

funding, an essential step to ensure that all citizens understand the need to prepare for, mitigate for, respond to, and recover from dam incidents and failures. Investment in infrastructure is critical to the long-term economic health of our nation, and that is why I support Congressman MALONEY's efforts to authorize funding for the Dam Safety Provision of WRRDA.

The SPEAKER pro tempore. All time for debate has expired.

Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SEAN PATRICK MALONEY of New York. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

LAWSUIT ABUSE REDUCTION ACT OF 2013

Mr. GOODLATTE. Madam Speaker, pursuant to House Resolution 403, I call up the bill (H.R. 2655) to amend rule 11 of the Federal Rules of Civil Procedure to improve attorney accountability, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 403, the bill is considered read.

The text of the bill is as follows:

H.R. 2655

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 "Lawsuit Abuse Reduction Act of 2013".

SEC. 2. ATTORNEY ACCOUNTABILITY.

(a) SANCTIONS UNDER RULE 11.—Rule 11(c) of the Federal Rules of Civil Procedure is amended—

(1) in paragraph (1), by striking "may" and inserting "shall";

(2) in paragraph (2), by striking "Rule 5" and all that follows through "motion." and inserting "Rule 5."; and

(3) in paragraph (4), by striking "situated" and all that follows through the end of the paragraph and inserting "situated, and to compensate the parties that were injured by such conduct. Subject to the limitations in paragraph (5), the sanction shall consist of an order to pay to the party or parties the amount of the reasonable expenses incurred as a direct result of the violation, including reasonable attorneys' fees and costs. The court may also impose additional appropriate sanctions, such as striking the pleadings, dismissing the suit, or other directives of a nonmonetary nature, or, if warranted for effective deterrence, an order directing payment of a penalty into the court."

(b) RULE OF CONSTRUCTION.—Nothing in this Act or an amendment made by this Act shall be construed to bar or impede the assertion or development of new claims, de-

fenses, or remedies under Federal, State, or local laws, including civil rights laws, or under the Constitution of the United States.

The SPEAKER pro tempore. The gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Virginia.

GENERAL LEAVE

Mr. GOODLATTE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 2655, currently under consideration.

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

There was no objection.

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

H.R. 2655, the Lawsuit Abuse Reduction Act, would restore mandatory sanctions for frivolous lawsuits filed in Federal Court.

Many Americans may not realize it, but today, under what is called rule 11 of the Federal Rules of Civil Procedure, there is no requirement that those who file frivolous lawsuits pay for the unjustified legal costs they impose on their victims. As a result, the current rule 11 goes largely unenforced. When there is no guarantee of compensation, the victims of frivolous lawsuits have little incentive to spend even more money to pursue additional litigation to have the case declared frivolous.

H.R. 2655 would finally provide light at the end of the tunnel for the victims of frivolous lawsuits by requiring sanctions against those who file them, sanctions that include paying their victims the full cost of their reasonable expenses incurred as a direct result of the rule 11 violation, including attorneys' fees.

The bill also strikes the current provision in rule 11 that allows lawyers to avoid sanctions by making frivolous claims and demands by simply withdrawing them within 21 days. This change eliminates the "free pass" lawyers now have to file frivolous lawsuits in Federal Court.

To be clear, under rule 11, a lawsuit is frivolous if it is presented for any improper purpose, such as to harass, cause unnecessary delay, or needlessly increase the cost of litigation if it is not warranted by existing law or if the factual contentions have no evidentiary support. In other words, a lawsuit will only be found frivolous if it has no basis in law or fact.

Yet the current lack of mandatory sanctions leads to the regular filing of lawsuits that are clearly baseless. For example, in just the last year, a small business owner was sued for violations of Federal regulations in a parking lot that he doesn't own or lease. A woman had her car repossessed and then filed a \$5 million Federal lawsuit for the half tank of gas she had left in the car.

□ 1315

A high school teacher sued a school district claiming it discriminated against her because she has a phobia—a fear of young children. Her case was dismissed by the Equal Employment Opportunity Commission, but that didn't prevent her from filing a Federal lawsuit.

These real yet absurd cases have real-life consequences for their victims who have to shell out thousands of dollars just to respond to frivolous pleadings, endure sleepless nights, and spend time away from their family, work, and customers. Let's not forget that the victims of frivolous lawsuits are real victims.

Do any of my colleagues on the other side of the aisle claim that judges should have the discretion to deny damage awards to victims of legal wrongs proved in court? If not, why should judges have the discretion to deny damage awards to victims of frivolous lawsuits who prove in court that the case against them was frivolous?

It is difficult to see how a vote against the bill before us today could be interpreted as anything other than a denial that victims of frivolous lawsuits are indeed real victims. But indeed they are real victims, and they deserve to be guaranteed compensation when they prove the claims against them are frivolous in court.

Let's also remember that the victims of lawsuit abuse are not just those who are actually sued. Rather, we all suffer under a system in which innocent Americans everywhere live under the constant fear of a potentially bankrupting frivolous lawsuit.

As the former chairman of The Home Depot Company has written:

An unpredictable legal system casts a shadow over every plan and investment. It is devastating for start-ups. The cost of even one ill-timed abusive lawsuit can bankrupt a growing company and cost hundreds of thousands of jobs.

The prevalence of frivolous lawsuits is reflected in the absurd warning labels companies must place on their products to limit their liability. A 5-inch brass fishing lure with three hooks is labeled, "Harmful if swallowed." A vanishing fabric marker with disappearing ink warns it should not be used as a writing instrument for signing checks or any legal documents. A label on a Scooter says, "Warning: This product moves when used." A household iron contains the warning, "Never iron clothes while they are being worn." And a cardboard sun shield that keeps sun off the dashboard warns, "Do not drive with sun shade up."

The potential for frivolous lawsuits are behind all these absurd warning labels which, while humorous in their own way, serve as a warning to us about what the world will increasingly look like if we don't make the rules more fair.

Today, absurd lawsuits can sometimes bring sanctions against those

who filed them; but even when they do, the current rules result in far too little compensation for the victims of the frivolous lawsuit.

In his 2011 State of the Union address, President Obama said:

I'm willing to look at other ideas to rein in frivolous lawsuits.

Well, I hope the President has time to read this one-page bill and lend his support to a proposal that would significantly reduce the burden of frivolous litigation on innocent Americans.

I thank the former chairman of the House Judiciary Committee, Congressman LAMAR SMITH, for introducing this simple, commonsense legislation that would do so much to prevent lawsuit abuse and restore Americans' confidence in the legal system.

I reserve the balance of my time.

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

I rise in opposition to H.R. 2655. I suggest that what we are doing here this afternoon will turn the clock back to a time when the Federal Rules of Civil Procedure discouraged civil rights cases, limited judicial discretion, and permitted satellite litigation to run wild. I repeat, we may turn the clock back to a time when the Federal Rules of Civil Procedure discouraged civil rights cases, limited judicial discretion, and permitted satellite litigation to run wild.

And here is how it accomplishes it, by undoing the 1993 amendments to rule 11 of the Federal Rules of Civil Procedure by: one, restricting judicial discretion; two, requiring mandatory sanctions for even unintentional violations; and three, eliminating the current rule's 21-day safe harbor provision, which has been so beneficial to our Federal court system.

And so to put it as simply as possible, H.R. 2655 will have a disastrous impact on the administration of justice.

Now, how would this bill chill legitimate civil rights litigation?

Civil rights cases often concern novel issues which made them particularly susceptible to rule 11 before the 1993 amendments. I hope all the Members of this body appreciate how significant this is and the important history that was made during that earlier period of time.

For example, a 1991 Federal Judicial Center study found that the incidence of rule 11 motions was "higher in civil rights cases than in some other types of cases."

Another study showed that, while civil rights cases comprised about 11 percent of Federal cases filed, more than 22 percent of the cases in which sanctions had been imposed were civil rights cases.

This legislation will also substantially increase the amount, cost, and intensity of civil litigation and create more grounds for unnecessary delay and harassment in the courtroom. Experts in civil procedure are virtually unanimous on this point.

By allowing rule 11 to be used as a tool to impose court costs on the other side, the 1983 version spawned a virtual cottage industry of rule 11 litigation. Each party had a financial incentive to tie up the other in rule 11 proceedings.

Professor Theodore Eisenberg of Cornell University has demonstrated that roughly one-third of all Federal lawsuits were burdened by satellite litigation during the period when this prior version of the rule was in effect. Attorneys had a double duty, he argued: "one to try the case, and the other to try the opposing counsel."

In recognition of these problems, the Judicial Conference amended the rule in 1993 to its present form. And so we should realize that we have the support and appreciate the constructive assistance of many of these organizations: the American Bar Association, the Alliance for Justice, the Consumer Federation of America, the National Consumer Law Center, the National Consumers League, Public Citizen, and the United States Public Interest Research Group, among others.

