Our farm families are the backbone of north Florida. Recognizing them with this award is just one thing we can do to show how much we appreciate their hard work and sacrifice.

I look forward to further recognizing them and highlighting their work as I begin the first official north Florida farm tour. I will be visiting all 14 counties in my district.

Again, congratulations to our Farm Families of the Year, and thank you to all of our State's farmers.

ARRESTING TERRORISTS, NOT RANCHERS

(Mr. LAMALFA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMALFA. Mr. Speaker, while the Federal Government's focus to my constituents in the West appears to be reprosecuting ranchers for a small rangeland fire or to disarming Americans from protecting themselves, Federal agents focused on homeland security yesterday and bagged two Iraqi refugees in Sacramento and Houston with ties to recent travel to Syria to aid or seek to fight alongside Islamic State.

Mr. Speaker, as we will hear from the President here on this floor in the State of the Union next week, I hope his focus will be on a migrant or refugee program that secures our borders, not a gun agenda that makes Americans more defenseless.

With San Bernardino, California, being so fresh in our minds and that terrorism activity there, let's heed the words of Texas Governor Abbott and other States that are clamoring for a more effective vetting process before we bring more migrants into this country.

FAIRNESS IN CLASS ACTION LITIGATION ACT OF 2015

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous materials on H.R. 1927.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 581 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 1927.

The Chair appoints the gentleman from Illinois (Mr. RODNEY DAVIS) to preside over the Committee of the Whole.

□ 0915

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 1927) to amend title 28, United States Code, to improve fairness in class action litigation, with Mr. RODNEY DAVIS of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

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.

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

I rise today in support of a bill that combines two important reforms, the Fairness in Class Action Litigation Act and the Furthering Asbestos Claim Transparency Act, or the FACT Act. Let me first explain why my colleagues should vote in favor of the Fairness in Class Action Litigation Act.

Last year an independent research firm surveyed companies in 26 countries and found that 80 percent of those that were subject to a class action lawsuit were U.S. companies, putting those U.S. companies at a distinct economic disadvantage when competing with companies worldwide.

The problem of overbroad class actions doesn't just affect U.S. companies. It affects consumers in the United States who are forced into lawsuits they don't want to be in. How do we know that? We know that because the median rate at which consumer class action members take the compensation offered in a settlement is an incredibly low 0.023 percent. That is right.

Only the tiniest fraction of 1 percent of consumer class action members—less than 1 quarter of 1 percent—even bothers to claim the compensation awarded them. That is clear proof that vastly large numbers of class members are satisfied with the products they purchase, don't want compensation, and don't want to be lumped into a gigantic class action lawsuit.

Just recently a California judicial decision reported that, in a class action consisting of over 230,000 people, only two of those 230,000 wanted the coupons offered in the class action settlement. The judge in that case said that the case produced ''absolutely no benefit, really, to anybody.'' So where is all of the money going in these cases? To the lawyers who brought the lawsuits that hardly anyone wanted to be in.

In another case, the district court had refused to certify the class because most of the class members had not experienced any problems with the product. But then the Ninth Circuit Court of Appeals reversed, holding that ''proof of the manifestation of a defect is not a prerequisite to class certification.''

In yet another case, when the Seventh Circuit Court of Appeals allowed the certification of an overbroad class action, it had to subsequently throw out the resulting settlement, stating, ''The district court approved a class action settlement that is inequitable, even scandalous,'' because the relatively few class members who were actually injured ended up claiming less than 2 percent of what the trial lawyers got the district judge to say was warranted based on the overbroad size of the class.

Trial lawyers work the system today in the following way: They file lawsuits, for example, against a company that sells a washing machine. Some of those washing machines don't work the way they are supposed to, but most of them do. But the lawyers file a class action lawsuit that includes everyone who ever purchased a washing machine from the company, even the large number of people who are completely satisfied with their purchases.

When trial lawyers lump injured, non-comparably injured, and non-injured people into the same class action lawsuit, the limited resources of the parties are wastefully spent weeding through hundreds of thousands of class members in order to find those with actual or significant injuries. That is money that could have been spent compensating deserving victims.

Sometimes, because judges don't separate the injured from the non-injured in class actions early enough in the proceedings, they end up throwing out settlements because it turns out hardly any of the class members were harmed and didn't want compensation.

Other times, when judges realize they have created an overbroad class, they justify their actions by coming up with novel theories to provide some compensation to people who are entirely satisfied with the product and who don't want compensation.

Either way, the solution is to direct judges to determine as best they can early in the proceedings which proposed class members are significantly and comparably injured and which aren't and to treat them accordingly. That is fair to everyone.

The purpose of a class action is to provide a fair means of evaluating like claims, not to provide a way for lawyers to artificially inflate the size of a class to extort a larger settlement value for themselves and, in the process, increase the prices of goods and services for everyone.

Claims seeking monetary relief for personal injury or economic loss should be grouped in classes in which those who are the most injured receive the most compensation. No one should be forced into a class action with other uninjured or minimally injured members only to see their own compensation reduced.

The Fairness in Class Action Litigation Act would simply make clear what currently should be clear to the Federal courts, namely, that uninjured class members are incompatible with rule 23(b)(3)'s current requirement that common claims predominate a class action.

Here is the full text of the Fairness in Class Action Litigation Act, along with quotes from the Supreme Court that show how the bill's text codifies existing Supreme Court precedent:

The bill simply provides that ''no Federal court shall certify any proposed class seeking monetary relief for personal injury or economic loss unless the party seeking to maintain such a class action affirmatively demonstrates that each proposed class member suffered the same type and scope of injury as the named class representative or representatives'' and that ''an order issued under rule 23(c)(1) of the Federal Rules of Civil Procedure that certifies a class seeking monetary relief for personal injury or economic loss shall include a determination, based on a rigorous analysis of the evidence presented, that the requirement in subsection (a) of this section is satisfied.''

That is it. One page. Fair rules. Common sense and wholly consistent with Supreme Court precedent. Please join me in supporting this bill on behalf of consumers everywhere.

The FACT Act is also simple, fair reform we should all support.

This legislation helps asbestos victims who must look to the bankruptcy process to seek redress for their or their loved ones' injuries. Too often, by the time asbestos victims assert claims for compensation, the bankruptcy trust formed for their benefit has been diluted by fraudulent claims, leaving these victims without their entitled recovery.

Fraud is able to exist because of the excessive lack of transparency plaintiffs' firms have forced on the asbestos trust system. Under the current Bankruptcy Code, plaintiffs' firms essentially are granted a statutory veto right over debtors' chapter 11 plans that seek to restructure asbestos liabilities. Plaintiffs' firms have exploited this leverage to obtain trust rules that prevent information contained within the trust from seeing the light of day.

The predictable result has been a growing wave of claims and reports of fraud. The increase in fraudulent claims has caused many asbestos bankruptcy trusts to reduce recoveries paid to asbestos victims who emerge following the formation of trusts.

The FACT Act, introduced by Congressman FARENTHOLD, combats this fraud by introducing long-needed transparency into the system.

First, it requires asbestos trusts to file quarterly reports on their public bankruptcy dockets. These reports will contain basic information about demands to the trusts and the bases for payments made by the trusts to claimants.

Second, the FACT Act requires asbestos trusts to respond to information requests about claims asserted against and the bases for payments made by the asbestos trusts.

These measures are carefully designed to increase transparency while providing claimants with sufficient privacy protection. To accomplish these goals, the bill leverages privacy protections contained elsewhere in the Bankruptcy Code and includes additional safeguards to preserve claimants' privacy.

We cannot allow fraud to continue reducing recoveries for future asbestos victims.

I thank Mr. FARENTHOLD for introducing the FACT Act to combat fraud. I urge all of my colleagues to vote in favor of this important legislation.

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

Mr. CONYERS. Mr. Chairman, I yield myself 5 minutes.

Members of the House, I rise in strong opposition to H.R. 1927, the so-called Fairness in Class Action Litigation Act and Furthering Asbestos Claim Transparency Act.

I oppose the legislation because it cleverly shields corporate wrongdoers by making it more difficult for those who have been harmed by their actions from obtaining justice and it allows these wrongdoers to further victimize their victims.

