practice of law could materially interfere with and jeopardize sensitive aspects of the attorney-client relationship, including the attorney-client privilege and work product protection that enable clients to obtain sound legal advice from their attorneys on a protected confidential basis.

It could also undermine the authority of the State supreme courts to effectively oversee and discipline lawyers. There are carefully developed ethical codes and disciplinary rules governing all aspects of the practice of law. Any regulation from a new source would unavoidably conflict with the existing rules and lines of accountability. And because one of the foremost, and at times most complex, ethical obligations is for an attorney to represent the client zealously within the bounds of the law, there would be a significant likelihood of attorneys being impeded in meeting their obligations to their clients and to the legal system they are sworn to protect.

Even if the Bureau's authority could be reliably confined to legal representation in financial matters, the result would be material harm to consumer clients of bankruptcy lawyers, consumer lawyers, and real estate lawyers—the very consumers the Bureau is being created to protect. But the harm would inevitably be far broader, extending into unrelated aspects of legal practice.

For those reasons, our Committee was determined to avoid any possible overlap between the Bureau's authority and the practice of law. At the same time, our Committee recognized that attorneys can be involved in activities outside the practice of law, and might even hold out their law license as a sort of badge of trustworthiness. Although State supreme courts would have some authority to respond to abuses in even these outside activities, as reflecting on the attorney's unfitness to hold a law license (see Model Rule 8.4 of the American Bar Association Model Rules of Professional Conduct, adopted in virtually all States), their disciplinary authority is not necessarily as extensive in these outside areas. The Committee was equally determined that these outside activities not escape effective regulation simply because the person engaging in them is an attorney or is working for an attorney. Congresswoman MAXINE WATERS, a senior Member of both our Committee and the Committee on Financial Services, and a House conferee, was instrumental in helping ensure that the final bill draws this distinction appropriately and clearly.

Accordingly, our Committee worked to make clear that the new Consumer Financial Protection Bureau established in the bill is not being given authority to regulate the practice of law, which is regulated by the State or States in which the attorney in question is licensed to practice. At the same time, the Committee worked to clarify that this protection for the practice of law is not intended to preclude the new Bureau from regulating other conduct engaged in by individuals who happen to be attorneys or to be acting under their direction, if the conduct is not part of the practice of law or incidental to the practice of law.

Section 1027(e) of the final bill incorporates this protection. It excludes from Bureau supervisory and enforcement authority all activities engaged in as part of the practice of law under the laws of a State in which the attorney in question is licensed to practice law. To the extent that a paralegal, secretary, investigator, or law student intern is performing activities under the supervision of an attorney, and in a manner recognized under the laws of the relevant State as within the scope of the attorney's practice of law—and only to that extent—those activities also fall within this protection. As the commentary to Model Rule 5.3 of the American Bar Association Model Rules of Professional Conduct, adopted in virtually all States, makes clear, these legal assistants ''act for the lawyer in rendition of the lawyer's professional services . . . [and the] lawyer must give such assistants appropriate instruction and supervision concerning the ethical aspects of their employment . . . .'' Extending the protection to cover these legal assistance, under these conditions, is consistent with ensuring that the protection fully covers the practice of law as it is conventionally engaged in, while foreclosing any opportunity for an attorney to shield other commercial activities by engaging in them through surrogates.

The provision in the final bill includes indicia for determining whether an activity that constitutes the offering or provision of a financial product or service within the terms of the bill is part of or incidental to the practice of law, and therefore excluded from the Bureau's authority. First and foremost, the activity must be among those activities considered part of the practice of law by the State supreme court or other governing body that is regulating the practice of law in the State in question, or be incidental to those practices. As further protection against abuse, the activity must be engaged in exclusively within the scope of the attorney-client relationship; and the product or service must not be offered by or under direction of the attorney in question with respect to any consumer who is not receiving legal advice or services from the attorney in connection with it.

We would hope that this carefully considered statutory provision will also serve as a model for other federal agencies considering new regulations that might cover conduct engaged in by attorneys as well as others, so as to better ensure that important consumer protection objectives are achieved consistent with safeguarding the ability of our ''officers of the court'' to fulfill their ethical obligations under our legal system.

It is generally contemplated that the new Bureau will make rules regarding various aspects of its authority. Any determinations by rule, or otherwise, regarding what activities constitute the practice of law should be consistent with the views and practices of the State supreme court or State bar in question as to what activities it regards as part of the practice of law and oversees on that basis, giving appropriate deference to comments received from the State supreme courts and State bars, supplemented with further guidance as appropriate from the other indicia set forth in section 1027(e)(2).