In addition, the legislation is opposed by the Judicial Conference of the United States, the principal policymaking body for the judicial branch charged with proposing amendments to the Federal Rules of Civil Procedure under the careful, deliberate process outlined in the Rules Enabling Act.

Madam Speaker, I reserve the balance of my time.

COMMITTEE ON RULES OF PRACTICE
AND PROCEDURE OF THE JUDICIAL
CONFERENCE OF THE UNITED
STATES,

Washington, DC, July 23, 2013.

Hon. JOHN CONYERS, JR.

Ranking Member, Committee on the Judiciary,
Washington, DC.

DEAR REPRESENTATIVE CONYERS: We write to present the views of the Judicial Conference Rules Committees on H.R. 2655, the Lawsuit Abuse Reduction Act of 2013.

As the current chairs of the Judicial Conference's Committee on the Rules of Practice and Procedure (the "Standing Rules Committee") and the Advisory Committee on the Federal Rules of Civil Procedure (the "Advisory Committee"), we oppose H.R. 2655, which seeks to reduce lawsuit abuse by amending Rule 11 of the Federal Rules of Civil Procedure. The bill would reinstate a mandatory sanctions provision of Rule 11 that was adopted in 1983 and eliminated in 1993. The bill would also eliminate a provision adopted in 1993 to allow a party to withdraw challenged pleadings on a voluntary basis, without the costs and delay to the challenging party of seeking and obtaining a court order. The concerns we express are the same concerns expressed by the Judicial Conference in 2004 and 2005, and by the Standing Rules Committee and Advisory Committee in 2011, when similar legislation was introduced.

We greatly appreciate, and share, the desire to improve the civil justice system in our federal courts, including by reducing frivolous filings. But legislation that would restore the 1983 version of Rule 11 by undoing the 1993 amendments would create a "cure" far worse than the problem it is meant to solve. Such legislation also contravenes the longstanding Judicial Conference policy opposing direct amendment of the federal rules by legislation instead of through the careful,

deliberate process Congress established in the Rules Enabling Act, 28 U.S.C. §§ 2071-2077.

The 1993 changes followed years of examination and were made on the Judicial Conference's strong recommendation, with the Supreme Court's approval, and after congressional review. The 1983 provision for mandatory sanctions was eliminated because it did not provide meaningful relief from the litigation behavior it was meant to address, and instead generated wasteful satellite litigation that had little to do with the merits of cases and that added to the time and costs of litigation.

The 1983 version of Rule 11 required sanctions for every violation of the rule. This mandatory sanctions provision quickly became a tool of abuse in civil litigation. Seeking to use mandatory sanctions to their advantage, aggressive lawyers filed motions for Rule 11 sanctions in response to virtually every filing in a civil case. Much time and money was spent in Rule 11 battles that had everything to do with strategic gamesmanship and little to do with underlying claims. Rule 11 motions came to be met with counter-motions that sought Rule 11 sanctions for making the original Rule 11 motion.

The 1983 version of Rule 11 spawned thousands of court decisions unrelated to the merits of the cases, sowed discord in the bar, and generated widespread criticism. As letters from the Judicial Conference commenting on proposed legislation similar to H.R. 2655 pointed out, some of the serious problems caused by the 1983 amendments to Rule 11 included:

1. creating a significant incentive to file unmeritorious Rule 11 motions by providing a greater possibility of receiving money;
2. engendering potential conflicts of interest between clients and their lawyers;
3. exacerbating tensions between lawyers; and

4. providing a disincentive to abandon or withdraw a pleading or claim that lacked merit—thereby admitting error and risking sanctions—even after determining that it no longer was supportable in law or fact.

The 1993 amendments to Rule 11 were designed to remedy the major problems with the rule, strike a fair balance between competing interests, and allow parties and courts to focus on the merits of the underlying cases rather than on Rule 11 motions. Since 1993, the rule has established a safe harbor, providing a party 21 days within which to withdraw a particular claim or defense before sanctions can be imposed. If the party fails to withdraw an allegedly frivolous claim or defense within the 21 days, a court may impose sanctions, including assessing reasonable attorney fees. The 1983 version of Rule 11 authorized a court to sanction discovery-related abuse under Rule 11, Rule 26(g), or Rule 37, which created confusion. Under the 1993 amendments to Rule 11, sanctioning of discovery-related abuse is limited to Rules 26 and 37, which provide for sanctions that include awards of reasonable attorney fees.

The 1993 amendments to Rule 11 culminated a long, critical examination of the rule begun four years earlier. The Advisory Committee reviewed a significant number of empirical studies of the 1983 version of Rule 11, including three separate studies conducted by the Federal Judicial Center in 1985, 1988, and 1991, a Third Circuit Task Force report on Rule 11 in 1989, and a New York State Bar Committee report in 1987.

After reviewing the literature and empirical studies of problems caused by the 1983 amendments to Rule 11, the Advisory Committee issued in 1990 a preliminary call for general comment on the operation and effect of the rule. The response was substantial and

clearly called for a change in the rule. The Advisory Committee concluded that the cost-shifting in Rule 11 created an incentive for too many unnecessary Rule 11 motions. Amendments to Rule 11 were drafted by the Advisory Committee, approved by the Standing Rules Committee, and approved by the Judicial Conference. The Supreme Court promulgated and transmitted the amendments to Congress in May 1993 after extensive scrutiny and debate by the bench, bar, and public in accordance with the Rules Enabling Act process.

Experience with the amended rule since 1993 has demonstrated a marked decline in Rule 11 satellite litigation without any noticeable increase in frivolous filings. In June 1995, the Federal Judicial Center conducted a survey of 1,130 lawyers and 148 judges on the effects of the 1993 Rule 11 amendments. About 580 attorneys and 120 judges responded. The Center found general satisfaction with the amended rule. It also found that a majority of the judges and lawyers did not favor a provision that would require mandatory sanctions when the rule is violated.

In 2005, the Federal Judicial Center surveyed federal trial judges to get a clearer picture of how the revised Rule 11 was operating. A copy of the study is enclosed. The study showed that judges on the front lines—those who must contend with frivolous litigation and apply Rule 11—strongly believe that the current rule works well. The study's findings include the following highlights:

More than 80 percent of the 278 district judges surveyed indicated that "Rule 11 is needed and it is just right as it now stands"; 87 percent prefer the existing Rule 11 to the 1983 version or the version proposed by legislation (e.g., H.R. 4571 (the Lawsuit Abuse Reduction Act of 2004) or H.R. 420 (the Lawsuit Abuse Reduction Act of 2005));

85 percent strongly or moderately support Rule 11's safe harbor provisions;

91 percent oppose the proposed requirement that sanctions be imposed for every Rule 11 violation;

84 percent disagree with the proposition that an award of attorney fees should be mandatory for every Rule 11 violation;

85 percent believe that the amount of groundless civil litigation has not grown since the promulgation of the 1993 rule (for judges commissioned before 1992) or since their first year as a federal district judge (for judges commissioned after January 1, 1992), with 12 percent noting that such litigation has not been a problem, 19 percent noting that such litigation decreased during their tenure on the federal bench, and 54 percent noting that such litigation has remained relatively constant; and

72 percent believe that addressing sanctions for discovery abuse in Rules 26(g) and 37 is better than in Rule 11.

The findings of the Federal Judicial Center underscore the judiciary's united opposition to legislation amending Rule 11. Lawyers share this view. In 2005, the American Bar Association issued a resolution opposing a proposed bill similar to H.R. 2655.

Minimizing frivolous filings is, of course, vital. But there is no need to reinstate the 1983 version of Rule 11 to work toward this goal. Judges have many tools available to respond to, and deter, frivolous pleadings. Those tools include 28 U.S.C. §1915(e), which requires courts to dismiss cases brought in forma pauperis that the court determines are frivolous or malicious or fail to state a claim, and 28 U.S.C. §1915A, which requires courts to dismiss prisoner complaints against governmental entities, officers, or employees that are frivolous, malicious, or fail to state a claim. Rule 12(b)(6) authorizes courts to dismiss pleadings that fail to state

a claim on which relief can be granted. Section 1927 of Title 28 of the United States Code authorizes sanctions against lawyers for "unreasonably and vexatiously" multiplying the proceedings in any case. And the present version of Rule 11 itself provides an effective, balanced tool, without the problems and satellite litigation the 1983 version created.

