Washington this weekend for the WebMD Rock 'n Race.

Mr. BROWN of Ohio. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. CUBIN. Madam Speaker, I yield myself such time as I may consume.

The subject that H. Con. Res. 133 addresses is not a pleasant issue to discuss, but something that is much, much, much less pleasant, which is horrible, in fact, is to be notified that someone you love has colorectal cancer and had they been diagnosed earlier, had they gone in earlier, it would have been curable but now it is not.

I think generally men have a harder time dealing with issues like this, and so I would like to really express my thanks to the gentlemen here today who have brought this issue up and have spoken on behalf of it, because it is a disease that is curable in most cases. I truly thank the gentleman from Ohio (Mr. BROWN), the gentleman from Virginia (Mr. MORAN), and the gentleman from Alabama (Mr. BACHUS) for their leadership on behalf of men and women as well.

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

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentlewoman from Wyoming (Mrs. CUBIN) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 133.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MOTOR VEHICLE FRANCHISE CONTRACT ARBITRATION FAIRNESS ACT OF 2000

Mrs. BONO. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 534) to amend chapter 1 of title 9 of the United States Code to permit each party to certain contracts to accept or reject arbitration as a means of settling disputes under the contracts, as amended.

The Clerk read as follows:

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 ''Motor Vehicle Franchise Contract Arbitration Fairness Act of 2000''.

SEC. 2. ELECTION OF ARBITRATION.

(a) MOTOR VEHICLE FRANCHISE CONTRACTS.—Chapter 1 of title 9, United States Code, is amended by adding at the end the following:

''§ 17. Motor vehicle franchise contracts

''(a) For purposes of this section, the term—

''(1) 'motor vehicle' has the meaning given such term under section 30102(6) of title 49; and

''(2) 'motor vehicle franchise contract' means a contract under which a motor vehicle manufacturer, importer, or distributor sells motor vehicles to any other person for resale to an ultimate purchaser and authorizes such other person to repair and service the manufacturer's motor vehicles.

''(b) Whenever a motor vehicle franchise contract provides for the use of arbitration to resolve a controversy arising out of or relating to the contract, arbitration may be used to settle such controversy only if after such controversy arises both parties consent in writing to use arbitration to settle such controversy.

''(c) Whenever arbitration is elected to settle a dispute under a motor vehicle franchise contract, the arbitrator shall provide the parties to the contract with a written explanation of the factual and legal basis for the award.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 1 of title 9, United States Code, is amended by adding at the end the following:

''17. Motor vehicle franchise contracts.''.

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall apply to contracts entered into, amended, altered, modified, renewed, or extended after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Mrs. BONO) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentlewoman from California (Mrs. BONO).

GENERAL LEAVE

Mrs. BONO. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. BONO. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of my legislation that will correct unfair auto dealer franchise agreements that are purposefully written in favor of the manufacturer. With over 250 cosponsors, this Congress has realized that America's community auto dealers are in a unique position in franchise law and that relief is needed.

In 1925, Secretary of Commerce Herbert Hoover said of the Federal Arbitration Act that was recently passed by Congress, ''If the bill proves to have some defects, and we know most legislative measures do, it might well, by reason of the emergency, be passed and amended later in the light of further experience.'' It is the result of ''further experience'' that brings us to amend the Federal Arbitration Act today.

Current business practice is that both the auto dealer and the manufacturer go through a process of mandatory binding arbitration in the case of a legal dispute. Unlike other forms of legal resolution, the auto dealer arbitration process has no jury, no rules of evidence or appeals process. H.R. 534, however, would simply make this mandatory binding arbitration in motor vehicle franchise contracts voluntary.

It is our turn to amend the Federal Arbitration Act and return some of the power back to the States. In my home State of California, there are numerous State laws that cover motor vehicle franchise contracts and sufficient State forums to hear the legal disputes that may arise from these agreements.

