OXLEY), chairman, and the gentleman from Louisiana (Mr. BAKER), chairman of the subcommittee, who have worked long and hard on this. I urge all Members of this conference, let us get on with strengthening our country, recovering from the attack of September 11 and doing everything we can do to prepare for other attacks, hoping they will not occur, but we have to act in self-defense.

Mr. SESSIONS. Mr. Speaker, I inquire about the time remaining.

The SPEAKER pro tempore (Mr. DAN MILLER of Florida). The gentleman from Texas (Mr. SESSIONS) has 10½ minutes remaining. The gentleman from Massachusetts (Mr. MCGOVERN) has 27½ minutes.

Mr. SESSIONS. Mr. Speaker, I yield such time as he may consume to my friend, the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of Committee on the Judiciary.

Mr. SENSENBRENNER. Mr. Speaker, I rise in support of this rule, it is the standard rule for conference reports, but also in opposition to the conference report itself because it fails to include critical liability protections for victims of terrorism, which are particularly important because the conference report creates a Federal indemnification program that puts the American taxpayer on the hook for damages caused by terrorists.

It is important to note what the trial lawyers did first to mark the first anniversary of the terrorist attacks on September 11. They are suing American companies that were victims of terrorist attacks themselves. According to the Washington Post: ''Things really are returning to normal a year after the terrorist attacks. Trial lawyers—surprise!—are headed back to the courthouse, [and] there is a rush by lawyers to sue airport operators, airlines, security companies, the builders of the World Trade Center and others.''

Let us face the facts. Terrorist-inspired litigation is not a garden variety tort case. A banana peel is an accident waiting to happen, but a terrorist is a suicidal fanatic bent upon killing individuals, innocent people, and causing mass destruction of property. Even the most diligent property owners cannot always guard against such attacks.

To protect innocent Americans, the provisions in the terrorism insurance legislation the House passed a year ago provided that, in a lawsuit for damages arising out of a terrorist attack, no punitive damages would be allowed against victims of terrorism. The bill before us today fails to include that basic protection; and, in doing so, it fails to ensure that Americans do not become the victims of terrorists twice: first during the initial wave of death and destruction caused by the terrorists and second by the legal aftershocks caused by the unquantifiable and unpredictable damage claims brought by the plaintiffs' bar.

While the bill before us today excludes punitive damages awarded in court from insured losses paid by the United States taxpayer, the mere allegation of punitive damages always boosts the settlement value of the cases, and this bill leaves U.S. taxpayers paying the inflated costs of those cases settled out of court. So what the gentleman from Alabama (Mr. BACHUS), my friend, said, he is right, we taxpayers do not pay punitive damages, but knowing that there is a punitive damage award hovering over there means that the settlement value which is paid by the taxpayers ends up costing the taxpayers' money. So it requires the American taxpayers to engage in an egregious form of national self-flagellation. American taxpayers are punished for the evil acts of foreign enemies.

Even the Washington Post's editorial page has stated: ''On insurance, the Democrats are objecting to Republican proposals to ban punitive damages in the event of terrorist attacks, which seems a reasonable proposal. The Democratic position on terrorism insurance smacks of the trial bar, which never saw a disaster that didn't justify a lawsuit.''

And just a few weeks ago, the Washington Post stated that ''the Democrats should indeed be embarrassed'' by their efforts to defend lawyers at the expense of the American economy.

It is no surprise to me that all Democratic conferees signed this conference report.

The terrorism insurance bill the House passed last year also provided the defendants could only be liable for the amount of damages for pain and suffering in direct proportion to the defendant's percentage of responsibility for harm. That provision allows Americans who are victims of terrorists to rely, at the very least, on their own innocence to protect them from liability. My colleagues may remember that in the No Child Left Behind Act, which overwhelmingly passed both the House and the Senate, the very same rule was applied to protect teachers. If that provision is good enough for teachers, it should be good enough for victims of terrorism.

The bill that the House passed last year also provided that fees for attorneys suing victims of terrorism could not be greater than 20 percent of the damages awarded or any amount of the settlement received. That provision is simply a continuation of the longstanding Federal policy behind the Federal Tort Claims Act, namely that lawyers should not profit excessively when they are paid from the United States Treasury.

Especially today, in a time of war, excessive lawyer fees drawn from the U.S. Treasury should not be allowed to result in egregious war profiteering at the expense of victims, jobs, and businesses; and this bill, unfortunately, will allow this one segment of our society to legally, with the blessing of the United States Congress, engage in war profiteering.

This conference report does not include these protections for the victims of terrorism that were in the bill the House passed a year ago. It gives the plaintiffs' bar the keys to the United States Treasury, and it gives lawyers a license to further prey on the victims of terrorism.

We passed a compensation program the week after 9/11 for the survivors of the victims of those attacks, and some of the proceedings that have gone on under that law have resulted in embarrassment to the public and to the authors of that act and grist for investigative reporters. Should, God forbid, there be another terrorist attack and the provisions of this bill come into play, that same embarrassment will apply. There is an old adage ''Fool me once, shame on you; fool me twice, shame on me.'' Let us not shame us by passing this bill. It should be voted down.

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

I want to take this opportunity to commend the gentleman from Ohio (Mr. OXLEY), the chairman; and the gentleman from New York (Mr. LAFALCE), ranking member; and all the members of the Committee on Financial Services for all of their work on this issue. As I said in my opening remarks, they initially came up with an okay bill that, unfortunately, as a result of some meddling from the majority leadership, turned into a very bad bill in my opinion.

What we have before us today in this conference report is a bill that represents bipartisan concerns and deserves bipartisan support, and I would urge my colleagues to support this rule, and I would urge my colleagues to support final passage of the conference report.