In May 2010, the Advisory Committee held a major conference on civil litigation, examining the problems of costs and delay—which encompass frivolous filings—and potential ways to improve the system. The Conference encouraged, and generated, a broad spectrum of criticisms by lawyers, litigants (including businesses and governmental entities), judges, and academics of the current approaches to federal civil cases, including the rules, and proposals for change. Conspicuous in their absence were any criticism of Rule 11 or any proposal to restore the 1983 version of the rule. Three years after the Conference, the Advisory Committee and Standing Rules Committee have approved publication of rules amendments designed to respond to suggestions made at the Conference on new means of reducing cost and delay in civil litigation and enhancing practical access to the federal courts. These three years of intense work did not find any reason to consider Rule 11 amendments.

Undoing the 1993 Rule 11 amendments would frustrate the purpose and intent of the Rules Enabling Act. Congress designed the Rules Enabling Act process in 1934 and reformed it in 1988 to produce the best rules possible by ensuring broad public participation and thorough review by the bench, the bar, and the academy. The Act charges the judiciary with the task of neutral, independent, and thorough analysis of the rules and their operation. The Rules Committees are dedicated to extensive study and analysis of the rules, including empirical research, so that they can propose rules that will best serve the American justice system and will not produce unintended consequences. Experience has shown that this process works well.

In summary, experience, research, and thoughtful deliberation have shown that there is no need to reinstate the 1983 version of Rule 11 that proved contentious and costly to litigants and diverted so much time and energy of the bar and bench. Doing so would add to, not improve, the problems of costs and delay that we are working to address. We urge you on behalf of the Rules Committees to not adopt the proposed legislation amending Rule 11.

Thank you for considering the Rules Committees' views. We look forward to continuing to work together to ensure that our civil justice system is working well to fulfill its vital role. If you or your staff have any questions, please contact Benjamin Robinson, Deputy Rules Officer and Counsel, at 202-502-1820.

Sincerely,

JEFFREY S. SUTTON,
*U.S. Circuit Judge,
Chair, Committee on
Rules of Practice
and Procedure.*

DAVID G. CAMPBELL,
*U.S. District Judge,
Chair, Advisory
Committee on Civil
Rules.*

Mr. GOODLATTE. Madam Speaker, at this time, it is my pleasure to yield 5 minutes to the gentleman from Arizona (Mr. FRANKS), the chairman of the Subcommittee on the Constitution and Civil Justice.

Mr. FRANKS of Arizona. Madam Speaker, I thank the chairman for

yielding me this time. I also want to express my appreciation to Chairman GOODLATTE and Chairman SMITH for both introducing and bringing forth this simple but important and much-needed legislation.

Madam Speaker, in order to stop lawsuit abuse, promote jobs in the economy, and restore basic fairness to our civil justice system, rule 11 of the Federal Rules of Civil Procedure must be amended.

Rule 11 provides for one of the most basic requirements for litigation in Federal court: that papers filed with a Federal district court must be based on both the facts and the law. In other words, rule 11 imposes on attorneys the very modest obligation to undertake a reasonable investigation of the facts and law underlying a claim before filing it.

This is a simple requirement, Madam Speaker, but one that both sides to a lawsuit must abide by if we are to have a properly functioning Federal court system. Unfortunately, the current version of rule 11 permits attorneys to file a lawsuit first and then try to back up their claims with law and fact later. This is because, under the current rules, failure to comply with rule 11 does not necessarily result in the imposition of sanctions.

The fact that litigants can violate rule 11 without penalty significantly reduces the deterrent effect of rule 11, which harms the integrity of the Federal courts and leads to both plaintiffs and defendants being forced to respond to frivolous claims and arguments. The Lawsuit Abuse Reduction Act corrects this flaw by requiring that Federal district court judges impose sanctions when rule 11 is violated.

Mandatory sanctions will more strongly discourage litigants from knowingly making frivolous claims in Federal court. It will also relieve litigants from the financial burden of having to respond to frivolous claims, as the legislation requires those who violate rule 11 to reimburse the opposing party for reasonable expenses incurred as a direct result of the violation.

Additionally, the legislation eliminates rule 11's 21-day safe harbor, which currently gives litigants a free pass to make frivolous claims so long as they withdraw those claims if the opposing side objects.

According to the Federal Rules of Civil Procedure, the goal of the rules is to ensure that every action and proceeding in Federal court be determined in a "just, speedy, and inexpensive" manner. Madam Speaker, I believe that this goal is best served through mandatory sanctions for violating this simple requirement of rule 11 that every filing be based on both the law and the facts.

So I urge my colleagues to support the Lawsuit Abuse Reduction Act to restore mandatory sanctions to rule 11.

Mr. CONYERS. Madam Speaker, I am pleased now to yield such time as he may consume to the distinguished gentleman from New York (Mr. NADLER), a

senior member of the House Judiciary Committee.

Mr. NADLER. Madam Speaker, I rise today in opposition to H.R. 2655, the so-called Lawsuit Abuse Reduction Act. Unfortunately, rather than reduce abusive litigation, this bill will have just the opposite effect.

We don't need to speculate about the disastrous effect of this legislation because we know from experience just what a fiasco it will be. The rule this legislation would restore was in effect from 1983 until 1993. It was a disaster.

After a decade with this rule, the Judicial Conference, the rulemaking body for the Federal judiciary, rightly rejected it in favor of the rule we have today. In fact, this legislation goes even beyond the text of the 1983 rule, broadening the flawed mandatory sanctions even further.

Worse still, the Judiciary Committee has not made even the pretense of considering this very radical change in civil procedure with any care. In fact, no hearings have been held on this legislation in this Congress.

The process, or lack of it, demonstrates the wisdom of the Rules Enabling Act, in which Congress gave the Judicial Conference the responsibility for reviewing court rules and proposing changes. They have done this job admirably, expending years of careful study to existing rules, how they are functioning, and the implications of any proposed changes.

While the sponsor has expressed the desire to limit unnecessary litigation, the experience with the old rule 11, which this bill would restore, was the exact opposite. Rule 11 litigation became a routine part of civil litigation, infecting one-third of all cases. Rather than serving as a disincentive, the old rule 11 actually made the system even more litigious and more costly.

□ 1330

In the decade following the 1983 amendments, which this bill would restore, there were almost 7,000 reported rule 11 cases, becoming part of approximately one-third of all Federal lawsuits. Many civil cases, one-third, became two cases: one case on the merits and the other on dueling rule 11 complaints.

Madam Speaker, it is rare in life that you get a controlled scientific experiment, but we had one here from 1983 to 1993. We saw the results, and they were disastrous, and only incautious people try to repeat disastrous scientific experiments.

The drain on the courts' and the parties' resources caused the Judicial Conference to revisit the rule and to adopt the changes that this bill would undo. In a July 23, 2013, letter to Chairman GOODLATTE and Ranking Member CONYERS, Judge Jeffrey Sutton of the United States Court of Appeals for the Sixth Circuit and chair of the Committee on Rules of Practice and Procedure and Judge David Campbell of the U.S. District Court for the District of

Arizona and chair of the Advisory Committee on Civil Rules said:

Experience, research, and thoughtful deliberation have shown that there is no need to reinstate the 1983 version of rule 11 that proved contentious and costly to litigants and diverted so much time and energy of the bar and bench. Doing so would add to, not improve, the problems of costs and delay that we are working to address. We urge you on behalf of the Rules Committee to not adopt the proposed legislation amending rule 11.

I might add that, in committee, the majority quoted a survey of judges from 1993 saying that we shouldn't change the rules then. Today, the judges very much are very glad we changed the rule because they have lived under both systems.

Madam Speaker, in addition to all these considerations of costs, the bill would hinder the evolution of the common law. One way the common law evolves is by people making claims in court, especially in civil rights cases. Civil rights cases often involve an argument for the extension, modification, or reversal of existing law or the establishment of a new law, and often they have relied upon novel legal theories that are particularly susceptible to someone claiming that they are abusive or frivolous. Had the provisions of this bill been in place at the time, they could have discouraged a number of landmark civil right cases, including *BROWN v. BOARD OF EDUCATION* of Topeka, and they could prevent new cases from ever being considered. Perhaps that is why all the civil rights groups, all the consumer rights groups oppose this bill.

Madam Speaker, the courts have ample authority to sanction conduct that undermines the integrity of our legal system, but this legislation is the wrong solution in search of a problem. By taking us back to a time when rule 11 actually promoted routine, costly, and unnecessary litigation, this bill is a cure worse than the disease. We know what this rule does, and the courts rightly rejected it 20 years ago. We should benefit from that experience, not repeat the scientific experiment, and reject this legislation.

Mr. GOODLATTE. Madam Speaker, it is my pleasure to yield 5 minutes to the gentleman from Texas (Mr. SMITH), the former chairman of the House Judiciary Committee and the chief sponsor of this legislation.

Mr. SMITH of Texas. Madam Speaker, I want to thank Chairman GOODLATTE for yielding me time and for also bringing the bill to the House floor today, and for all of his hard work on this legislation.