Among H.R. 1927's many flaws is the fact that this legislation will have the effect of denying individuals access to justice and threatening victims of corporate wrongdoing, all in the name of protecting the powerful. Section 2 of H.R. 1927 will make it virtually impossible for victims of corporate wrongdoing to obtain relief through class actions in cases seeking monetary relief by requiring a party seeking class certification to show that every potential class member suffered the same type and scope of injury at the certification stage. Now, you know that is going to be difficult.

We come to the realization that, as it is, class actions are very difficult to pursue. Under current procedure, the courts strictly limit the grounds on which a large group of plaintiffs may be certified as a class, including the requirements that their claims raise common and factual legal questions and that the class representative's claims are typical of those of the other class members.

Rather than improving upon this class certification process, however, H.R. 1927 imposes requirements that are almost impossible to meet, effectively undermining the use of class actions.

Finally, section 3 of H.R. 1927 gives asbestos defendants—the very entities whose products injured millions of Americans—new weapons with which to harm their victims.

Section 3 requires a bankruptcy asbestos trust to report on the court's public case docket, which is then made available on the Internet, the name and exposure history of each asbestos victim who receives payment from such trust as well as the basis of any payment made to the victim.

As a result, the confidential personal information of asbestos claimants, including their names and exposure histories, would be irretrievably released into the public domain. Just imagine what identity thieves and others, such as insurers, potential employers, lenders, and data collectors, could do with this sensitive information.

Essentially, this bill revictimizes asbestos victims by exposing their private information to the public, information that has absolutely nothing to do with compensation for asbestos exposure. This explains why asbestos victims vigorously oppose this legislation, as it is an assault against their privacy interests.

□ 0930

So, in sum, H.R. 1927 is a seriously flawed bill that only benefits those who cause harm to others. Not surprisingly, the White House has appropriately issued a veto threat, stating that the administration ''strongly opposes House passage of H.R. 1927 because it would impair the enforcement of important Federal laws, constrain access to the courts, and needlessly threaten the privacy of asbestos victims.''

For all these reasons, I urge that this House oppose H.R. 1927.

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

Mr. GOODLATTE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. MARINO), the chairman of the subcommittee.

Mr. MARINO. Mr. Chairman, I rise today in support of the FACT Act. As chairman of the Subcommittee on Regulatory Reform, Commercial and Antitrust Law, I have examined this piece of legislation for over the past year. We held hearings on the bill and solicited views from experts and victims alike. I heard many of the same concerns that we are hearing this morning. However, my own conclusion is that the FACT Act is a sound and necessary bill.

By preventing fraudulent claims, the FACT Act protects asbestos victims and ensures the viability of the asbestos bankruptcy trust for the unknown victims yet to come. Claims that the bill hurts the victims are false. To the contrary, it would be a disservice to the victims themselves to permit certain bad actors to raid the trust funds and line their pockets in the process.

As companies that used asbestos filed bankruptcy, the trust funds were created in recognition that victims must be compensated. Any measure that preserves these funds is clearly pro-victim.

Some critics contend that the bill violates victim privacy by requiring the disclosure of certain information. We examined this specific issue during our hearings, and it could not be farther from the truth. This bill provides protections that are absent in State tort cases where court dockets and the personal information of plaintiffs are part of the public record. Section 2 of the FACT Act simply requires the claimant's name and a description of their exposure history. It then explicitly states that any disclosure does not

include any confidential medical records or the claimant's Social Security number. It is important to note what might be missed here.

The FACT Act amends the Bankruptcy Code. By doing this, it incorporates the existing privacy protections therein that permit the bankruptcy judge to issue protective orders when disclosure of information would create ''an undue risk of identity theft or other unlawful injury.'' This is a sound and pertinent piece of legislation.

I would like to thank Chairman GOODLATTE and my colleague from Texas (Mr. FARENTHOLD) for bringing it to the floor. I urge my colleagues to support this legislation.

Mr. CONYERS. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. Mr. Chairman, these bills are basically chamber of commerce week in the United States Congress. That is what we have come down to, is that the chambers of commerce who represent the large corporations who would be the defendants in these actions, by and large, and consist of the people that produce the asbestos, they are part of it too. It gives them an opportunity to not have to pay out damages to victims, victims where class actions are successful—but would make it more difficult to be successful—and people who have been victims of asbestos injuries, mesothelioma being the ultimate disease that kills people from exposure to asbestos.

Now, on the other side of the chamber of commerce and my friends on the other side are people on this side and certain groups. I want to tell you who the folks are who are against the bill. The NAACP. The Leadership Conference on Civil and Human Rights, often called the conscience of the Congress. The American Federation of State, County and Municipal Employees. Consumers Union. The American Bar Association—and we have heard about how lawyers are doing this and lawyers are doing that, lawyers are on both sides of the cases—the American Bar Association. Americans for Financial Reform. Public Citizen. The Southern Poverty Law Center, Morris Dees and company. The National Disability Rights Network. The Asbestos Disease Awareness Organization.

The Asbestos Disease Awareness Organization is the voice of the victims, and they are against this. I have to be against it because I stand with the victims and for justice and what is fair for people who have been harmed by corporate wrongdoing.

I rise to tell a personal story. One of my best friends was a man named Warren Zevon. He was a singer and songwriter. Somewhere along the line, he was exposed to asbestos, and he died in September of 2003 of mesothelioma. But for asbestos and him being exposed to it in some manner, he would be with us today and would have been with us for the last 12 years, giving us entertainment and songs and maybe songs about some of the things that have been going down here.

One of his last songs was ''I Was in the House When the House Burned Down.'' Well, it wasn't this House, but it could have been this House. This House is the people's House, and it should be looking out for victims and people who should get compensation in courts.

When we travel internationally, one of the things we find is that people revere our justice system. They look to America for justice and an open court system that they don't have in their own nations. These bills would close the door on justice and close the door on the courts, and that is not what America is about and that is not why we are respected internationally.

I respectfully ask that we oppose these bills and vote ''no.'' Support the victims. Support justice.

Mr. GOODLATTE. Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chair, I yield 2½ minutes to the gentleman from Georgia (Mr. JOHNSON), a distinguished member of our committee.

Mr. JOHNSON of Georgia. Mr. Chair, I rise in opposition to H.R. 1927, section 3, the so-called Fairness in Class Action Litigation Act of 2015, which is actually the text of H.R. 526, the Furthering Asbestos Claim Transparency, or the FACT Act.

It is a fact that the Koch brothers are probably sitting back at home with their fingers crossed watching these debates, hoping and feeling quite confident that this will pass because they know when it passes, it is going to help them.

How does it help them? Well, they are the ones who manufactured or acquired the companies that manufactured the asbestos, this asbestos everybody knows now hurts people. So when people are hurt, they deserve to be able to go into a court of law and establish their claim and seek just compensation for their victimization by that company.

What this legislation does is to put its ugly hand on the scale of justice in favor of the manufacturers of this dangerous product and, also, their insurance companies. It puts its ugly hand on that scale, weighs it down in favor of those companies. So all of them are looking upon us now, hoping that we do what they would like for us to do.

Please know that not everybody is going to go along with this. There are some who stand with victims who deserve a day in court. They deserve, when they go to court, to not have to be subjected to the public release of their very private and sensitive information, their medical information. There should not be any kind of registry, like a gun registry, established.

This is a registry—we should actually call it an asbestos death database—which would allow these insurance companies and producers, manufacturers of death, to have access to people's personal information so that they could use it against them when they file claims. That is what this bill is all about.

I would ask that my colleagues understand the true purpose and vote ''no'' on this act.

Mr. GOODLATTE. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. FARENTHOLD), the chief sponsor of a portion of this legislation.

Mr. FARENTHOLD. Mr. Chair, it is my privilege to be here to speak on behalf of the FACT Act.

Just a quick, oversimplified history of how the asbestos trusts came into being. The manufacturers of asbestos, when it became known that it was such a deadly product, realized that there weren't enough assets within the company to pay all the claims. So they availed themselves of the bankruptcy laws of this country. What the bankruptcy courts said was: Look, put all of your assets into a trust to pay off the victims and you can reorganize your company. That is how these trusts were created.