Section 1027(e)(3) makes clear that existing federal regulatory authority over activities of attorneys, either under enumerated consumer laws as defined in the bill, or transferred to the new Bureau from existing agencies under subtitle F or H of Title X, the Consumer Financial Protection Bureau title, is not diminished.

ADMINISTRATIVE AND JUDICIAL PROCESS

Throughout the bill are provisions authorizing administrative or judicial enforcement. Our Committee has endeavored, where possible, to have these provisions written in conformance with the standard modern formulations found in the Administrative Procedures Act and title 28 of the United States Code, in lieu of novel formulations, or formulations modeled on laws enacted in a bygone era, that have the potential to create unnecessary uncertainty and litigation over interpretation. We were not always entirely successful in this regard.

Among the changes made at our Committee's urging was revision of the Consumer Financial Protection Bureau's new investigative authority to bring it closer into conformity with the Antitrust Civil Process Act, on which it is modeled; and revisions to the new authority for nationwide service of subpoenas by the Securities and Exchange Commission to ensure that the authority will be exercised consistent with due process.

Our Committee remains concerned about the use of the terms ''privileged'' or ''privileged as an evidentiary matter'' to mean confidential and protected from discovery. This inartful phraseology, which was removed from some parts of the bill but not others, could unintentionally raise questions regarding evidentiary privilege law, which under the Rules Enabling Act is left to State common law. In particular, the Committee wishes to emphasize that this bill in no way authorizes government officials or courts to demand that anyone furnish information that is protected by legal privilege.

STORIES OF ARMENIAN GENOCIDE

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire, Henry Morgenthau documented at the time, it was a campaign of ''race extermination.''

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below is one of those stories:

SUBMITTED BY KATIA KUSHERIAN, WHOSE MOTHER IS 95 YEARS OLD AND ALSO CONTRIBUTED BY PROVIDING DETAILS INCLUDED IN THE FOLLOWING STORIES

''Here are some of the many stories I have heard from my parents.

''My first story: In 1915, my father's parents were killed, and my father, Hovannes, became an orphan. My father was from Tigranakert. A Turkish woman adopted him and he lived in that family. He had to go to the fields every morning to work. His stepmother's older son rode a horse and my father always had to run to keep up with the

horse. And every morning the young Turkish boy repeated to my father asking: 'What are you going to do geavour, if I kill you.' My father did not answer. Eventually my father's stepmother told my father that one day her son will kill him for sure. She finds a way to send my father to Syria.

''This is how my father stayed alive. When we talk about kind Turks, I think we should not forget that the main purpose was to assimilate the orphans, so it was half kindness.

''My second story and my third story are about my grandmother—mother's mother—Armaveni. She was born in Ichmee (a village) and got married to Serovbe Beylerian and moved to Ortagyoukh. Both villages are in Keyvee, which was a small county near Adabazar near Istanbul. The county of Keyvee had five villages—Ichmee, Ortagyoukh, Knjelar, Kurdpelenk and Partizak.

''My second story: During the deportation from their village, Ichmee, near the city of Adabazar, the Turks forced my grandmother's father, Voskan, to do his natural needs—of course there was no toilet—in front of his children and daughters-in-law to humiliate him, and before he finished, they pushed and kicked him in his back. Later on they were killed and only some of the children, including my grandmother, escaped.

''My third story: Gayanee, the survivor in this story, was from Ortagyoukh. My grandmother Armaveni and Gayanee met in Romania after the Genocide. A group of Armenians were tied up with ropes and shot. Among them, one young girl named Gayanee survived. After the shooting, at night, long-bearded men with curved swords—yataghans—came to check if anyone from that group was still alive. They were slashing the bodies with their swords to ensure no one would stay alive. Gayanee managed to crawl under the dead bodies and covered herself with them. Fortunately, they did not notice her. After the Turks left, she crawled out and ran. She had no food or water. Even though Gayanee escaped and remained alive, she was spiritually handicapped and later died at a young age after developing TB.

''I never had grandparents from my father's side. They were all killed by Turks. I hope their souls will rest in peace.''

PERSONAL EXPLANATION

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. TIAHRT. Madam Speaker, on July 13th, I missed three rollcall votes numbered 434, 435, and 436 because I was unavoidably detained in Kansas.

Rollcall No. 434 was a vote on H.R. 4514, the Colonel Charles Young Home Study Act. Had I been present I would have voted ''no.''

Rollcall No. 435 was a vote on H.R. 4438, the San Antonio Missions National Historical Park Leasing and Boundary Expansion Act of 2010. Had I been present I would have voted ''no.''

Rollcall No. 436 was a vote on H.R. 4773, the Fort Pulaski National Monument Lease Authorization Act. Had I been present I would have voted ''aye.''