The Lawsuit Abuse Reduction Act, known as LARA, is only 1-1/2 pages long, but it would prevent the filing of hundreds of thousands of pages of privileged lawsuits in Federal court.

For example, in recent years, frivolous lawsuits have been filed against The Weather Channel for failing to accurately predict storms, against television shows people claimed were too

scary, and against fast-food companies because inactive children gained weight.

Frivolous lawsuits have become too common in our society. Lawyers who bring these cases have everything to gain and nothing to lose under current rules, which permit plaintiffs' lawyers to file frivolous suits, no matter how absurd the claims, with no penalty whatsoever. Meanwhile, defendants are faced with years of litigation and substantial attorneys' fees.

These cases, and many like them, have wrongly cost innocent individuals and business owners their reputations and their hard-earned dollars. According to the research firm Towers Perrin, the annual direct cost of American tort litigation now exceeds \$260 billion a year, or over \$850 billion per person in America.

Before 1993, it was mandatory for judges to impose sanctions, such as orders to pay for the other side's legal expenses, when lawyers filed frivolous lawsuits. Then the Civil Rules Advisory Committee, an obscure branch of the courts, made penalties optional. This needs to be reversed by Congress.

As Chairman GOODLATTE noted, even President Obama has expressed a willingness to limit frivolous lawsuits. If the President is serious about stopping these meritless claims, he will support mandatory sanctions for frivolous lawsuits to avoid making frivolous promises.

LARA requires lawyers who file frivolous lawsuits to pay the attorneys' fees and court costs for innocent defendants. Further, LARA expressly provides that no changes "shall be construed to bar or impede the assertion or development of new claims, defenses, or remedies under Federal, State, or local laws, including civil rights laws or under the Constitution of the United States." So civil rights law would not be affected in any way by LARA.

Opponents often argue that reinstating mandatory sanctions for frivolous lawsuits impedes judicial discretion, but this is not true. Under LARA, judges retain the discretion to determine whether or not a claim is frivolous. If a judge determines at their discretion that a claim is frivolous, they must award sanctions. This ensures that victims of frivolous lawsuits obtain compensation, but the decision to find a claim frivolous remains with the judge.

LARA applies to both plaintiffs and defendants. It applies to cases brought by individuals, as well as by businesses, including business claims filed to harass competitors and illicitly gain market share.

The American people are looking for solutions to obvious problems to lawsuit abuse. LARA restores accountability to our legal system by reinstating mandatory sanctions for attorneys who file frivolous lawsuits. Though it will not stop all lawsuit abuse, LARA encourages attorneys to

think twice before filing a frivolous lawsuit.

I thank Chairman GOODLATTE again for bringing this much-needed legislation to the House floor, and I ask my colleagues who oppose frivolous lawsuits and who want to protect hard-working Americans from false claims to support the Lawsuit Abuse Reduction Act.

Madam Speaker, I want to make one other point, and this goes to the earlier discussion we just had about judicial surveys.

751 Federal judges responded to the 1990 survey in which they overwhelmingly supported a rule 11 with mandatory sanctions. In the 2005 survey, only 278 judges responded, and over half of the judges who responded to the 2005 survey had no experience whatsoever under the stronger rule 11 because they were appointed to the bench after 1992. So the 2005 survey tells us very little about how judges comparatively view the stronger versus the weaker rule 11.

Mr. CONYERS. Madam Speaker, I am now pleased to yield as much time as she may consume to the gentlewoman from Houston, Texas (Ms. JACKSON LEE), a senior active member of the House Judiciary Committee.

Ms. JACKSON LEE. Madam Speaker, let me thank the gentleman for his outstanding leadership of this committee, and let me thank the manager as well. This is an important initiative. Using the time to be able to speak to the Members is very important, and I am glad to have been given the courtesy of being yielded as much time, and I will use it efficiently for this particular legislation.

This is another gift to large, prosperous, and threatening entities against a single plaintiff, the plaintiff who secures a lawyer, who is attempting to create the scales of justice and to balance, if you will, the needs of that individual plaintiff, those small plaintiffs, those collective plaintiffs who are seeking justice.

It is a fact that the threat of lawsuits is not a concern of small businesses, as has been represented. A 2008 study by the National Federation of Independent Business indicated that the biggest threat facing small businesses was other concerns and was not costs and frequency of lawsuits. That was No. 65. They have other issues that we should be concerned about.

It is a fact that judges support the current version of the rule, and rule 11 is just one of many tools that judges use. It is not the only tool to be able to be responsive to someone who may be abusing the system.

Remember, we are here to perpetuate justice, and justice has scales. In many instances, that scale is tipped towards the one with the most money, the deepest pockets, and the longest time to wear you out as a plaintiff.

Let me refresh my colleagues' minds and understanding of the Federal system, that tort cases are a very small percentage of that civil docket. So this

is not an instance. Many of these cases are filed in State court, these personal injury cases, these cases dealing with large damages because people have been injured because of bad products and other matters.

Here we have a bill looking for a problem. In actuality, LARA will increase, not decrease, litigation, and you can see the spiking that occurred. The Lawsuit Abuse Reduction Act would return rule 11 to the 1983 version. Litigation spiked after the 1983 amendment to rule 11. From 1982 to the peak in 1991, satellite litigation increased by more than 10,000 percent. Here we go with a gift to those who are truly litigious.

Just as we have been on the floor of the House pounding the Affordable Care Act because cancellation letters have been sent—they haven't been sent by Republicans. They haven't been sent by Democrats. They haven't been sent by Health and Human Services. They haven't been sent by people who are committed to making sure every American has health insurance. They have been sent by fat-cat insurance companies who are sending cancellation letters.

Here we go again, the scale of justice imbalanced. Again, the same problem: the mother, the single parent, the family waiting to get on the Affordable Care Act. In the normal course of the process, they get a cancellation letter. What an unnecessary act. That letter could have been that they were modifying their insurance, but there go the big guys again. You haven't heard one single sound coming out of the mouths of insurance companies to answer the question of why did they send the letters, and here we are on the floor of the House making it even worse.

Under the LARA regime, with mandatory sanctions and no opportunity to correct mistakes, the parties to a lawsuit have every incentive to file rule 11 complaints and seek court costs and legal fees, and to defend against such actions to the bitter end. This is a dynamic that should not happen. We should allow a pullback. We should allow a correction. All we are doing is just throwing them over the cliff and under the bus.

The changes would create a disincentive to abandon or withdraw a pleading or claim that lacks merit and thereby admit error after determining that it no longer was supportable by law or fact. As I have indicated, we have seen this kind since 1983 spike.

I have another statistic. Rule 11 cases spiked to 7,000 during the decade following the 1983 rule. So when a lawyer wants to do right with his client, the little guys, then, of course, they are blocked from solving the problems.

They use horror stories like demand letters, where a lawyer writes a letter demanding compensation in order to get a potential defendant to settle without having to file suit. That is not covered by rule 11. As far as I know, that is not an illegal procedure to en-

gage in discussion, to be able to resolve the matter before going to a costly lawsuit. Again, that is the little guy's tool. So you are going to beat up on the little guy—the construction worker that falls because of violations of OSHA rules, or the person that works in a chicken plant who has carpal tunnel syndrome because there were no appropriate rest times for them to get off of the line, and you are going to make the argument that this is right for justice.

Madam Speaker, this graph speaks for itself. This will add an extra burden of cost to those who are trying to find a way for Lady Justice's scales to be balanced. My belief, under the Sixth Amendment, the right to counsel, and many other aspects of the Bill of Rights, is that the Founding Fathers believed that justice should be rendered regardless of your race, color or creed, regardless of whether you were an indentured servant, regardless of whether or not you came in Pilgrims' Pride or came in some other matter.

□ 1345

Rule 11 completely disputes that concept of justice. I am appalled that we are here at this point today, and it equates to the fat-cat insurance companies who have decided to send out letters when they well knew that this was a process that would work ongoing in their modification that could be noted to those recipients that their insurance was not going away, it was only going to be made better. I would like to make the justice system better.

I thank the gentleman for his time, and I would like to make sure that the little guy has an opportunity to walk into any court of the United States of America and stand tall and feel that the judge, no matter what size his pocketbook is, will give him as much credence and respect as the big guys coming in with millions, maybe billions, to make sure he does not or she does not win justice in the court.

Today I would ask our colleagues to vote for fairness for Lady Justice and to vote against this initiative and this legislation.

Mr. Speaker, I rise in opposition to H.R. 2655, The Lawsuit Abuse Reduction Act—a flawed piece of legislation and a step backwards.