However, California's efforts to preserve the right of its auto franchisees to obtain a fair hearing for claims brought under the California franchise investment law have been preempted by Federal law. Because State laws to provide auto dealer protections are currently prohibited, it is now appropriate to revisit this issue.

Madam Speaker, many vehicle manufacturers already have inserted mandatory binding arbitration clauses in their standard dealer agreements. With broad power to unilaterally amend their dealer agreements without dealer input at any point, every manufacturer could force mandatory binding arbitration on its dealers tomorrow.

Madam Speaker, I would like to thank the gentleman from Illinois (Mr. HYDE) for his leadership and the gentleman from Massachusetts (Mr. DELAHUNT) for his dedication to see this legislation passed into law. It has been with his hard work and bipartisan spirit that this bill has made it to the floor of the House today. I would also like to take this opportunity to thank the gentleman from Pennsylvania (Mr. GEKAS), the subcommittee chairman, for his effort and leadership on this issue. The gentleman from Pennsylvania has been a true leader in the Subcommittee on Commercial and Administrative Law since I have been a Member, and I have appreciated his counsel and friendship in my 2 years on this committee.

I would like to thank Jim Hall on my staff and Chris Katopis and Ray Smietanka on the Judiciary staff as well.

Madam Speaker, I reserve the balance of my time.

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

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

Mr. CONYERS. Madam Speaker, I rise in strong support of this very important measure which would amend the Federal Arbitration Act to permit parties to automobile manufacturers and automobile dealer agreements to accept or reject arbitration of disputes. Essentially, H.R. 534 prohibits binding arbitration in contracts between automobile manufacturers and automobile dealers.

This legislation deals with an increasing problem of motor vehicle manufacturers forcing small business automobile and truck dealers into non-negotiated agreements containing mandatory binding arbitration clauses. As a result of these clauses, binding arbitration becomes the sole remedy for resolving disputes between the manufacturer and the dealer. Although arbitration is a valuable form of alternative dispute resolution, when its use is

forced upon automobile dealers, they are denied use of courts and other state forums otherwise available to resolve such disputes. Such restrictive contractual terms are frequently proffered to the dealer on a ''take it or leave it'' basis with the threat of loss of manufacturer support for the dealer.

H.R. 534 responds to this problem by allowing the use of arbitration as a method to settle contract controversies if both parties consent in writing. This would ensure that dealers are not forced to give up their legal rights to obtain or maintain their business. In addition, this legislation will send a strong message regarding the inequitableness of mandatory binding arbitration and will act as an incentive for broader legislation that prohibits mandatory arbitration contract clauses for consumers as well.

Requiring dealers to agree to mandatory binding arbitration as a condition of obtaining, renewing, or maintaining their dealership is contrary to fundamental fairness. The intent of this proposed legislation is to make arbitration of disputes between dealers and manufacturers absolutely voluntary and I support it wholeheartedly.

Madam Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. I thank the gentleman for yielding me this time.

Madam Speaker, I rise in support of H.R. 534. I particularly want to commend my friend and colleague, the gentlewoman from California, for her authorship and her fine work on this very significant bill before us. This bill is about fairness, the most American of virtues, if you will. It is really, truly about preserving local businesses that are a cornerstone in our communities.

□ 1730

For small business, arbitration is often an effective alternative to going to court to settle disputes, and where arbitration is in their interests, sensible business people will generally agree to do that. But they do not need to be coerced. Chances are that when coercion is involved, it is because the party with greater leverage stands to gain from a procedure that deprives the other party of its rights and remedies under State law, laws that were enacted to protect the less powerful from predatory practices.

By passing H.R. 534, we can level the playing field, so that both the manufacturer and the dealer are free to negotiate dispute resolution procedures that are truly voluntary and truly in their mutual interest. Some have charged that this interferes with freedom of contract. Nothing could be further from the truth, unless you define ''freedom of contract'' as the freedom of giant multinational auto makers to impose one-sided, take-it-or-leave-it contracts on small, locally owned dealerships.