CONFERENCE REPORT ON H.R. 4173, DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

SPEECH OF

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. ISSA. Mr. Speaker, I oppose the Dodd-Frank bill. It is overreliant on vague, complex regulations administered by large bureaucracies. We should not be putting our trust in the wisdom of the same regulators who failed us during the last crisis.

Instead, we must strive for true transparency and accountability in the financial sector, both for private companies and for the agencies that regulate them. The financial industry submits huge volumes of information to various regulators—financial statements, securities disclosures, banking reports, loan-level data, and much more. Too often, this information cannot be easily searched or analyzed because it is trapped within lengthy documents that must be manually reviewed.

The financial crisis of 2008 demonstrated the dangers of opaque financial reporting. Complex transactions and products helped financial companies hide leverage from investors, while regulators failed to recognize systemic risks and ongoing frauds.

Effective scrutiny of the financial industry's regulatory information, by the public as well as by regulators, could give us a fighting chance at avoiding the next crisis. And to enable effective scrutiny, that information needs to be easily searchable, sortable, and downloadable—and also publicly accessible as often as possible. Transparency and accountability in the financial sector represent our best hope that someone will spot hidden leverage and risk.

As a member of the conference committee for this legislation, I felt it was my responsibility as a conferee to do my best to improve the bill. On the first day of the conference, I offered amendments to increase transparency throughout the financial industry by requiring financial regulatory agencies to designate electronic data standards for the financial information they receive from the industry. In other words, under my amendments, financial companies, securities issuers, and other regulated entities would apply consistent, unique electronic tags—like a bar code at the grocery store—to each individual element of the forms, statements, and filings they submit to the government, instead of using paper or plain text.

In this technologically possible? Absolutely. In fact, some regulators are already using financial data standards. At the Securities and Exchange Commission, Chairman Christopher Cox championed new rules that require public companies to file their financial statements using a financial data standard called XBRL. Meanwhile, the FDIC has begun to require banks to use XBRL to apply electronic tags to each element of the call reports that they must file. In fact, XBRL has become a global data standard for financial information. It is already in use by regulators and stock exchanges in Australia, China, Japan, India, Korea, and many other countries. It transcends language barriers and differences in accounting standards to make financial information accessible to anyone, anywhere.

Why are these technologies so important? Data standards in financial regulation can help us achieve—for the first time—full transparency and accountability for both the regulated private companies and the federal agencies that regulate them.

For example, let's consider what has happened at the SEC. When companies submit their balance sheets and income statements in XBRL, every number in the balance sheet and every number in the income statement gets a unique electronic tag. That means market analysts and investors no longer need to manually hunt through lengthy documents and transcribe numbers into their own spreadsheets and databases. It makes companies' public financial information instantly searchable, sortable, and downloadable. And that means better transparency for publicly-traded companies. It has become much easier and much cheaper to track companies' performance. It has become easier for the SEC—or anyone else—to apply automatic filters to check for indicators of fraud.

For a second example, consider the experience of the FDIC, which now requires banks to file their call reports in XBRL. The electronic tags for every number in the call report helps banks to achieve better accuracy because it automatically checks all the mathematical relationships between numbers. Before the FDIC adopted XBRL, 30 percent of the call reports contained mathematical errors. Afterwards, the error rate fell to zero. Better accuracy also means better transparency.

In the early successes at the SEC and the FDIC are any indication, financial data standards would allow the markets to see reckless behavior ahead of time, or at least allow us to know the underlying value of assets when the markets begin to melt.

Financial data standards lead to better transparency for public companies and banks—but they also bring about better accountability for the regulators themselves. Why? Because when watchdog groups, financial media, and the public can slice and dice financial regulatory data for themselves, they can see for themselves whether the regulators are doing a good job at finding fraud and analyzing risk.

For all these reasons, I felt strongly that true financial reform should build on the SEC's and the FDIC's experience by adopting financial data standards throughout the whole regulatory system—securities disclosures, banking reports, swap transaction data, insurance reports, rating agencies' disclosures, and every other type of information collection that is discussed anywhere in the entire 2,000-page bill. My amendments would have accomplished that, and would have also required the data to be made public wherever possible—with appropriate protections for trade secrets, privacy, and so on.

When I proposed my amendments on that first day of the conference, and advocated for greater transparency in our financial system, Chairman FRANK agreed with me. He accepted the idea of requiring the agencies to adopt financial data standards. At Chairman FRANK's request, my staff worked with his staff, and with Chairman TOWNS' staff at the Oversight Committee, to draft—on a bipartisan basis—a comprehensive package of financial data standards amendments. On the last day of the conference I proposed the comprehensive package to Chairman FRANK and the other