It amazes me that we did not learn the lesson from the ten years we had under the 1983 mandatory version of Rule 11. H.R. 2655 and its Senate companion S. 1288, the Lawsuit Abuse Reduction Act, known as LARA, would amend Rule 11 of the Federal Rule of Civil Procedure by replacing the current version of the Rule, which has been in effect since 1993, with the 1983 version of Rule 11. Based on what we have seen it is quite likely that the effect of this bill if enacted would be to increase litigation costs due to the filing of sanction motions—leading to more delay.

The bill should be called "The Lacking All Rational Analysis Act of 2013," because any impartial look would inform that this bill is unnecessary and a waste of time.

Congress should reject this measure, which would force the federal judiciary to enforce a

rule that legal scholars, judges, and lawyers agree was a complete failure. LARA would increase litigation, unnecessarily meddle with the authority of the federal judiciary, and disproportionately affect plaintiffs, especially plaintiffs in civil rights cases.

Encourages satellite litigation. For the 10 years that mandatory sanctions were in effect, litigation surrounding Rule 11 significantly increased. Any time a party filed a Rule 11 motion—because judges had no discretion and were forced to issue a sanction for even the smallest violation of the Rule—a counter-motion would be immediately filed and a whole side or “satellite” litigation business erupted. Congress does not need to be in the business of promoting more paper wars amongst attorneys.

Threatens an independent judiciary. Since 1993, Rule 11 has been discretionary rather than mandatory.

Under current Rule 11, judges are able to use their discretion to assess the complex nature of a case, and evaluate potential violations of the rule and issue sanctions accordingly. This appropriately leaves the determination of whether or not sanctions should be imposed for a violation of Rule 11 to the judges who hear the cases, and not Congress. Perhaps it is time that we allow judges to do their jobs and then we can move on to comprehensive immigration reform, tax reform, and other prudent legislative initiatives that the American people would like us to do.

Jeopardizes civil rights cases. Sanctions were more often imposed against plaintiffs than defendants and more often imposed against plaintiffs in certain kinds of cases, primarily in civil rights and certain kinds of discrimination cases. A leading study on this issue showed that although civil rights cases made up 11.4% of federal cases filed, 22.7% of the cases in which sanctions had been imposed were civil rights cases. Unfortunately Mr. Speaker, we are not at a time in our nation's great history where we can upend the law and make the filing of civil rights cases prohibitive. As we have seen recently with such appalling examples such as the Trayvon Martin case—we have a long way to go—and the civil rights bar should not cringe in fear at the thought of filing a case to do justice.

I urge my colleagues to reject this legislation.

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

Madam Speaker, I did not think that, when I came down here today to debate this 1-page bill for Lawsuit Abuse Reduction Act, it would somehow get linked with the more than 2,000-page monstrosity popularly known, or unpopularity known, as ObamaCare, and told that somehow the promise that was made over and over and over again, that if you like the health insurance you have, you can keep it, was not the fault of the legislation itself, and the people making that promise, but was, rather, the fault of the insurance companies who have to deal with this more than 2,000-page monstrosity, and the more than 20,000 pages of regulations that have been written, and have to rewrite virtually every insurance policy for health care in America because of the mandates and the regulations that

are in that legislation; and somehow, the more than 4 million Americans, almost all of whom are the little guys, as I have just heard referenced, that somehow this is the fault of the insurance companies who are doing what they have been required to do under the law, and that is to make changes in the law that necessitates changing all of their policies, that necessitates making sure that things that are mandated by the law are included in their coverage, whether the people who had the policies that they liked could afford these new changes or not.

So many, many Americans are forced, by this legislation, to seek new health insurance, in some cases, far more expensive, and they can't afford it. But somehow that is made out to be the fault of the insurance companies, not the people who wrote the law, voted for the law, and then are implementing the law in spite of promises that were made that cannot be kept, not by insurance companies who are abiding by the law, but by others.

Now, to compare that to this legislation, which is a 1-page modest bill, to ensure that people who are the victims of frivolous lawsuits and fraudulent lawsuits cannot have justice in our Federal judicial system, I think, is just plain wrong.

And the chart that has just been displayed regarding rule 11 filings during the 1983–1993 period, when there was an increase in the number of hearings related to rule 11, that is a spike for justice. That is a spike for the increased opportunity for people who have been subjected to some of the most outrageous lawsuits that were described by the gentleman from Texas, that were described in my opening remarks, and that is their opportunity to seek real justice.

That is what this bill is all about, reinstating a spike for justice for the little guy, for the small business person, the individual who finds himself subject to a lawsuit under some of the most ridiculous circumstances you can imagine and saying, you know what, my life has been turned upside down by this lawsuit. I am not getting sleep at night. I am having to spend thousands or tens of thousands or even hundreds of thousands of dollars on attorneys. I am having to do things to change the way I live my life, and it is all because of something that was frivolous and fraudulent, and now I am seeking to have some redress, some redress for that wrong that was done.

That is the very basic principle of the American jurisprudence system, that people, when they are harmed, have the right to go to court and seek redress of their grievances. And that is exactly what this provision in this law does under rule 11. It says that if the court finds that the lawsuit is frivolous, then there is a mandatory requirement that the individual who is the victim of that frivolous lawsuit should recover losses.

That is, indeed, what this legislation is all about, and I am proud to support it.

Ms. JACKSON LEE. Will the gentleman yield?

Mr. GOODLATTE. I yield to the gentlewoman from Texas.

Ms. JACKSON LEE. The gentleman is very kind to yield.

Very briefly, let me say it is about policy and process. The gentleman knows that most of America is very happy about the changes in the Affordable Care Act to get them out of the junk insurance policies that they have had.

Mr. GOODLATTE. Reclaiming my time, if that were the case, then I don't think the President would have unilaterally delayed for 1 year the employer mandate where the vast majority of Americans are.

Imagine if this bill had taken effect as originally planned, and all of the employers in America, looking at their insurance policies for their employees, were also having to tell their employees that they could no longer afford to provide insurance or they are going to provide a different plan, or the employee had to pay more money, or the employee was being put into the exchanges, all of those things would be significant, serious problems.

But we digress from the importance of this legislation right here, which is something that we can join together, in a bipartisan way, to see that we have justice in our judicial system when people are unfairly sued, unfairly subject to frivolous or fraudulent lawsuits.

Madam Speaker, I reserve the balance of my time.

Mr. CONYERS. Madam Speaker, I am pleased to yield an additional 2 minutes to the gentlewoman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE. I thank the gentleman very much.

Madam Speaker, let me be very clear. I want to say to the gentleman from Virginia that I would venture to say that those attacks on frivolous lawsuits are the big guys against the little guys, who had very legitimate and good intentions. It may be their resources were limited, and so they have to be subjected to a rule 11 on a perfectly legitimate litigation to be called frivolous.

The other point that I was making is that there is something between process and policy. I will stand again to say that the policy of making better health plans and better and healthier Americans is supported by all.

The process that I challenge is that the big insurance companies decided to use the process of cancellation letters, not letters that said modify. They decided to use their big authority to be able to undermine a policy of lifting the boats of all Americans for good health.

That is what I see rule 11 as. I see that as undermining the basic scales of justice. It says to get back money for frivolous lawsuits. Well, the frivolous lawsuits may be on one individual or a group of small individuals who feel

that they have been harmed. They may have lost. They may be in the midst of pleadings, but they don't have the resources to file a rule 11. So what happens is those who want to be punitive will use a rule 11.

I think a judge can make determinations under the present system, and so the spiking that we are talking about is a spiking of rule 11 filings. That is more litigation. That is more litigation. That is what we are suggesting that we don't want.

And this response and respect that the President and others are giving, all of us want to give respect to the mishap that has been created by the insurance companies. And so, fine. The President is giving respect to the constituents because his bottom line is to make sure all uninsured Americans, like the 6 million in the State of Texas, get the opportunity to be insured.

Let me thank the gentleman for the time. I believe that we are going down the wrong path for rule 11.

I thank the gentleman for yielding.

Mr. GOODLATTE. Madam Speaker, I continue to reserve the balance of my time.

Mr. CONYERS. Madam Speaker, it is my pleasure now to yield 4 minutes to the distinguished gentleman from Pennsylvania (Mr. CARTWRIGHT).

Mr. CARTWRIGHT. I thank the gentleman from Michigan.

Madam Speaker, I come here as a freshman in this Congress. I come from northeastern Pennsylvania, my first time involved in the political theater. And I tell you, Madam Speaker, that I have plied my entire adult life in the civil courts. I have handled all manner of civil cases on behalf of defendants, on behalf of plaintiffs, on behalf of people, on behalf of companies. I have seen the whole spectrum of civil litigation; and I have been doing that, both before and after the repeal of the mandatory LARA provision in 1993, so I am as qualified as anybody in this Chamber to speak to the merits of this so-called lawsuit abuse reduction bill.

It is a bill that should fail; and I say this, not just because it tends to shut the door further on consumers seeking justice in the court system of the United States, but because it also reinstates a rule that has already been seen to be misapplied, to be misplaced, to be a bad rule.