So the companies are not going to be on the hook anymore. The ones that survived, reorganized, or were acquired have had their obligations, with respect to asbestos, discharged in bankruptcy. What they did to do this was they created these trusts to compensate future victims.

So what is happening now is there are people who are gaming the system, multiple claims in State or Federal courts. They are going to these trusts saying: I was injured by asbestos, pay me. Which is what is supposed to happen. But you are only supposed to get compensated once for your asbestos injury. If you do multiple claims, you are taking money out of the system that would be available for future victims. Diseases like mesothelioma take years to manifest themselves.

What the FACT Act does is require these trusts to publish a very small amount of information—the name of the person who is filing a claim, the basis of their claim—I was exposed to asbestos at XYZ location and developed mesothelioma—and it specifically protects their privacy by prohibiting the release of their Social Security number.

The information that is required here is actually less information than I would be required to give if, say, Mr. COHEN hit me with his car. If I were hit by his car, I would have to disclose my name, the nature of my injury, and a lot more information to file a suit in State court. We are not asking for any more information than is normally disclosed in any sort of litigation.

In fact, there are specific privacy protections in the Bankruptcy Code that are going to protect even further than you would in a State court. This bill was written to help those veterans who were exposed to asbestos and are not yet manifesting symptoms. It was designed to help all the victims who were exposed and are not yet manifesting symptons.

If we drain all the money out of these trusts, there is nothing that is going to be left to help the people who were injured later on in the process. So this is why I introduced the legislation, this is why I think it needs to pass, and this is why I urge my colleagues to join me in supporting it.

I am also happy that this bill was combined with a great piece of legislation to get rid of some of the waste, fraud, and abuse that is happening within the system of class action lawsuits.

I don't know about you, Mr. Chairman, but my wife and I have probably got a half a dozen or so notices in the mail over the years for class actions. As a lawyer, I actually sit down and read them. It ends up most of the time that they are offering me a coupon or a gift certificate or something worth a couple of dollars while the plaintiff's attorney is getting millions of dollars.

We need to get this system down to where those who are actually injured as a result of whatever has happened in the class action get adequate compensation and those folks who weren't injured or are happy with the product don't get anything because they haven't asked for anything, they don't want anything, and they weren't injured.

□ 0945

This will simplify the system. It will lower the cost, and it will make sure there is more money available for those who were actually injured.

This is a great combination of bills, and I urge my colleagues to support it.

Mr. CONYERS. Mr. Chairman, I include in the RECORD letters from 19 veterans organizations that are totally opposed to this bill.

JANUARY 7, 2015.

Re Veterans Service Organizations oppose H.R. 1927, the Fairness in Class Action Litigation and Furthering Asbestos Claims Transparency Act.

Hon. PAUL RYAN,
Speaker of the House, House of Representatives, Washington, DC.
Hon. KEVIN MCCARTHY,
Majority Leader, House of Representatives, Washington, DC.
Hon. NANCY PELOSI,
Minority Leader, House of Representatives, Washington, DC.
Hon. STENY HOYER,
Minority Whip, House of Representatives, Washington, DC.

DEAR SPEAKER RYAN, LEADER MCCARTHY, LEADER PELOSI, and WHIP HOYER: We, the undersigned Veterans Service Organizations, oppose H.R. 1927, the ''Fairness in Class Action Litigation and Furthering Asbestos Claims Transparency Act of 2015.'' We have continuously expressed our united opposition to this legislation via written testimony to the House Judiciary Committee, House Leadership, in-person meetings and phone calls with members of Congress, and most recently, an op-ed many of our legislative teams submitted to ''The Hill'', entitled ''Farenthold has his facts wrong: The FACT Act hurts Veterans''. It is extremely disappointing that even with our combined opposition H.R. 1927 stands poised to be voted on the House floor later this week.

Veterans across the country disproportionately make up those who are dying and afflicted with mesothelioma and other asbestos related illnesses and injuries. Although veterans represent only 8% of the nation's population, they comprise 30% of all known mesothelioma deaths.

When our veterans and their family members file claims with the asbestos bankruptcy trusts to receive compensation for harm caused by asbestos companies, they submit personal, highly sensitive information such as how and when they were exposed to the deadly product, sensitive health information, and more. H.R. 1927 would require asbestos trusts to publish their sensitive information on a public database, and also include how much money they received for their claim as well as other private information. Forcing our veterans to publicize their work histories, medical conditions, social security numbers, and information about their children and families is an offensive invasion of privacy to the men and women who have honorably served, and it does nothing to assure their adequate compensation or to prevent future asbestos exposures and deaths.

Additionally, H.R. 1927 helps asbestos companies add significant time and delay paying trust claims to our veterans and their families by putting burdensome and costly reporting requirements on trusts, including those that already exist. One must ask what is the real motivation for this legislation brought forward by Representative Farenthold? Rather than pursuing legislation to make it easier and less burdensome for our veterans and their families to get the compensation they so desperately need for medical bills and end of life care, trusts will have to spend time and resources complying with these additional and unnecessary requirements at the expense of our veterans.

H.R. 1927 is a bill that its supporters claim will help asbestos victims, but the reality is that this bill only helps companies and manufacturers who knowingly poisoned our honorable men and women who have made sacrifices for our country.

We urgently ask on behalf of our members across the nation that you oppose H.R. 1927.

Please contact Hershel Gober, National Legislative Director, Military Order of the Purple Heart with any questions.

Signed:

Air Force Sergeants Association, Air Force Women's Officers Associated (AFWOA), American Veterans (AMVETS), Association of the United States Navy (AUSN), Commissioned Officers Association of the US Public Health Services, Fleet Reserve Association (FRA), Jewish War Veterans of the USA (JWV), Marine Corps Reserve Association (MCRA) Military Officers Association of America (MOAA), Military Order of the Purple Heart (MOPH), National Association of Uniformed Services (NAUS), National Defense Council, Naval Enlisted Reserve Association, The Retired Enlisted Association (TREA), United States Coast Guard Chief Petty Officers Association, United States Army Warrant Officers Association, Vietnam Veterans Association (VVA).

Mr. CONYERS. I yield 2½ minutes to the distinguished gentlewoman from Washington (Ms. DELBENE).

Ms. DELBENE. Mr. Chairman, the FACT Act, which is part of the underlying legislation, has been touted as an effort to promote transparency and address a supposedly systemic problem of fraud with asbestos trusts set up to pay settlements owed to victims of asbestos exposure, but this bill is a solution in search of a problem and places invasive demands on victims that violate their privacy and open them up to identity theft and other abuses while failing to require transparency from the companies that created this nationwide problem in the first place. The nonpartisan GAO found that 98 percent of trusts perform audits, and none of those audits uncovered fraud.

While the bill's proponents claim that this is a measure to protect asbestos trusts for victims, it speaks volumes that not a single victims group supports this bill.

For decades, asbestos companies knowingly put Americans at risk—servicemembers, children, teachers, first responders, construction workers, and even those who work here in the Capitol—with a toxic product that kills close to 15,000 people every year. Today old structures across the country still contain asbestos and can pose serious health risks. Experts have referred to workers who perform repair work as the current third wave of victims.

Given the nature of the asbestos threat, it is outrageous that the laws fail to require asbestos companies to disclose information when it comes to public health and safety and disappointing that this has become a partisan issue.

In 1988, President Reagan signed into law the Asbestos Information Act, which required manufacturers of asbestos-containing products to report information about these products to the Environmental Protection Agency, but the Asbestos Information Act was just a one-time reporting requirement, and it predated the Internet.

That is why, along with my colleague, the gentleman from Texas (Mr. GENE GREEN), I have introduced the Reducing Exposure to Asbestos Database Act, or the READ Act, which amends the Asbestos Information Act to require those who manufacture, import, or handle products containing asbestos to annually report information to the EPA about their products and any public location where they have been present in the past year. This information would be made publicly available online, helping Americans avoid exposure to asbestos and incentivizing the continued reduction of asbestos use in our Nation until it is finally eliminated once and for all. Unfortunately, when the READ Act was offered as an amendment to this bill, it was not ruled in order.