Let us pause and remember who these local dealers are. They are the people who sustain our local economies, who offer valuable goods and services to consumers and provide jobs, and they pay taxes. They are the people who contribute to their communities in ways that cannot be measured in terms of dollars and cents.

It is the local dealer who sponsors the little league team; it is the local auto dealer who funds the after-school programs, and church picnics, and food banks, and domestic violence shelters. It is the local auto dealer who is often the president of the local chamber of commerce and also the chairman of the United Way.

The people we are talking about are an integral part of the fabric of our communities. They are truly a mainstay of the American way of life, and they are slowly, inexorably being squeezed out by economic forces that they cannot control, but by forces we can control.

We have heard a lot about globalization lately, and many of us are frustrated by our inability to temper its negative effects on the health of our communities. The use by large corporations of unfair, unbalanced franchise agreements is only one of those effects; but it is one that we can address, and we do it with this bill.

Some have complained that the bill does not go far enough, that consumers and other segments of the small business community deserve comparable attention. Well, they are right, but that is not an argument against this bill. It is an argument, in fact, in favor of it. But by passing H.R. 534 we will be raising the bar for what constitutes fair dealing in all commercial relationships and setting a precedent that will ultimately lead to greater fairness and greater freedom for all.

Again, I conclude by thanking the sponsor of this bill for her outstanding work, and urge its enactment.

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. BARRETT).

Mr. BARRETT of Wisconsin. Mr. Speaker, I rise today in strong support of H.R. 534, the Fairness and Voluntary Arbitration Act. I am proud to be one of the 252 cosponsors this bill introduced by the gentlewoman from California (Mrs. BONO), and I congratulate her for taking the leadership on this issue.

H.R. 534 would correct what many of us see as a serious problem. When disputes arise between automobile manufacturers and dealers, the manufacturers are able to enforce mandatory arbitration provisions in their contracts. Quite simply, this bill would specify that binding arbitration is an option only if both sides agree to go in that direction.

The relationship between automobile manufacturers and dealers has often been one-sided over the years, with manufacturers enjoying substantial bargaining advantages over dealers, many of whom are small businesses. Dealers often have no choice but to sign a contract that includes mandatory binding arbitration, further eroding their rights.

This is an issue of fairness for small businesses, who should not be forced into binding arbitration against their will. I urge my colleagues to pass this bill.

Mr. GEKAS. Mr. Speaker, the Judiciary Committee has reported H.R. 534, a bill that allows parties who have signed motor vehicle franchise contracts containing arbitration clauses to accept or reject arbitration as a means of settling their contractual disputes.

Arbitration is an increasingly common form of dispute settlement where parties submit their contractual claims for resolution by a neutral arbitrator. Arbitration and other forms of alternative dispute resolution have greatly reduced formal litigation costs while providing parties with a fair, efficient, and timely venue to resolve their disputes.

Some parties, however, claim that arbitration may be burdensome and unfair. Motor vehicle dealers in particular have complained that manufacturers use superior bargaining power to require that they accept nonnegotiable franchise contracts containing binding arbitration clauses. These mandatory arbitration clauses place dealers in the position of having to forego state legal protections designed to remedy the bargaining imbalance between dealers and manufacturers. H.R. 534 addresses this concern by allowing dealers or manufacturers to reject arbitration and seek legal relief for breach of contract.

Since passage of the Federal Arbitration Act in 1925, the Congress has unequivocally encouraged alternative dispute resolution. We will continue to do so. However, we must also periodically examine the efficacy of binding arbitration clauses in exceptional circumstances to ensure that arbitration continues to serve as a fair and efficient alternative to formal litigation. H.R. 534 addresses one such exceptional circumstance, and I urge your support of the bill.

Mr. PASCRELL. Mr. Speaker, I am pleased to rise today in support of H.R. 534.