In 1993, we abandoned this rule for a reason. It wasn't because we pulled it out of thin air, the idea to abandon this mandatory sanctions under rule 11 rule. It is because of the experience.

The gentledady from Texas held up the chart. You saw the spiking in rule 11 filings. That wasn't because people were out diligently cleaning up the mess in civil courts. It is because they were encouraged to make those filings because of the mandatory nature of the rule. They felt like their clients expected them to file for rule 11 if they won a motion or if they won a case, and it led to enormous increases in unnecessary, what we call satellite litigation.

It was the Federal judges who complained to the Judicial Conference. They went to the Supreme Court, and Congress ultimately decided, in its wisdom, to abrogate that rule and abandoned it because of all of this wasteful litigation that was going on.

We had a Federal judge outside of Philadelphia, United States District Judge Robert Gawthrop, who saw so much of it he added a nickname to this rule 11 litigation that people felt compelled to file. He called it "zombie litigation." He called it zombie litigation, and he was enormously relieved when, in 1993, this Congress did away with it.

Current law allows judges to punish frivolous filings; and, on occasion, frivolous things happen in court, and the judges don't like them and they have the power to punish them. And it is within their discretion that they do that.

We like discretion to be vested in Federal judges. We are careful about selecting Federal judges. We vet Federal judges. We actually confirm them here on Capitol Hill to make sure that they have sound discretion and good sense; and it is best left to the sound discretion and good sense of Federal judges to handle the situation when someone goes overboard with a filing.

This is us here now trying to fix a problem that doesn't exist. The National Center for State Courts—make no mistake, tort cases constitute 5 percent of filings in civil court. It is debt collection, it is breach of contracts cases that take up 70 percent.

From 1999–2008, tort case filings in State courts in the United States dropped 25 percent. Dropped to 2008. And this is all after the abrogation of the mandatory rule 11 rule.

□ 1400

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CONYERS. I yield the gentleman an additional 1 minute.

Mr. CARTWRIGHT. What this bill is really after is simply to make people afraid to go to court to assert their rights, to assert their voting rights, to assert their workplace safety rights, to assert the rights guaranteed them under the United States Constitution. This bill makes them afraid to go to court to assert their rights, and that is why I urge my fellow Members, Madam Speaker, to vote against this bill.

Mr. GOODLATTE. Will the gentleman yield?

Mr. CARTWRIGHT. I yield to the gentleman from Virginia.

Mr. GOODLATTE. I would ask the gentleman from Pennsylvania, what other sorts of legal claims should a victim be able to prove in court but be denied damages by the judge?

Mr. CARTWRIGHT. I am not sure what the gentleman is referring to.

Mr. GOODLATTE. Well, you are in court. You have got a frivolous lawsuit. The court finds it is a frivolous lawsuit. You prove that you are the

victim of that legal claim and you prove it in court, yet you can be denied damages by the judge.

What other legal remedy, what other legal claim would the gentleman cite other than frivolous lawsuits where that would be the case? Are there any others?

The SPEAKER pro tempore (Mr. GARDNER). The time of the gentleman has again expired.

Mr. GOODLATTE. Mr. Speaker, I yield myself 1 minute, and I would be happy to yield to the gentleman to respond.

Mr. CARTWRIGHT. I thank the gentleman.

The answer is this: we don't have idiots as Federal judges in this country. If a Federal judge sees a situation where somebody is really acting egregiously, really abusing the system, really filing a frivolous case, then that Federal judge just about uniformly will sanction the guilty party. We see that over and over and over. What we are doing here is imposing a cookie-cutter, one-size-fits-all remedy that the judges don't like. It adds to increased litigation, and it is unnecessary and expensive litigation.

Mr. GOODLATTE. Well, I thank the gentleman for his comment.

And I would just point out that I practiced law during the time that the mandatory sanctions were in place in Federal court and found that it was a very good environment to do so. I was then elected to Congress and got here and found that, lo and behold, a small panel of judges changed that rule without looking at the evidence of a survey of Federal judges where 751 Federal judges found that an overwhelming majority believed—

The SPEAKER pro tempore. The time of the gentleman has expired.

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

Federal judges found that an overwhelming majority of Federal judges believed, based on their experience under both a weaker and stronger rule 11, that a stronger rule 11 did not impede development of the law, 95 percent; the benefits of the rule outweighed any additional requirement of judicial time, 71.9 percent; the stronger version of rule 11 had a positive effect on litigation in the Federal courts, 81 percent; and the rule should be retained in its then current form. What we are attempting to reinstate into the law, 80.4 percent supported retaining the then-current mandatory sanctions under the law.

Mr. Speaker, this is about seeking real justice, and the fact of the matter is that, just like a judge could not deny well-founded damages in a lawsuit brought by an individual under a valid legal claim of any other kind, they should not be able to have the discretion to deny any damages when a frivolous lawsuit is proven and the expenses of having to undertake the defense of that frivolous lawsuit are made. And

yet time after time after time today, people do not even bother to do it anymore because of the low, low, low record of granting damages in findings of frivolous lawsuits since it was made discretionary, and the mandatory provision should be reinstated in the law.

I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I am pleased now to yield 2 minutes to the gentleman from Florida, TED DEUTCH, a very effective member of the House Judiciary Committee.

Mr. DEUTCH. I thank my good friend from Michigan (Mr. CONYERS).

Mr. Speaker, make no mistake, the Lawsuit Abuse Reduction Act is little more than a GOP effort to turn back the clock on civil rights, on consumer protections, and on justice in America. I urge my colleagues to vote against it.

To most people, what this bill is sounds harmless. It reinstates the 1983 version of rule 11 in our Federal Rules of Civil Procedure. Indeed, this legislation is full of legal jargon and obscure technical language. But the American people still need to know why it is that the majority wants to go back to 1983 so badly. They want to reinstate the 1983 rule for the very reason it was taken away in the first place: it unfairly disadvantaged consumers, employees, and other ordinary Americans that tried to take on big corporations in our court system.

The Lawsuit Abuse Reduction Act doesn't stop frivolous lawsuits; it only makes it easier for corporations to file frivolous lawsuits for the sole purpose of delaying the legal process and driving up the cost of litigation. These tactics aim to make the price of justice too expensive for ordinary Americans, especially in cases involving consumer and civil rights.

You don't have to take my word for it. Studies have shown that civil rights and discrimination cases made up just 11.4 percent of the Federal court docket but 22 percent of the cases derailed by this rule. History has shown us that the 1983 version of rule 11 will further disadvantage everyday people with legitimate claims against corporations with deep pockets.

Mr. Speaker, the current rule was developed by a judicial panel and embraced by judges across the country. They are the ones who hear the cases. They are the ones who receive and consider the unique facts of each case. They are the ones who are in the position to make the decision whether the landmark civil rights and consumer rights cases of our time should go forward in our legal process, not the United States House of Representatives.

I ask my colleagues to stand up for everyday Americans' access to justice. Vote "no" on this bad bill.

Mr. GOODLATTE. Mr. Speaker, I will continue to reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself the balance of my time.

Ladies and gentlemen, as we see now, the Lawsuit Abuse Reduction Act will

turn back the clock to a time when the Federal Rules of Civil Procedure discouraged civil rights cases and permitted satellite litigation to run wild.

I want to point out, in closing, that this is now the second day this week that the House is considering legislation aimed at solving a nonexistent problem that has little or no chance of seeing the light of day in the other body and is solely aimed at limiting access to justice for victims of egregious harms.

Just as I asked yesterday, who actually supports this legislation? Why are we putting their interests ahead of victims'? And why are we engaged in this charade when there are real problems facing our Nation that our constituents are still waiting for us to address?

With just 13 legislative days left this year, we still haven't considered immigration reform. We haven't passed a budget. We haven't considered a single piece of legislation that will create jobs and put America back to work. So really, whose interest is this House concerned with today? I urge my colleagues, oppose this legislation.

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

Mr. GOODLATTE. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, I am pleased that my friend and colleague from Michigan (Mr. CONYERS), the ranking member of the Judiciary Committee, raised the important issue of civil rights. It is absolutely important. And I share his concern that individuals who believe that their civil rights have been infringed in any way have the opportunity to bring actions in Federal court as long as those actions are not frivolous or based upon fraud. In fact, looking back during the time when we had mandatory sanctions from 1983 to 1993, the Federal Judicial Center, in its study, found that the imposition rate of sanctions in civil rights cases was not out of line with that in any other type of case.