Asbestos poses an ongoing threat to public health, and more transparency about this deadly product, not less, should be the norm.

The CHAIR. The time of the gentlewoman has expired.

Mr. CONYERS. I yield an additional 15 seconds to the gentlewoman.

Ms. DELBENE. I urge my colleagues to oppose the FACT Act and join me in working to promote transparency that helps, rather than victimizes, those who have been facing heartbreaking consequences of asbestos exposure.

Mr. GOODLATTE. Mr. Chairman, may I ask how much time is remaining on each side?

The CHAIR. The gentleman from Virginia has 14 minutes remaining. The gentleman from Michigan has 16¾ minutes remaining.

Mr. GOODLATTE. Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield 2½ minutes to the gentleman from California (Mr. PETERS).

Mr. PETERS. Mr. Chairman, veterans are disproportionately affected by diseases caused by asbestos, and although veterans represent only 8 percent of the Nation's population, they comprise almost one-third of all known mesothelioma deaths that have occurred in this country.

Mesothelioma has an uncommonly long period of latency of 20 to 30 years, which means that veterans exposed to asbestos who retired from Active Duty decades ago are getting sick today.

Hundreds of Navy ships and military installations dating back to World War II were constructed with asbestos flooring, flooring tiles, ceiling tiles, and wall insulation. That means that hundreds of thousands of workers and sailors were unknowingly exposed to dangerous asbestos levels, and as a result many of those men and women contracted asbestos-related diseases.

J. Patrick Little, the national commander of the Military Order of the Purple Heart, wrote to House leadership in direct opposition of this bill. He said: ''The FACT Act adds insult to injury for veterans and their families at a time when they are suffering from the devastating effects of asbestos exposure.''

The FACT Act must be amended to protect veterans who were exposed to those dangerous minerals while serving their country. I tried to amend this bill twice to exempt asbestos trusts from having to file onerous reports to the bankruptcy courts if the claimant is a member of the Armed Forces, a civilian employee of the Department of Defense, and their families to avoid any potential delay in these individuals receiving their desired benefits in a timely manner; but the majority did not make this commonsense amendment in order because they are not prepared to defend this bill against the serious concerns raised by veterans, including the Military Order of the Purple Heart, who say that the bill is unnecessary, unfair, and only benefits the asbestos industry rather than our veterans who proudly served their country and were unknowingly exposed to this deadly substance.

In the absence of this amendment, Mr. Chairman, I urge a ''no'' vote on the bill.

Mr. GOODLATTE. Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2½ minutes to the gentleman from New York (Mr. JEFFRIES), a distinguished member of our committee.

Mr. JEFFRIES. Mr. Chair, I thank the distinguished ranking member from Michigan for yielding as well as for his steadfast leadership.

This is a new year with a new Speaker and new promises of bipartisan cooperation, yet we are here today on the House floor doing the same exact thing.

The asbestos industrial complex is responsible for unleashing mesothelioma, lung cancer, and other exotic diseases of mass destruction on thousands of unsuspecting Americans, many of whom have served this country in the military, and yet we are being asked today to support legislation that would shield the wrongdoers from liability.

At the end of the day, if you think about the bill that has been presented to us, the claim has been made that it is about disclosure, but the wrongdoers aren't really being asked to disclose anything further.

The claim has been made about this bill that it is about efficiency, yet there is not a scintilla of evidence of waste, fraud, or abuse.

The claim has been made that this is about fairness, yet at the end of the day the practical effect of this legislation would be to prevent the victims from being able to achieve just compensation.

At the end of the day, this is the same old approach: trying to find a solution in search of a problem that does not exist. This is a messaging bill that is dead on arrival in the Senate and will not be signed into law by the President.

Instead of wasting the time and the treasure of the American taxpayer through their elected Representatives here in the House, why don't we just get back to doing the business of the American people?

Vote ''no'' against this invidious legislation so we can do what the people have sent us to do here in the United States Congress.

Mr. GOODLATTE. Mr. Chairman, it is my pleasure to yield 3 minutes to the gentleman from Michigan (Mr. TROTT), a member of the Committee on the Judiciary.

Mr. TROTT. Mr. Chairman, I support H.R. 1927, as it will bring transparency to the asbestos claims process. This is an important goal, as the secrecy that currently surrounds the process has led to abuse and, in turn, compromised the benefits for future victims.

Those who oppose the bill have two arguments against passage. First, they suggest that there really is not a fraud problem. Well, when you leave the fox in charge of the henhouse, you typically end up with a problem.

The facts are pretty clear. A lack of transparency has allowed some law firms and individuals to manipulate the claims process. This should not surprise anyone. When you allow one of the ultimate beneficiaries to structure the trusts, administer the claims, with no accountability or oversight, of course there will be abuse.

Several policy studies, the GAO, and independent judges in at least 10 different States have found questionable claims, fraud, and abuse. So to those who vote against this solution, I say you are choosing to enrich unethical lawyers and claimants at the expense of victims who have legitimate injuries, injuries for which they deserve compensation.

The second argument against this bill is that it somehow compromises the privacy of claimants. Again, this is not true. The FACT Act has much stronger privacy protections than State court. Further, section 107 and rule 9037 of the Federal Rules of Bankruptcy Procedure offer additional safeguards. The reporting requirements do not require the disclosure of Social Security numbers or medical records. The act requires the disclosure of less information than would be required if the claimant were to start a lawsuit in State court.

A vote against this bill means you are okay with secrecy, you are not bothered by fraud or abuse, you don't mind allowing lawyers to use their positions as the architects of these trusts to line their own pockets, and you don't care about the victims who have legitimate claims of asbestos-related diseases.

It is, in fact, a problem that people have made this a political issue. To those who have argued against this bill, I ask: Who will be there and what resources will be available to our veterans when fraudulent claims and multiple claims have exhausted these trusts?

The rule contemplated in H.R. 1927 brings much-needed transparency to Bankruptcy Code section 524G.

I urge my colleagues to support the bill.

Mr. CONYERS. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Texas (Ms. JACKSON LEE), a senior member of the House Committee on the Judiciary.

Ms. JACKSON LEE. Chairman GOODLATTE and Ranking Member CONYERS, thank you for managing this legislation; and thank you, Mr. CONYERS, for yielding the time.

Many of us in cases dealing with making sure our cities work, sometimes we have a one-way street, and we gravitate toward the one-way street because we might be able to move faster down that one-way street. That is traffic flow.

But when we talk about justice for people, a one-way street doesn't work because that means only one group of people can find justice at the courthouse—and that is what this legislation does. It is a one-way street. Only one group gets victory and justice because only one group is not required to be transparent. The other group has to be transparent. They can't get on the one-way street.

I oppose this legislation because it requires the Federal class action to have each class member suffer the same type and same scope of injury as the named class. I heard it on the floor by one of our distinguished Members

saying that it is the broken arm group. If you have got a broken arm, you are in the class; if you have a broken leg, you aren't, but it came about through the same incident. That is an unfair and impractical way of getting justice for the American people.

The second reason I oppose this legislation is because it would invade the privacy of asbestos victims by requiring the posting of personal exposure and medical information online and erect new barriers to victims receiving compensation for their asbestos illness.

Thousands of workers and family members have been exposed to, suffered, or died of asbestos-related cancers and lung disease. It is particularly outrageous that many of the major asbestos producers refuse to accept responsibility.

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I would make the argument that many of us knew a very dear friend, Congressman Bruce Vento. I understand his wife may be in the gallery.

I think it is important that we think of the asbestos victims and their families who suffered from mesothelioma, as Congressman Vento did, and died.

His wife requested an opportunity to testify so that the voices of their family members could be heard on this bill, but she was turned down. I will include that letter in the RECORD.

In the last Congress, she and two other asbestos victims repeatedly requested to testify on the FACT Act, but they were turned down.

JANUARY 5, 2016.