This legislation is designed to specifically help automobile dealers, but it is also legislation that will help consumers and our communities at large.

There are 700 new automobile retail businesses throughout New Jersey. Dealerships are located on every highway, and in almost every downtown area throughout the state. I know driving down Route 46, and Route 23, and on other roads, I see dozens of these businesses that are contributing to the betterment of Northern New Jersey.

These small businesses serve as important parts of the community. You can see their names on the backs of youth sports league jerseys and they always provide funds to civic events and fundraising drives.

It is time we in Congress give back on behalf of our communities, and do something to resolve an inequity and promote fairness in the automobile industry.

H.R. 534 merely makes binding arbitration in dealer/manufacturer disputes a voluntary option. This is needed legislation to help a segment of the small business community that needs our help.

We must pass this legislation for not only business owners, but for their employees as well.

Automotive retailing in New Jersey accounts for the direct employment of almost 45 thousand workers. There are also 24 thousand workers who indirectly owe their jobs to these businesses in the Garden State. That is 67

thousand workers who will see the benefits this legislation provides.

This legislation is also of great benefit to the consumer, who as we all know, is always looking to get the best possible deal on a car. H.R. 534 promotes competition in an already very competitive industry, yielding the best prices for dealers, and these deals can be passed onto the consumer.

As a member of the House Small Business Committee, I am always looking to help small businesses succeed and grow. Small business is the engine that has brought our economy to where it is today.

This legislation will help one group of small businesses in their pursuit of economic success. I am pleased to be a cosponsor of this bill and support it on the floor.

Mr. NADLER. Mr. Speaker, today we consider legislation intended to protect automobile dealers against binding arbitration clauses in contracts with manufacturers and franchisers. Although it was narrowed in Subcommittee to cover only one industry, it is an important and necessary step, one for which the testimony we received in the Judiciary Committee certainly makes the case.

Too often, these businesses are presented with contracts on a take-it-or-leave-it basis. If they do not accept the contract, with the binding arbitration clause, they risk losing their franchise and with it years of investment, both financial and the hard work they and their families have put into the business. That is a pretty coercive situation and one which most members of this House rightly view as contracts of adhesion.

Moreoever, binding arbitration often deprives these businesses of their rights under State law, and their due process rights in court. Under certain circumstances, binding arbitration even threatens some contractual protections.

Prohibiting this kind of unconscionable coercion is appropriate and I plan to support it.

In addition to leaving other businesses exposed, this bill fails to protect individual consumers who also suffer violations of their rights under binding arbitration clauses in service agreements with sellers, and in credit agreements. During our hearing one witness for the auto dealers did admit that some dealers use these clauses in their contracts with their customers.

Clearly this is a situation which also needs to be remedied. Now that the House has endorsed this fundamental protection for automobile dealers, I hope that the same concern which animates the bipartisan support for this legislation will help bring that bill into law as well.

So while I do not believe this legislation goes far enough, it is an important step to protect small businesses and I urge its passage.

Mr. CONYERS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. BONO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentlewoman from California (Mrs. BONO) that the House suspend the rules and pass the bill, H.R. 534, as amended.

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

The title of the bill was amended so as to read: ''A bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.''.

A motion to reconsider was laid on the table.

STRENGTHENING ABUSE AND NEGLECT COURTS ACT OF 2000

Mr. HYDE. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2272) to improve the administrative efficiency and effectiveness of the Nation's abuse and neglect courts and for other purposes consistent with the Adoption and Safe Families Act of 1997.

The Clerk read as follows:

S. 2272

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 ''Strengthening Abuse and Neglect Courts Act of 2000''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Under both Federal and State law, the courts play a crucial and essential role in the Nation's child welfare system and in ensuring safety, stability, and permanence for abused and neglected children under the supervision of that system.