Now, we have not rested there. When the committee marked up this legislation, the gentleman from Virginia (Mr. SCOTT) offered a bipartisan amendment which was added to the bill at the very end. I said it was a one-page bill. I am actually slightly mistaken. It is a one-and-a-third-page bill. And the one-third page that was added reads this way:

Rule of Construction—Nothing in this Act or an amendment made by this Act shall be construed to bar or impede the assertion or development of new claims, defenses, or remedies under Federal, State, or local laws, including civil rights laws, or under the Constitution of the United States.

So this measure is carefully crafted to make sure that we are not harming people's rights to seek legitimate redress of grievances in our courts. What it is designed to do is to eliminate frivolous and fraudulent lawsuits. And from the evidence of the survey of Federal judges who worked for 10 years under the rule that we would instate again with the passage of this legisla-

tion, the overwhelming majority of them said they would not change the rule, and it is unfortunate that a small committee chose to move forward to make that change notwithstanding.

I would add, too, that those who claim that this is not about the little guy are overlooking the fact that small businesses are affected by frivolous lawsuits all the time. And the National Federation of Independent Business, which bills itself as "the voice of small business" and which represents hundreds of thousands of small businesses all across America, endorses this legislation. In fact, they wrote to us and said that 84 percent of National Federation of Independent Business members agree that attorneys should face mandatory sanctions if they bring forth a frivolous lawsuit. The NFIB urges you to support final passage of H.R. 2655 and will consider it an NFIB key vote in the 113th Congress.

So in terms of the little guy—both the small business person and the individual—this legislation is designed to protect individuals against frivolous or fraudulent lawsuits. And, as I pointed out in my dialogue with another Member a little while ago, I don't believe anybody can come forward and give me any other example where a legal claim is validly brought in court and the victim is able to prove that wrong was perpetrated and prove that there are damages resulting from that wrong and yet be denied those damages by the judge. I challenge anybody to come forward and show me that.

So why, if you have a process that says under rule 11—which it did say at one time and would say again with the passage of this legislation—that you have a right to a process to show and establish that a lawsuit is frivolous, why after you have done that wouldn't it be mandatory that the process take one step further and assess the appropriate amount of damages that would be due and owing that victim of that abusive lawsuit that suffers in all the same ways that other people suffer when they are the victim of abusive actions of other kinds that result in actions being brought in court?

So I urge my colleagues to support this legislation, and I yield back the balance of my time.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today in strong opposition to H.R. 2655, the Lawsuit Abuse Reduction Act (LARA). This deceptively-named bill would roll back Rule 11 of the Federal Rules of Civil Procedure by removing a judge's discretion to impose sanctions against any party that files a frivolous lawsuit.

The language in H.R. 2655 is based upon long-discredited procedural requirements, previously rejected by the American Bar Association and the Judicial Conference of the United States. An overwhelming majority of the legal community reject the underlying principles behind the 1983 version of Rule 11. In fact, according to a survey conducted by the Federal Judicial Center, 87 percent of federal district judges prefer the current version of Rule 11 over the old version. Further, 91 percent of

these judges oppose the requirements specifically found in H.R. 2655.

Mr. Speaker, I have grave concerns about H.R. 2655 and the impact it would have on civil rights cases all across the country. History has shown us that mandatory sanctions can be used as a tool against legitimate plaintiffs in civil rights cases. Passage of H.R. 2655 would revive this abuse, and actually prolong litigation—not reduce it. I urge all of my colleagues to oppose this legislation so that we can get back to working on issues that the American people truly care about.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 403, the previous question is ordered on the bill.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. LEWIS of Georgia. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. LEWIS of Georgia. I am opposed to H.R. 2655.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Lewis moves to recommit the bill H.R. 2655 to the Committee on the Judiciary with instructions to report the same back to the House forthwith, with the following amendment:

Add, at the end of the bill, the following:

SEC. 3. PROTECTING CIVIL RIGHTS AND PREVENTING DISCRIMINATION.

This Act, and the amendments made by this Act, shall not apply in the case of any action brought under—

(1) civil rights laws, including any case alleging discrimination based on sex, race, age, or other forms of discrimination; or

(2) the Constitution.

□ 1415

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia is recognized for 5 minutes in support of his motion.

Mr. LEWIS. Mr. Speaker, this is the final amendment to the bill. It will not kill the bill or send it back to committee. If adopted, the bill will immediately proceed to final passage, as amended.

My motion is similar to an amendment offered by my good friend, Ranking Member CONYERS, during the committee markup. It simply excludes civil rights cases from this act.

My amendment makes it crystal clear that discrimination based on sex, race, age, or other forms of discrimination will not be subjected to lengthy, expensive sanctions. People should have a right to seek redress to petition the courts to act. For an individual to be able to take legal action based on discrimination because of age, race, color, gender, or sexual orientation is not senseless. It is not frivolous or silly. They are exercising their sacred

right to work to make our union stronger and better for generations to come.

Mr. Speaker, I am not sure that my friends and colleagues in this body fully understand the importance of my amendment.

Civil rights lawsuits are unique because they push the judiciary to review, question, consider, and update our Nation's commitment—our constitutional duty—to respect the dignity and the worth of every human being. These cases inspire our judicial system to explore and develop new legal theories and standards.

There is no doubt that legislation like H.R. 2655 would have slowed down many historic legal successes of the 20th century. Civil rights landmarks like *BROWN v. BOARD OF EDUCATION* would have taken another 10 years. Rights to marital privacy could have been debated for who knows how long. Blacks and Whites would not have been free to marry. Same-sex couples would not have been able to love each other. Decisions guaranteeing freedom of the press and First Amendment protections could be ongoing.

Civil rights legal progress would have been even slower if this act was the law of the land 60, 50, or even 20 years ago. Our judicial system of thoughtful, deliberative, constant review makes our history—our progress, our commitment to justice—a model for nations around the world.

This effort has been tried already. It does not work. My amendment corrects the greatest injustice of this bill.

I urge all of my colleagues to support my commonsense change to this seriously flawed legislation. This amendment is the right thing to do, the fair thing to do. It is the just thing to do.

I yield back the balance of my time.

Mr. GOODLATTE. Mr. Speaker, I claim the time in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Virginia is recognized for 5 minutes.

Mr. GOODLATTE. Mr. Speaker, I rise in opposition to this motion because the base bill makes sanctions for filing frivolous lawsuits in Federal court mandatory.

Under rule 11, a lawsuit is frivolous if it is presented for any improper purpose, such as to harass, cause unnecessary delay, or needlessly increase the cost of litigation, if it is not warranted by existing law, or if the factual contentions have no evidentiary support. In other words, a lawsuit will only be found frivolous if it has no basis in law or fact. As soon as the judge finds that any claim of any kind is founded in law or fact, then no claim for damages because of a frivolous lawsuit would lie.

Who here thinks that lawyers should be able to avoid any penalty when the lawsuit they file is found by a Federal judge to have been simply filed to harass, to cause unnecessary delay, or to needlessly increase the cost of litigation? Or, when the Federal judge finds

that the lawsuit is not warranted by existing law or to have no evidentiary support?

If you think lawyers should be able to get off scot-free when they file those sorts of frivolous lawsuits, vote for this motion to recommit. If you agree with me that the victims of frivolous lawsuits are real victims and that they have to shell out thousands of dollars, endure sleepless nights, and spend time away from their family, work, and customers just to respond to frivolous pleadings, then you must oppose this motion to recommit.

When Business Week wrote an extensive article on what the most effective legal reforms would be, it stated what is needed are "penalties that sting." As Business Week recommended:

Give judges stronger tools to punish renegade lawyers. Before 1993, it was mandatory for judges to impose sanctions such as public censures, fines, or orders to pay for the other side's legal expenses on lawyers who filed frivolous lawsuits. Then the Civil Rules Advisory Committee, an obscure branch of the courts, made penalties optional. This needs to be reversed . . . by Congress.

H.R. 2655, the Lawsuit Abuse Reduction Act, would do just that.

The specific language of the motion to recommit means that it literally immunizes from sanctions frivolous civil rights claims. That doesn't further civil rights; that sets them back, because the only claims that sanctions could be issued on would be claims for which there is no basis in law or fact.

That does not advance the cause.

I would add that the language in the motion to recommit adds, "shall not apply in the case of any action brought under, one, civil rights laws, and two, the Constitution." That second provision, the Constitution, means that the motion to recommit covers every single lawsuit brought in any United States court in the land and any Federal court, and so it goes well beyond what is the stated intent of the motion to recommit.

A better way to look at this is to look at what the Federal Judicial Center found in its study when it looked at the imposition of the mandatory sanctions under rule 11 that existed from 1983 to 1993. It found that the imposition rate of sanctions in civil rights cases was not out of line with that in any other type of cases.

Furthermore, when this bill was drafted for this Congress—a very narrowly drafted bill, just 1½ pages long—we added a rule of construction for specific protection for valid, legitimate civil rights lawsuits that are based in law or fact.