Re Asbestos Patients and Their Families Say ''Listen to Us''—Oppose Section 3 of H.R. 1927, the So-Called ''FACT Act''

DEAR REPRESENTATIVE: We write to express our strong opposition to the misnamed ''Furthering Asbestos Claim Transparency Act'' (the FACT Act), which has been incorporated as Section 3 of H.R. 1927, the ''Fairness in Class Action Litigation Act.'' Sponsors of the FACT Act claim that the legislation will ''increase relief for victims of asbestos.'' We are asbestos patients and family members of loved ones who have died or presently suffer from the wrongful and deceitful conduct of asbestos companies. We are from states and districts across the United States. We are Republicans and Democrats. We represent current and former workers, veterans, police officers, firefighters, homemakers and children. We have come together to express our unquestioned opposition to this legislation and our utter outrage that the House may pass it without even giving us—the ''Real People,'' not of Washington, but the actual victims of asbestos exposures a chance to testify on the record about the bill—even though supporters claim it is in our interest!

The fact is the so-called FACT Act is not in the interest of asbestos victims. The bill, as it is designed to do, will make it harder for victims to seek justice for their injuries and suffering. It is in the interest of the companies that are lobbying for it—the companies that used asbestos, knowing that it was a deadly toxin, exposed their workers and the public, and are now seeking to use Congress to shield them from legal liability for their behavior. We are horrified by this reality and we are going to do our best to let all Americans know what is going on here.

Many of us traveled to Washington, DC in February to watch the hearing on the FACT Act. Our group's spokesperson, Susan Vento, the widow of the late Congressman Bruce Vento who passed away from mesothelioma in 2000, had requested an opportunity to testify so that the voices of the people who are most affected by this bill would be heard. But she was turned down. In the last Congress, Sue and two other asbestos victims repeatedly requested to testify on the FACT Act, but they, too, were turned down each time. Tragically, one of those victims passed away from asbestos disease. To date, not one person who has been directly affected by the ravages of asbestos disease has been permitted to testify about this legislation. The bill's supporters claim to care about victims, yet we have been treated with disrespect and neglect every step of the way.

There is really no mystery why supporters of the legislation don't want to hear from us—it's because they know that this legislation was never intended to benefit victims. This legislation is being advanced at the request of the companies that used asbestos and concealed the dangers from their workers, employees and consumers, many of whom are paying with their very lives due to these deadly exposures. Now these companies are seeking to shield themselves from responsibility under the guise of imposing ''transparency'' on asbestos victims. Congress should not favor asbestos wrongdoers over the interests of patients and families.

The FACT Act would force victims seeking any compensation from a private asbestos trust fund to reveal on a public web site private information including the last four digits of our Social Security numbers, and personal information about our families and kids. This is offensive. The information on this public registry could be used to deny employment, credit, and health, life, and disability insurance. We are also extremely concerned that victims would be more vulnerable to cybercriminals, such as identity thieves, con artists, and other types of predators.

Glen Kopp, a partner with the law firm of Bracewell & Giuliani and a leading authority in the area of privacy law, recently reviewed the FACT Act and concluded that it presents significant privacy concerns. (See ''Analysis: Identity Theft Threatens Asbestos Victims Under Congressional Proposal,'' Asbestos Nation, EWG Action Fund, http://www.asbestosnation.org/analysis-identity-theft-for-asbestos-victims-looms-under-congressional-proposal/)

Mr. Kopp noted that the personal information of asbestos patients and families that the FACT Act would make public is precisely the type of information that is typically used by identity thieves. That is why federal and state law enforcement authorities recommend this type of information be kept away from any form of public disclosure. And yet, the FACT Act would require it to be placed on a public web site!

While the legislation invades the privacy of asbestos patients and families, it contains no requirements for transparency from the asbestos industry, which concealed the dangers of asbestos exposure for decades, causing one of the worst public health crises in U.S. history, affecting not just our families, but millions of American families, and that still continues to this day.

The FACT Act is completely one-sided. It requires so-called transparency from asbestos victims but it allows asbestos companies to continue to demand confidentiality of their settlements and hide information about how and when they exposed the public and their workers to asbestos. How can asbestos companies claim they want transparency, after they spent decades covering up the dangers of asbestos while we and our family members were unknowingly exposed?

We have heard that the FACT Act is needed because of an epidemic of fraud against the asbestos trusts. But the evidence doesn't support this claim. This bill treats us and other asbestos victims like criminals rather than innocent victims of corporate deceit.

The signatories on this letter represent thousands of people across the country who are suffering because of asbestos exposure. We would like to be in Washington in person to object to this mean-spirited and dangerous legislation. But most of us can't travel because of our illnesses. Others don't have the resources or the time to come all the way to Washington. But each and every one of us opposes any legislation that would make life more difficult for asbestos victims. Asbestos victims and our families don't have time on our side. Every day counts for us. Mesothelioma victims are typically racing against the clock to ensure their families aren't burdened with huge medical bills and that they are taken care of. It's astonishing to us that, of all the issues Congress could be addressing relating to asbestos, you have chosen one that does nothing for victims, but rather one that gives additional tools to the asbestos industry to drag out these cases and escape accountability.

We are the real people who matter in this debate, and yet the supporters of the FACT Act would not allow any of us to testify. We may have been shut out of the hearings, but we will not be silenced. We are determined to stop any legislation that places the interests of the asbestos industry above the rights of innocent victims. The U.S. Congress should honor all veterans and hard-working Americans. Please vote no.

Sincerely,

Susan Vento, Widow of Rep. Bruce Vento (D–MN), Mesothelioma Victim, Maplewood, Minnesota; Judy Van Ness, Widow of Richard Van Ness, Veteran and Mesothelioma Victim, Richmond, Virginia; Kim Beattie, Niece of Jerry Fisher, beloved Uncle and Mesothelioma Victim, West Branch, Iowa; Pam Wilson, Neice of Jerry Fisher, beloved Uncle and Mesothelioma Victim, Johnston, Iowa; Michael and Sharon Valach, Son and Daughter-in-law of George Valach, Mesothelioma Victim, Hiwassee, Virginia; Loring and Mary Jane Williams; Mary Jane Williams is a Mesothelioma Patient, Springfield, Ohio; Ginger and Jaffod Horton; Ginger Horton is a Mesothelioma Patient, Fairview, North Carolina; Jill Waite, Daughter of Bruce Waite, Deceased Mesothelioma Victim, Ontario, Ohio; Latonyta Manuel, Widow of Andrew Manuel Jr., Mesothelioma Victim, Canton, Michigan; Courtney Davis, Daughter of Larry Davis, deceased, because Congress never eliminated asbestos use, Durham, North Carolina; Rachel Alice Shaneyfelt, Rachel is a Mesothelioma Patient, Trussville, Alabama.

Ms. JACKSON LEE. I want to listen to the families. I oppose this legislation, and I ask my colleagues to vote against it.

Mr. Chair, I rise in opposition to H.R. 982, the so-called ''Fairness in Class Action Litigation and Furthering Asbestos Claim Transparency Act of 2015.''

I oppose this intrusive and burdensome legislation for two reasons.

First, I oppose H.R. 1927 because it would prohibit a federal court from certifying a federal class action unless each class member has suffered the same type and same scope of injury as the named class representative.

The practical effect of this requirement, if enacted, would be the effective immunization of corporate misconduct and fraud such as the

Volkswagen ''cheat device'' scandal on CleanDiesel vehicles.

For example, if H.R. 1927 were to become law, two families who were defrauded by Volkswagen would not be able to join together to bring a class action because they bought their cars at slightly different times or drove the cars in slightly different ways.

This makes no sense unless the objective is to discourage ordinary Americans from obtaining relief for the injuries caused by the misconduct of large national corporations.

The second reason I oppose this legislation is because it would invade the privacy of asbestos victims by requiring the posting of personal exposure and medical information online and erect new barriers to victims receiving compensation for their asbestos illnesses they contracted through no fault of their own and for which asbestos producers were legally responsible.

We have witnessed decades of uncontrolled use of asbestos, and, even after its hazards became widely known, the consequences of this dangerous product are visiting death, disease, and heartbreak on innocent victims and their families.

Hundreds of thousands of workers and family members have been exposed to, suffered from, or died of asbestos-related cancers and lung disease.

And sadly, the toll continues to the present day.

It is estimated that each year 10,000 people in the United States are expected to die from asbestos related diseases.