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

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

I urge my colleagues to join with me in supporting this rule and of course the underlying legislation which is so critically important not only to this country but to the economy of this country for consumers and for men and women who own businesses and have money invested in this country.

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.

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 1 o'clock and 58 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1515

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HANSEN) at 3 o'clock and 15 minutes p.m.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 333, BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2002

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 606 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 606

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 333) to amend title 11, United States Code, and for other purposes. All points of order against the conference report and against its consideration are waived.

The SPEAKER pro tempore. The gentleman from Texas (Mr. SESSIONS) is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, the resolution provides the standard rule under which we consider conference reports and waives all points of order against the conference report and its consideration.

Mr. Speaker, I am exceedingly pleased that today we will finally consider the conference report for much-needed bankruptcy reform legislation. I am proud of the tireless efforts of many of the staff members and the Members who have put countless hours towards the passage of this important legislation. Their efforts allow each of us to ensure that our bankruptcy laws operate fairly, efficiently, and free of abuse. We must end the days when debtors who are able to repay some portion of their debts are allowed to game the system. This bill is crafted to ensure the debtor's rights to a fresh start while protecting the system from flagrant abuses by those who are able to pay their bills. The result is a carefully crafted package that balances and protects Americans from all walks of life and provides access to bankruptcy for all Americans who have a legitimate need.

I urge my colleagues to support this rule and the underlying legislation.

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

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

(Mr. FROST asked and was given permission to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, I rise in support of this conference report and urge my colleagues to support this rule so that the House may proceed to the consideration of the conference agreement. The House has, in the past two Congresses, consistently supported bankruptcy reform. In the 107th Congress, the House passed its version of the bill by a vote of 306 to 108. This agreement, which is the product of months of negotiations, makes sensible changes in the law that will save American consumers millions of dollars a year. This conference agreement adheres to the principle that if an individual has the capacity to repay a substantial portion of their debt, then that debtor should have an obligation to repay. This conference agreement will rein in abuse of the system and ensure that those debtors who cannot pay are given the fresh start they need.

Mr. Speaker, I commend the conferees for their hard work on this issue and for bringing the House a conference report that is worthy of support.

I would point out, Mr. Speaker, that there are Members on our side of the aisle who strongly object to this conference report, and we will be hearing from them in the course of this debate.

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

Mr. SESSIONS. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH), the chairman of the Committee on Veterans' Affairs.

Mr. SMITH of New Jersey. I thank my friend for yielding me this time.

Mr. Speaker, I rise in strong opposition to this rule. Some of my colleagues were not here back in 1993 and 1994 when we debated the Freedom of Access to Clinic Entrances Act, which penalized pro-lifers in a way that was totally unfair and discriminatory, mandating ruinous lawsuits, criminal penalties and the like, for doing the same thing that some other nonviolent civil disobedient person might do. If you stood in front of an abortion clinic, you could have the book literally thrown at you, and do the same thing in front of NIH or somewhere else and have a whole different set of penalties. Today we are dealing with the same thing but an extension of that very, very wrongheaded and misguided piece of legislation.

In 1994, Chairman Sensenbrenner said this about the same language we are debating today:

''Political protest has been at the forefront of social change. From the Boston Tea Party to the abolitionist movement, from the antiwar protests to the activism of the civil rights movement, civil disobedience has been an intimate part of our history. This is perhaps the first time in our Nation's history''—this is the second, today—''that those in the power have so openly sought to use the authority of government to broadly suppress the legitimate actions of a movement with which they do not agree. The legislation, FACE,'' which this makes it worse, you cannot discharge a civil complaint that has been brought against you, the penalty, ''sweeps with broad and heavy hand to target peaceful, nonviolent, constitutionally protected activities on the same terms as violent or forceful acts.''

Chairman Sensenbrenner had it right then. He went on to say that this was McCarthyism. What we are dealing with today, with all due respect, is McCarthyism. Much has been made about the Starr memo. Let me say this: The difference is if you are from PETA or some other organization where sit-ins and civil, nonviolent disobedience, where you get arrested, is part of the intent of what you want to do to bring a focus, and Martin Luther King certainly had intent when he protested and got arrested more than a dozen times or so. The fundamental issue here is that pro-lifers are treated differently. Under the FACE bill, ruinous lawsuits, extreme penalties are leveled against nonviolent protestors.

I urge a no on the rule.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia (Mr. BOUCHER).

(Mr. BOUCHER asked and was given permission to revise and extend his remarks.)

Mr. BOUCHER. Mr. Speaker, I thank the gentleman from Texas for yielding me this time. I am pleased to rise in support of the rule for consideration in the House of the conference report to accompany the bankruptcy reform legislation. I urge approval both of the rule and of the conference report.

The reform of the Nation's bankruptcy laws, which our actions today will accomplish, is well justified. This reform is strongly in the interest of consumers. It will significantly reduce the annual hidden tax of approximately $400 that the typical consumer pays because others are misusing the bankruptcy laws. That amount represents the increased cost of credit and the increased price of consumer goods and services occasioned by bankruptcy law misuse. This reform will lower that hidden tax.

The reform also helps consumers by requiring clearer disclosures of the cost of credit on credit card statements. And the reform will be a major benefit to single parents who receive alimony or child support. That person today is fifth in priority for the receipt of payment under the bankruptcy laws. The reform before us today elevates the spouse-support recipient to number one in priority.

This reform proceeds from a basic premise that people who can afford to repay a substantial part of the debt that they owe should do so. The bill requires that repayment while allowing the discharge in bankruptcy of the debts that cannot be repaid and in so doing responds to the broad misuse of chapter 7's complete liquidation provisions that we have observed in recent years.

The reform measure sets a threshold for the use of chapter 7. Debtors who