It says in the rule of construction, as I said earlier:

Nothing in this act or an amendment made by this act shall be construed to bar or impede the assertion or development of new claims, defenses, or remedies under Federal, State, or local laws, including civil rights laws or under the Constitution of the United States.

That is the proper way to protect civil rights litigation. Meritorious civil

litigation founded in law or in fact. That indeed is what the legislation does, and that is why the House should reject the motion to recommit and pass the Lawsuit Abuse Reduction Act.

I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. LEWIS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of the bill, if ordered; and adoption of the motion to instruct on H.R. 3080.

The vote was taken by electronic device, and there were—yeas 197, nays 225, not voting 8, as follows:

[Roll No. 580]

YEAS—197

Andrews	Fattah	McDermott
Barber	Foster	McGovern
Barrow (GA)	Frankel (FL)	McIntyre
Bass	Fudge	McNerney
Beatty	Gabbard	Meeks
Becerra	Gallego	Meng
Bera (CA)	Garamendi	Michaud
Bishop (GA)	Garcia	Miller, George
Bishop (NY)	Grayson	Moore
Blumenauer	Green, Al	Moran
Bonamici	Green, Gene	Murphy (FL)
Brady (PA)	Gutiérrez	Nadler
Brady (IA)	Hahn	Napolitano
Brown (FL)	Hanabusa	Neal
Brownley (CA)	Hastings (FL)	Negrete McLeod
Bustos	Heck (WA)	Nolan
Butterfield	Higgins	O'Rourke
Capps	Himes	Owens
Capuano	Hinojosa	Pallone
Cardenas	Holt	Pascarell
Carney	Honda	Pastor (AZ)
Carson (IN)	Horsford	Payne
Cartwright	Hoyer	Pelosi
Castor (FL)	Huffman	Perlmutter
Castro (TX)	Israel	Peters (CA)
Chu	Jackson Lee	Peters (MI)
Ciçilline	Jeffries	Peterson
Clarke	Johnson (GA)	Pingree (ME)
Clay	Johnson, E. B.	Pocan
Cleaver	Keating	Polis
Clyburn	Kelly (IL)	Price (NC)
Cohen	Kennedy	Quigley
Connolly	Kildee	Rahall
Conyers	Kilmer	Rangel
Cooper	Kind	Richmond
Costa	Kirkpatrick	Roybal-Allard
Courtney	Kuster	Ruiz
Crowley	Langevin	Ruppersberger
Cuellar	Larsen (WA)	Ryan (OH)
Cummings	Larson (CT)	Sánchez, Linda
Davis (CA)	Lee (CA)	T.
Davis, Danny	Levin	Sanchez, Loretta
DeFazio	Lewis	Sarbanes
DeGette	Lipinski	Shakowsky
Delaney	Loeb sack	Schiff
DeLauro	Lofgren	Schneider
DelBene	Lowenthal	Schrader
Deutch	Lowe y	Schwartz
Dingell	Lujan Grisham	Scott (VA)
Doggett	(NM)	Scott, David
Doyle	Lujan, Ben Ray	Serrano
Duckworth	(NM)	Sewell (AL)
Duncan (TN)	Lynch	Shea-Porter
Edwards	Maffei	Sherman
Ellison	Maloney,	Sinema
Engel	Carolyn	Sires
Enyart	Maloney, Sean	Slaughter
Eshoo	Matheson	Smith (WA)
Esty	Matsui	Speier
Farr	McCollum	Swalwell (CA)

Takano
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Tsongas
Van Hollen

Vargas
Veasey
Vela
Velázquez
Visclosky
Walz
Wasserman
Schultz

Waters
Watt
Waxman
Welch
Wilson (FL)
Yarmuth

NAYS—225

Aderholt
Amash
Amodei
Bachmann
Bachus
Barletta
Barr
Barton
Benishek
Bentivolio
Bilirakis
Bishop (UT)
Black
Blackburn
Boustany
Brady (TX)
Bridenstine
Brooks (AL)
Brooks (IN)
Broun (GA)
Buchanan
Bucshon
Burgess
Calvert
Camp
Cantor
Capito
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman
Cole
Collins (GA)
Collins (NY)
Conaway
Cook
Cotton
Cramer
Crawford
Crenshaw
Culberson
Lummis
Daines
Davis, Rodney
Denham
Dent
DeSantis
DesJarlais
Diaz-Balart
Duffy
Duncan (SC)
Ellmers
McKinley
McMorris
Rodgers
Meadows
Meehan
Messer
Flores
Forbes
Fortenberry
Fox
Franks (AZ)
Frelinghuysen
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Olson
Palazzo
Paulsen
Pearce
Granger
Graves (GA)

Pitts
Poe (TX)
Pompeo
Posey
Price (GA)
Radel
Reed
Reichert
Renacci
Ribble
Rice (SC)
Rigell
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross
Rothfus
Royce
Runyan
Ryan (WI)
Salmon
Sanford
Scalise
Schock
Schweikert
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (MO)
Smith (NJ)
Smith (TX)
Souterland
Stewart
Stivers
Stockman
Stutzman
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner
Upton
Valadao
Wagner
Walberg
Walden
Walorski
Weber (TX)
Webster (FL)
Wenstrup
Westmoreland
Whitfield
Williams
Wilson (SC)
Witman
Wolf
Womack
Woodall
Yoder
Yoho
Young (AK)
Young (IN)

NOT VOTING—8

Campbell
Grijalva
Herrera Beutler
Jones
Kaptur
McCarthy (NY)

Perry
Rush

Ms. SPEIER and Mr. TIERNEY changed their vote from “nay” to “yea.”

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. PERRY. Mr. Speaker, on rollcall No. 2655—Motion to Recommit; I was off-site and my staff was unable to contact me regarding the vote due to an inoperative telephone. Had I been present, I would have voted “no.”

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. SCOTT of Virginia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 228, nays 195, not voting 7, as follows:

[Roll No. 581]

AYES—228

Aderholt	Franks (AZ)	McClintock
Amash	Frelinghuysen	McHenry
Amodei	Gardner	McKeon
Bachmann	Garrett	McKinley
Bachus	Gerlach	McMorris
Barletta	Gibbs	Rodgers
Barr	Gibson	Meadows
Barton	Gingrey (GA)	Gingrey
Benishek	Gohmert	Messer
Bentivolio	Goodlatte	Mica
Bilirakis	Gosar	Miller (FL)
Bishop (UT)	Gowdy	Miller (MI)
Latta	Granger	Miller, Gary
Blackburn	Graves (GA)	Mullin
Boustany	Graves (MO)	Mulvaney
Brady (TX)	Griffin (AR)	Murphy (PA)
Bridenstine	Grimm	Neugebauer
Brooks (AL)	Guthrie	Noem
Brooks (IN)	Hall	Nugent
Buchanan	Hanna	Nunes
Bucshon	Harper	Nunnelee
Burgess	Harris	Olson
Calvert	Hartzler	Palazzo
Camp	Hastings (WA)	Paulsen
Cantor	Heck (NV)	Pearce
Capito	Hensarling	Perry
Carter	Holding	Peterson
Cassidy	Hudson	Petri
Chabot	Huelskamp	Pittenger
Chaffetz	Huizenga (MI)	Pitts
Coble	Hultgren	Poe (TX)
Coffman	Hunter	Pompeo
Cole	Hurt	Posey
Collins (GA)	Issa	Price (GA)
Collins (NY)	Jenkins	Radel
Conaway	Johnson (OH)	Reed
Cook	Johnson, Sam	Reichert
Cotton	Jordan	Renacci
Cramer	Joyce	Ribble
Crawford	Kelly (PA)	Rice (SC)
Crenshaw	King (IA)	Rigell
Cuellar	King (NY)	Roby
Culberson	Kingston	Roe (TN)
Daines	Kinzinger (IL)	Rogers (AL)
Davis, Rodney	Kline	Rogers (KY)
Denham	Labrador	Rogers (MI)
Dent	LaMalfa	Rohrabacher
DeSantis	Lamborn	Rokita
DesJarlais	Lance	Rooney
Diaz-Balart	Lankford	Ros-Lehtinen
Duffy	Latham	Roskam
Duncan (SC)	Latta	Ross
Duncan (TN)	LoBiondo	Rothfus
Ellmers	Long	Royce
Farenthold	Lucas	Runyan
Fincher	Luetkemeyer	Ryan (WI)
Fitzpatrick	Lummis	Salmon
Fleischmann	Marchant	Sanford
Fleming	Marino	Scalise
Flores	Massie	Schock
Forbes	Matheson	Schweikert
Fortenberry	McCarthy (CA)	Scott, Austin
Fox	McCaul	Sensenbrenner

Messrs. THOMPSON of Pennsylvania and CALVERT changed their vote from “yea” to “nay.”