This is an outrage—and to add to their misery—they have to deal with the onerous provisions of H.R. 1927.

Time and time again, asbestos victims have faced huge obstacles, inconvenient barriers, and veiled but persistent resistance in receiving compensation for their injuries.

It is important to note that asbestos litigation is the longest-running mass tort litigation in the history of the United States.

It is particularly outrageous that many of the major asbestos producers refused to accept responsibility and most declared bankruptcy in an attempt to limit their future liability.

In 1994 Congress passed reasonably balanced legislation that allowed the asbestos companies to set up bankruptcy trusts to compensate asbestos victims and reorganize under the bankruptcy law.

But these trusts lack adequate funding to provide just compensation; according to a 2010 RAND study, the median payment across the trusts is sufficient to compensate only 25% of the damages suffered by the claimant.

With compensation from these trusts so limited, asbestos victims have sought redress from the manufacturers of other asbestos products to which they were exposed—the original tortfeasors.

The Occupational Safety and Health Administration, better known as OSHA, noted two decades ago that: ''It was aware of no instance in which exposure to a toxic substance has more clearly demonstrated detrimental health effects on human than has asbestos exposure.''

We see the harm that asbestos causes when it afflicts its victims—ordinary Americans who simply went to work every day to support their families.

And although the proponents of this legislation assert that it is intended to protect asbestos victims, it is interesting to note that not a single asbestos victim has come forth to express support for this legislation.

As the widow of one of our former colleagues, the beloved Congressman Bruce Vento of Minnesota, who passed away from mesothelioma, has stated, this legislation ''does not do a single thing'' to help asbestos victims and their families.

H.R. 1927 does not help and actually disturbs a reasonably well-functioning asbestos victim compensation process.

Entities facing overwhelming mass tort liability for causing asbestos injuries may, under certain circumstances, shed these liabilities and financially regain their stability in exchange for funding trusts established under Chapter II of the Bankruptcy Code to pay the claims of their victims, under certain circumstances.

H.R. 1927, however, interferes with this longstanding process in two ways.

First, the legislation would require these trusts to file a publicly available quarterly report with the bankruptcy court that includes personally identifiable information about claimants, including their names, exposure history, and basis for any payment made to them.

Second, the bill requires the trusts to provide any information related to payment and demands for payment to any party to any action in law or equity concerning liability for asbestos exposure.

It is particularly galling that many of the major asbestos producers refuse to accept responsibility and that most declared bankruptcy in an attempt to limit their future liability.

How much more can we put on these poor victims?

If you want information, go to their counsel, go to the courthouse.

With more than 10,000 Americans suffocating every year from horrific asbestos diseases like mesothelioma, this House should be focused on ensuring justice for the victims and protecting the public health and safety instead of debating legislation designed to delay compensation and deny justice for dying asbestos victims.

I urge my colleagues to vote against this utterly intrusive legislation.

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

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. PELOSI), the minority leader.

Ms. PELOSI. I thank the gentleman for yielding, and I thank him for his ongoing championing of the pledge we take every day: liberty and justice for all.

Mr. Chairman, last year marked the 800th anniversary of the signing of the Magna Carta. Eight hundred years ago, this storied charter first laid out a basic right to justice as the foundation of a fair society.

It was interesting to see in the observance of the 800th anniversary of the Magna Carta that they brought out 12 chairs to represent where the barons sat to make their case to King John. Those 12 chairs represent a trial by jury, 12 peers. Even under the King, the Magna Carta declared the lawful judgment by his peers. This much was owed the people.

''To no one will we sell, to no one will we deny, or delay right or justice.'' We pledge each day not justice for only the powerful and the wealthy, but liberty and justice for all.

You can read what I said and much more about justice and the Magna Carta in the book ''1215: The Year of Magna Carta.'' It is pretty thrilling that 800 years ago, people knew that it was fundamental for the leverage to be with the people and that they had rights. The right to justice is part of the beating heart of America's democracy. It is the sword and shield against plutocracy and tyranny.

Yet, today, with their class action bill, Republicans are trying to weaken that right, taking the justice that belongs to every American and handing it to the privileged few. It is about who has the leverage.

Class actions are an indispensable tool for individuals to hold powerful interests and big corporations accountable for their misdeeds. Without the ability to band together, Americans who have endured grave injuries and egregious wrongs face a David and Goliath struggle for justice.

Without class actions, the wealthy and powerful can divide and conquer their victims, burying families' pleas for fair remedy with the sheer weight of their money and resources. With this bill, Republicans are yet again helping the special interests flatten hardworking Americans.

We see the same goal in play in the Republican provisions attacking asbestos victims that are folded into this bill. As was mentioned by our colleague, Congresswoman JACKSON LEE, in her letter, Sue Vento, widow of our esteemed colleague, Bruce Vento, made a plea for them not to include this in this bill, but they did.

These provisions claim to serve transparency. Indeed, the Republicans' effort to protect asbestos companies, intimidate asbestos victims, could not be clearer. They require absolutely no transparency on the part of the asbestos companies. Instead, they invade the privacy of thousands of Americans, many of them veterans and even children in schools.

This isn't about somebody taking a job that has risks. This is about children going to school and being exposed to asbestos and their privacy being invaded.

I am so pleased we will have a motion to recommit to address that later.

It also makes them vulnerable to harm by disclosing personal information in the public domain.

Over and over again, this Republican Congress works to stack the deck for the special interests against hardworking Americans. We see it in campaign finance, where Republicans will drown the voices of the American people in a tidal wave of unlimited special interest spending in our elections and completely resisting any opportunity to disclose. If you like transparency, you should love disclosure of where this money is coming from.

We see it in the assault on labor, where Republicans would dismantle collective bargaining and undermine workers seeking a bigger paycheck, which they have long deserved.

We see it in this bill on class actions, where Republicans would deny justice to millions of Americans. In the courts, in the workplace, in our environment, in our elections, the Republican Congress has strengthened powerful interests and weakened hardworking Americans.

Our Founders pledged their lives, their liberty, their sacred honor, to establish a government of the many, not a government of the money. This is the people's House. Let us stand with the American people in opposing this appalling Republican bill.

With that, I urge a ''no'' vote on the bill.

Mr. GOODLATTE. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. FARENTHOLD).

Mr. FARENTHOLD. Mr. Chairman, as we have been going through this debate, we have entered in the RECORD and had some discussions about the groups that oppose this bill. I did want to point out that there are quite a few organizations—veterans organizations included—that are in support of this bill.

In fact, there is a pretty broad base of support: The 60 Plus Association; the Air Force Association, Department of Indiana; the American Military Society; the Arizona Chamber of Commerce and Industry; Arizona Manufacturers Council; the Civil Justice Association of California; Coalition for Common Sense; Cost of Freedom, Indiana Chapter; Florida Chamber of Commerce; Florida Justice Reform Institute; Georgia Chamber of Commerce; Hamilton County Veterans; Illinois Chamber of Commerce; Lawsuit Reform Alliance of New York; the Louisiana Association of Business and Industry; the Michigan Chamber of Commerce; the Military Officers Association, Indianapolis Chapter; Missing in America Project of Indiana; National Association of Manufacturers; the National Black Chamber of Commerce; the New Jersey Civil Justice Institute; the North Carolina Chamber of Commerce; the Pennsylvania Chamber of Commerce and Business and Industry; the Reserve Officers Association Department of Indiana; Save Our Veterans; the South Carolina Civil Justice Coalition; the Taxpayers Protection Alliance; the Texas Civil Justice League; the Cost of Freedom, Inc., of Indiana; Texans for Lawsuit Reform; the U.S. Chamber Institute for Legal Reform, the U.S. Chamber of Commerce; the Veteran Resource List; the West Virginia Business and Industry Council; the West Virginia Chamber of Commerce; Wisconsin Manufacturers & Commerce; and, importantly, to me, as a Texan, the Texas Coalition of Veterans Organization, which is an umbrella group that represents more than 600,000 Texas veterans.

This bill is absolutely pro-veteran. As was pointed out on the other side of the aisle, a very large percentage of folks exposed to asbestos are veterans compared to the general population. Under sovereign immunity, they have no one to turn to but these trusts and the manufacturers that created these trusts.

