbia and the U.S. Territories part of the ongoing commemorative quarters program.

Mr. Speaker, I urge support for this long overdue legislation.

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

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

Mr. Speaker, simply let me close by sort of reminiscing. If you think back to 1968, 1968 you could actually buy a two-bedroom home in the community I was raised in, a modest home, but you could buy a two-bedroom home in that community, for \$25,000. Today, you

would be hard placed to buy that for \$50,000 or even \$75,000.

So this act that we do pass today and hopefully the Senate will take up and pass will extend those protections, which many lenders are presently voluntarily complying with. But the ones that are not are the ones we worry about.

I want to commend, again, the gentleman from New York (Mr. LAFALCE) and the gentleman from Texas (Mr. BENTSEN). The gentleman from Ohio (Chairman OXLEY), chairman of the Committee on Financial Services, and I both support this legislation. It is part of a package of three bills that will move through the House today: this bill; the Mortgage Servicing Clarification Act, which the gentleman from California (Mr. ROYCE) sponsored and we have just disposed of; and H.R. 4005, the District of Columbia and United States Territories Circulation Quarter Dollar Program Act, which will extend that program to the District of Columbia and the Territories.

On behalf of the gentleman from Ohio (Mr. OXLEY) and myself, I urge my colleagues to support all three of these bills.

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

The SPEAKER pro tempore (Mr. UPTON). The question is on the motion offered by the gentleman from Alabama (Mr. BACHUS) that the House suspend the rules and pass the bill, H.R. 5507.

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

A motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 50 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1305

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. ADERHOLT) at 1 o'clock and 5 minutes p.m.

REAFFIRMING REFERENCE TO ONE NATION UNDER GOD IN PLEDGE OF ALLEGIANCE

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass Senate bill (S. 2690) to reaffirm the reference to one Nation under God in the Pledge of Allegiance, as amended.

The Clerk read as follows:

S. 2690

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds the following:

(1) On November 11, 1620, prior to embarking for the shores of America, the Pilgrims signed the *Mayflower Compact* that declared: "Having undertaken, for the Glory of God and the advancement of the Christian Faith and honor of our King and country, a voyage to plant the first colony in the northern parts of Virginia".

(2) On July 4, 1776, America's Founding Fathers, after appealing to the "Laws of Nature, and of Nature's God" to justify their separation from Great Britain, then declared: "We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness".

(3) In 1781, Thomas Jefferson, the author of the *Declaration of Independence* and later the Nation's third President, in his work titled "Notes on the State of Virginia" wrote: "God who gave us life gave us liberty. And can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are of the Gift of God. That they are not to be violated but with His wrath? Indeed, I tremble for my country when I reflect that God is just; that his justice cannot sleep forever".

(4) On May 14, 1787, George Washington, as President of the Constitutional Convention, rose to admonish and exhort the delegates and declared: "If to please the people we offer what we ourselves disapprove, how can we afterward defend our work? Let us raise a standard to which the wise and the honest can repair; the event is in the hand of God!".

(5) On July 21, 1789, on the same day that it approved the *Establishment Clause* concerning religion, the First Congress of the United States also passed the *Northwest Ordinance*, providing for a territorial government for lands northwest of the Ohio River, which declared: "Religion, morality, and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged".

(6) On September 25, 1789, the First Congress unanimously approved a resolution calling on President George Washington to proclaim a National Day of Thanksgiving for the people of the United States by declaring, "a day of public thanksgiving and prayer, to be observed by acknowledging, with grateful hearts, the many signal favors of Almighty God, especially by affording them an opportunity peaceably to establish a constitution of government for their safety and happiness".

(7) On November 19, 1863, President Abraham Lincoln delivered his *Gettysburg Address* on the site of the battle and declared: "It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain—that this Nation, under God, shall have a new birth of freedom—and that Government of the people, by the people, for the people, shall not perish from the earth".

(8) On April 28, 1952, in the decision of the Supreme Court of the United States in *Zorach v. Clauson*, 343 U.S. 306 (1952), in which school children were allowed to be excused from public schools for religious observances and education, Justice William O. Douglas, in writing for the Court stated: "The First Amendment, however, does not say that in every and all respects there shall be a separation of Church and State. Rather, it studiously defines the manner, the specific ways, in which there shall be no concern or union or dependency one on the other. That is the common sense of the matter. Otherwise the State and religion would be aliens to each other—hostile, suspicious, and even unfriendly. Churches could not be required to pay even property taxes. Municipalities would not

be permitted to render police or fire protection to religious groups. Policemen who helped parishioners into their places of worship would violate the Constitution. Prayers in our legislative halls; the appeals to the Almighty in the messages of the Chief Executive; the proclamations making Thanksgiving Day a holiday; 'so help me God' in our courtroom oaths—these and all other references to the Almighty that run through our laws, our public rituals, our ceremonies would be flouting the First Amendment. A fastidious atheist or agnostic could even object to the supplication with which the Court opens each session: 'God save the United States and this Honorable Court'".

(9) On June 15, 1954, Congress passed and President Eisenhower signed into law a statute that was clearly consistent with the text and intent of the Constitution of the United States, that amended the *Pledge of Allegiance* to read: "I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all".

(10) On July 20, 1956, Congress proclaimed that the national motto of the United States is "In God We Trust", and that motto is inscribed above the main door of the Senate, behind the Chair of the Speaker of the House of Representatives, and on the currency of the United States.

(11) On June 17, 1963, in the decision of the Supreme Court of the United States in *Abington School District v. Schempp*, 374 U.S. 203 (1963), in which compulsory school prayer was held unconstitutional, Justices Goldberg and Harlan, concurring in the decision, stated: "But untutored devotion to the concept of neutrality can lead to invocation or approval of results which partake not simply of that noninterference and noninvolvement with the religious which the Constitution commands, but of a brooding and pervasive devotion to the secular and a passive, or even active, hostility to the religious. Such results are not only not compelled by the Constitution, but, it seems to me, are prohibited by it. Neither government nor this Court can or should ignore the significance of the fact that a vast portion of our people believe in and worship God and that many of our legal, political, and personal values derive historically from religious teachings. Government must inevitably take cognizance of the existence of religion and, indeed, under certain circumstances the First Amendment may require that it do so".

(12) On March 5, 1984, in the decision of the Supreme Court of the United States in *Lynch v. Donnelly*, 465 U.S. 668 (1984), in which a city government's display of a nativity scene was held to be constitutional, Chief Justice Burger, writing for the Court, stated: "There is an unbroken history of official acknowledgment by all three branches of government of the role of religion in American life from at least 1789 . . . [E]xamples of reference to our religious heritage are found in the statutorily prescribed national motto 'In God We Trust' (36 U.S.C. 186), which Congress and the President mandated for our currency, see (31 U.S.C. 5112(d)(1) (1982 ed.)), and in the language 'One Nation under God', as part of the *Pledge of Allegiance* to the American flag. That pledge is recited by many thousands of public school children—and adults—every year . . . Art galleries supported by public revenues display religious paintings of the 15th and 16th centuries, predominantly inspired by one religious faith. The National Gallery in Washington, maintained with Government support, for example, has long exhibited masterpieces with religious messages, notably the *Last Supper*, and paintings depicting the Birth of Christ, the Crucifixion, and the Resurrection, among many others with explicit Christian themes and messages. The very chamber in which oral arguments on this case were heard is decorated with a notable and permanent—not seasonal—symbol of religion: Moses with the Ten Commandments.