(2) The Adoption and Safe Families Act of 1997 (Public Law 105–89; 111 Stat. 2115) establishes explicitly for the first time in Federal law that a child's health and safety must be the paramount consideration when any decision is made regarding a child in the Nation's child welfare system.

(3) The Adoption and Safe Families Act of 1997 promotes stability and permanence for abused and neglected children by requiring timely decision-making in proceedings to determine whether children can safely return to their families or whether they should be moved into safe and stable adoptive homes or other permanent family arrangements outside the foster care system.

(4) To avoid unnecessary and lengthy stays in the foster care system, the Adoption and Safe Families Act of 1997 specifically requires, among other things, that States move to terminate the parental rights of the parents of those children who have been in foster care for 15 of the last 22 months.

(5) While essential to protect children and to carry out the general purposes of the Adoption and Safe Families Act of 1997, the accelerated timelines for the termination of parental rights and the other requirements imposed under that Act increase the pressure on the Nation's already overburdened abuse and neglect courts.

(6) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would be substantially improved by the acquisition and implementation of computerized case-tracking systems to identify and eliminate existing backlogs, to move abuse and neglect caseloads forward in a timely manner, and to move children into safe and stable families. Such systems could also be used to evaluate the effectiveness of such courts in meeting the purposes of the amendments made by, and provisions of, the Adoption and Safe Families Act of 1997.

(7) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would also be improved by the identification and implementation of projects designed to eliminate the backlog of abuse and neglect cases, including the temporary hiring of additional judges, extension of court hours, and other projects designed to reduce existing caseloads.

(8) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would be further strengthened by improving the quality and availability of training for judges, court personnel, agency attorneys, guardians ad litem, volunteers who participate in court-appointed special advocate (CASA) programs, and attorneys who represent the children and the parents of children in abuse and neglect proceedings.

(9) While recognizing that abuse and neglect courts in this country are already committed to the quality administration of justice, the performance of such courts would be even further enhanced by the development of models and educational opportunities that reinforce court projects that have already been developed, including models for caseflow procedures, case management, representation of children, automated interagency interfaces, and ''best practices'' standards.

(10) Judges, magistrates, commissioners, and other judicial officers play a central and vital role in ensuring that proceedings in our Nation's abuse and neglect courts are run efficiently and effectively. The performance of those individuals in such courts can only be further enhanced by training, seminars, and an ongoing opportunity to exchange ideas with their peers.

(11) Volunteers who participate in court-appointed special advocate (CASA) programs play a vital role as the eyes and ears of abuse and neglect courts in proceedings conducted by, or under the supervision of, such courts and also bring increased public scrutiny of the abuse and neglect court system. The Nation's abuse and neglect courts would benefit from an expansion of this program to currently underserved communities.

(12) Improved computerized case-tracking systems, comprehensive training, and development of, and education on, model abuse and neglect court systems, particularly with respect to underserved areas, would significantly further the purposes of the Adoption and Safe Families Act of 1997 by reducing the average length of an abused and neglected child's stay in foster care, improving the quality of decision-making and court services provided to children and families, and increasing the number of adoptions.

SEC. 3. DEFINITIONS.

In this Act:

(a) ABUSE AND NEGLECT COURTS.—The term ''abuse and neglect courts'' means the State and local courts that carry out State or local laws requiring proceedings (conducted by or under the supervision of the courts)—

(1) that implement part B and part E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.) (including preliminary disposition of such proceedings);

(2) that determine whether a child was abused or neglected;

(3) that determine the advisability or appropriateness of placement in a family foster home, group home, or a special residential care facility; or

(4) that determine any other legal disposition of a child in the abuse and neglect court system.

(b) AGENCY ATTORNEY.—The term ''agency attorney'' means an attorney or other individual, including any government attorney, district attorney, attorney general, State attorney, county attorney, city solicitor or attorney, corporation counsel, or privately retained special prosecutor, who represents the State or local agency administrating the