So it is important that we have the FACT Act to preserve the resources in these trusts so that our veterans who are injured by asbestos and come down with mesothelioma or other asbestos-related diseases have resources to compensate them for their injury.

Mr. CONYERS. Mr. Speaker, I yield myself 15 seconds to ask my friend from Texas: Are there any asbestos victims organizations among that list that you recited?

I yield to the gentleman from Texas (Mr. FARENTHOLD).

Mr. FARENTHOLD. I don't know if any of them particularly are asbestos victims associations. But, again——

Mr. CONYERS. Reclaiming my time, that is what I wanted to know, and the gentleman has told me.

Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania (Mr. CARTWRIGHT).

Mr. CARTWRIGHT. Mr. Chairman, I rise this morning to add my voice to those speaking against this anticonsumer bill and to remind my colleagues, if I can, of what it is to be an American.

One of the signal features of American citizenship is that we have rights. We have rights to property, to liberty, to our privacy. We have rights to be free of negligently inflicted injury and death. We have rights to be free of dangerous and defective products. We have rights that are enforced in court. These are rights that are respected.

To the point Representative COHEN made, people around the world envy us for our rights, our Bill of Rights, our full spectrum of rights. People envy us all over the world for our individual rights. But these individual rights are no good unless you can go to court and enforce them.

And make no mistake, Mr. Chair, the people who are bringing this bill and who are behind it are the ones who routinely get hauled into court to account for causing injuries and violations of American individual rights. They are the ones behind this bill.

The bill is wrong. Cutting back on American individual rights is wrong, too. So I urge my colleagues to vote ''no'' on H.R. 1927.

Mr. FARENTHOLD. Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. SCOTT), our former leader of the Committee on the Judiciary.

Mr. SCOTT of Virginia. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to H.R. 1927, the so-called Fairness in Class Action Litigation Act.

In 2013, in Butler v. Sears, Judge Posner of the Seventh Circuit Court of Appeals spoke critically of the commonality in damages requirement found in this bill.

He said that ''the fact that damages are not identical across all class members should not preclude class certification. Otherwise defendants would be able to escape liability for tortious harms of enormous aggregate magnitude but so widely distributed as not to be remediable in individual suits.'' The court found that such a requirement ''would drive a stake through the heart of the class action device.''

Furthermore, Mr. Chair, the bill includes the so-called FACT Act, which would have a devastating impact on workers exposed to asbestos.

In the last few decades, thousands of workers in my district have developed asbestosis, lung cancer, and mesothelioma because of asbestos exposure that occurred between the 1940s and 1970s.

This exposure was inflicted upon many victims by corporations, such as one a New Jersey court found to have ''made a conscious, cold-blooded business decision, in utter flagrant disregard of the rights of others, to take no protective or remedial action.''

That is the kind of business that will benefit from the bill. The victims don't want it.

In the letter the ranking member will be introducing, they point out that veterans represent 8 percent of the population, but 30 percent of the victims.

That letter points out that the FACT Act would mandate unnecessary public disclosure of sensitive personal information and would increase the cost of litigation, thereby limiting the available pool of money to compensate the victims of those cold-blooded business decisions.

Mr. Chairman, I would hope that we would recognize that the asbestos victims have suffered too much already. Therefore, we should defeat this legislation.

Mr. FARENTHOLD. Mr. Chairman, I continue to reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GENE GREEN).

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Mr. GENE GREEN of Texas. Mr. Chairman, I want to thank our ranking member of the Judiciary Committee for yielding to me.

I rise in strong opposition to this legislation. The so-called Fairness in Class Action Litigation Act is an attempt by the House majority to take away America's access to the courthouse and punish asbestos victims by requiring personal information be made public on the Internet.

I am proud to represent the hardworking people in the 29th District of Texas. Our district is home to the Port of Houston and the largest petrochemical complex in the country. The people in Eastside Houston and Harris County are proud of the work they do in producing the oil and gas and chemicals that drive our Nation's economy.

We also produce a lot of seafarers because we are the largest international port in the country.

This inherently hazardous work needs to be done as safely as possible. Workers in Harris County and throughout our great country should not be exposed to known human carcinogens like asbestos. This is why I introduced, with my colleague, Representative SUZAN DELBENE, the Reducing Exposure to Asbestos Database, or READ Act, last year.

This legislation would expand existing protections enacted under the Reagan administration that would create a public database with the location of asbestos and asbestos-containing products in the country.

The READ Act would bring muchneeded transparency to the known location of asbestos in our country, potentially saving thousands of Americans from asbestos-related illnesses, like lung cancer and mesothelioma, while helping industry reduce workers' exposure to this known carcinogen.

I urge my colleagues to stand with America's working families and join me in voting against today's bill that unfairly punishes asbestos victims and denies the American people access to the justice they deserve.

Mr. FARENTHOLD. Mr. Chairman, I continue to reserve the balance of my time.

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

Members of the House, this legislation is just the latest attempt to take power away from ordinary citizens and place it in the hands of the most powerful corporations and industries in this country.

Whether it is by making it almost impossible for ordinary people to pursue their day in court through the important class action mechanism or threatening the privacy of asbestos victims, it is clear that H.R. 1927 does not have the interest of ordinary people in mind.

And it raises a broader question of who, rightfully, should hold power in a representative democracy like ours, politically unaccountable corporations, who seek only to maximize their own profit, or the people who are supposed to be sovereign. We say it is the people.

I yield back the balance of my time.

Mr. FARENTHOLD. Mr. Chairman, I yield myself such time as I may consume to close.

There have been a lot of arguments we have heard today for and against this bill, but I think the biggest argument for it is that it preserves precious and limited resources for those who were injured by asbestos and shuts down an avenue of waste, fraud, and abuse that is being exploited right now in the current system.

There has also been a lot of talk about veterans. Folks have said the FACT Act hurts veterans. I say it helps veterans. As I pointed out earlier, veterans cannot pursue litigation against the United States Government because of sovereign immunity, so they have to rely solely on the bankruptcy claims process to get recovery. That is why a significant number of veterans groups, many of whom I list earlier, have written to the committee in support of the FACT Act.

In fact, let me read you the words of John Brieden, a former national commander of the American Legion, in a letter he wrote to The Hill.

> The FACT Act, and its sunshine provision, is strongly supported by veterans like myself who are dedicated to preserving the rapidly diminishing congressionally established asbestos trust fund for all servicemembers who have been injured by a substance we now know to be dangerous and even deadly.

The best way to protect veterans and other asbestos victims from attorneys' double dipping is the FACT Act's requirement to disclose information about the trust fund claims. We have got to protect the privacy in here. That is why the FACT Act was specifically drafted to protect the privacy of those who claim.

The text of the section of the bill that deals with asbestos trusts is only 1½ pages long, but a big part of that is dedicated to privacy. The disclosures are minimal. It is the name of the person, the type of their injury. It particularly prohibits the disclosure of the claimant's Social Security number. So protection is done.

The settlement amounts, work history, and information about the veteran's children and family is simply not in the bill. Furthermore, confidential medical records and Social Security numbers disclosing that information is expressly prohibited under the bill.

So, in summary, this legislation enacts two important reforms that will increase fairness in class action lawsuits and will introduce transparency into the asbestos trust system.

Given that class action lawsuits involve more money and touch more Americans than any other litigation pending in our legal system, it is important we have a Federal class action system that benefits those that have been truly injured, and injured in comparable ways, and is fair to both plaintiffs and defendants.

The Fairness in Class Action Litigation Act would require that a class be composed of members with comparable injuries. The bill would, thereby, achieve a very important reform, clustering actually injured individuals or similarly injured class members in their own class.

People who were injured deserve their own class action in which they present their uniquely powerful cases and get the large recoveries that they deserve.

Under this legislation, uninjured or noncomparably injured people can still join class actions, but they must do so separately, without taking away from the potential recovery of those who are actually injured or more significantly injured.

This legislation also seeks to introduce a modest amount of transparency into a very opaque asbestos bankruptcy system.

The opponents to the FACT Act have offered creative and far-ranging allegations against the measure, but we know these allegations are unfounded. What we do know is the that there is widespread fraud and abuse in the asbestos bankruptcy trust system because it has been documented in news reports, State bankruptcy cases, and before the Judiciary Committee in numerous hearings on this issue.

We also know that the FACT Act will introduce transparency to help curb this fraud, and it will help asbestos victims by protecting these trust funds for those future claimants who have not yet started to show symptoms.

I urge my colleagues to reject the unfounded allegations offered against today's bill and vote in support of these simple, meaningful, commonsense reforms.

I yield back the balance of my time.

The CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

In lieu of the amendment in the nature of a substitute recommended by the Committee on the Judiciary printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114–38. That amendment in the nature of a substitute shall be considered as read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 1927

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 ''Fairness in Class Action Litigation and Furthering Asbestos Claim Transparency Act of 2015''

SEC. 2. FAIRNESS IN CLASS ACTION LITIGATION.

(a) IN GENERAL.—No Federal court shall certify any proposed class seeking monetary relief for personal injury or economic loss unless the party seeking to maintain such a class action affirmatively demonstrates that each proposed class member suffered the same type and scope of injury as the named class representative or representatives.

(b) CERTIFICATION ORDER.—An order issued under Rule 23(c)(1) of the Federal Rules of Civil Procedure that certifies a class seeking monetary relief for personal injury or economic loss shall include a determination, based on a rigorous analysis of the evidence presented, that the requirement in subsection (a) of this section is satisfied.

SEC. 3. FURTHERING ASBESTOS CLAIM TRANSPARENCY.

(a) AMENDMENTS TO TITLE 11, UNITED STATES CODE.—Section 524(g) of title 11, United States Code, is amended by adding at the end the following:

''(8) A trust described in paragraph (2) shall, subject to section 107—

''(A) file with the bankruptcy court, not later than 60 days after the end of every quarter, a report that shall be made available on the

court's public docket and with respect to such quarter—

''(i) describes each demand the trust received from, including the name and exposure history of, a claimant and the basis for any payment from the trust made to such claimant; and

''(ii) does not include any confidential medical record or the claimant's full social security number; and

''(B) upon written request, and subject to payment (demanded at the option of the trust) for any reasonable cost incurred by the trust to comply with such request, provide in a timely manner any information related to payment from, and demands for payment from, such trust, subject to appropriate protective orders, to any party to any action in law or equity if the subject of such action concerns liability for asbestos exposure.''.

(b) EFFECTIVE DATE; APPLICATION OF AMENDMENTS.—

(1) EFFECTIVE DATE.—Except as provided in paragraph (2), this section and the amendments made by this section take effect on the date of the enactment of this Act.

(2) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to cases commenced under title 11 of the United States Code before, on, or after the date of the enactment of this Act.

The CHAIR. No amendment to that amendment in the nature of a substitute shall be in order except those printed in House Report 114–389. Each such amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. COHEN

The CHAIR. It is now in order to consider amendment No. 1 printed in House Report 114–389.

Mr. COHEN. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Line 6 on the first page, strike ''No'' and insert ''Except as provided in subsection (c), no''.

After line 18 on the first page, insert the following:

(c) EXCEPTION.—Subsection (a) does not apply with respect to a claim for monetary relief brought against a perpetrator of a terrorist attack by a victim of the attack.

The CHAIR. Pursuant to House Resolution 581, the gentleman from Tennessee (Mr. COHEN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Tennessee.

Mr. COHEN. Mr. Chairman, I rise in support of my amendment, which was made in order, and which would make an exception to H.R. 1927's required showing for class certification for any claims brought by the victims of a terrorist attack against the attack's perpetrators.

We all agree that victims of terrorist attacks deserve justice, and they should have the fullest opportunity to obtain compensation for any injuries they have suffered because of such attacks.

Sadly, our history over the last generation has no shortage of examples of the kind of victims this amendment would help. From the 1983 bombing of the Marine barracks in Beirut and the 1996 Khobar Towers bombing in Saudi Arabia, to the downing of Pan Am 103 by Qadhafi's Libya, recourse to our courts has been one of the few ways that victims of terrorism have been given at least some opportunity to seek justice for the acts committed against their family members and them.

I know Chairman GOODLATTE shares my concerns for these victims, and I applaud him for his successful efforts to create a compensation fund for those victims of state sponsors of terrorism who receive final court judgements against those state sponsors.

The program also compensates those held hostage in the U.S. Embassy in Iran in 1979.

In some of these cases, the victims, or their survivors, pursued class actions against the state sponsors of the terrorist act. Yet, under section 2 of H.R. 1927, these victims may not have had the opportunity to pursue a class action in the first place.

As noted during the general debate, section 2 adds the new requirement that a named plaintiff prove, as a condition of class certification, that every putative class member suffered the same ''scope'' of injury; not comparable, but the same scope.

This requirement can be read to preclude a class action where, for instance, one terrorism victim loses his legs, while another loses his arms as a result of some terrorist attack. Or maybe somebody isn't a direct victim of the terrorist attack, but hurt in the aftermath of the attack. In short, they did not suffer the same scope of injury.

I note that ''scope'' can mean the same thing as ''extent,'' as the bill introduced originally stated. Current rules, while requiring commonality of facts and law, does not require a showing of commonality in damages as a prerequisite for certifying a class action, as this ''scope of injury'' standard requires.

It is rare that two class members suffer the exact same scope of injury, and almost impossible to prove this at the certification stage.

Think about Boston. Some people lost a leg, some people lost a life, some people lost both legs. They couldn't be part of a class. The relevant inquiry is whether they allegedly both suffered injury as a result of the same alleged wrongful act by the defendant.

It is hard enough as it is to pursue class actions because of years of efforts by industry to make it more and more difficult. Sometimes, in these terrorist situations, it is a different type of defendant.

It is wrong to place the heightened burdens of H.R. 1927 on terrorism victims who seek justice for the acts committed against them. I would ask that this amendment be accepted by the other side because all it does is make exception for victims of terrorism, and we all share in our hope that victims of terror get justice and that we don't put any more hurdles in the way of them successfully completing the track of seeking justice for them and their heirs, ancestors who might have been killed in those attacks.

My amendment would offer them relief of these burdens, and I would hope the other side would accept it.

I yield back the balance of my time.

Mr. FARENTHOLD. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Mr. Chairman, I agree with Mr. COHEN 100 percent that the victims of terrorism deserve compensation from those who perpetrated the acts of terror.

However, I oppose this amendment because it denies the victims of terrorism the protections that the bill would otherwise afford them. If this amendment is adopted, it would result in less compensation for the most deserving victims in class action lawsuits.

Under the base bill, the most severely injured victims of terrorism would have their own day in court, and they would be compensated to the maximum extent because their entire class would consist of significantly injured members.

Under the base bill, the most significantly injured will not have their compensation reduced by the cost of weeding out from the class the significantly less injured or uninjured.

But if this amendment were adopted, huge numbers of uninjured or less significantly injured victims of terrorism would be allowed into the class and be able to siphon off for themselves the limited resources that may be available to compensate those most injured. That is not right and it is not fair, but that is what this amendment would allow.

□ 1030

To recap, thed purpose of a class action is to provide a fair means of evaluating similar claims, not to provide a means of artificially inflating the size of a class to extort a larger settlement value. Exempting a subset of money damage cases from the bill, as this amendment would do, would only serve to incentivize the creation of artificially large classes to extort larger or unfair settlements from innocent parties for the purpose of disproportionately awarding uninjured parties.

Any claims seeking monetary relief for personal injuries or economic loss should be grouped into classes that are similar with the most injured receiving the most compensation. It is a fair principle that should be applied equally for the benefit of all, including terrorism victims. Why should victims of terrorism be subjected to a particularly unfair treatment by being allowed to be forced into a class action

with other uninjured or marginally injured members, only to see their own compensation reduced? That does a disservice to those claimants, yet that is exactly what the amendment attempts to do.

Mr. Chairman, I oppose this amendment, and I urge my colleagues to oppose this amendment.

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

The CHAIR. The question is on the amendment offered by the gentleman from Tennessee (Mr. COHEN).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. COHEN. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Tennessee will be postponed.

AMENDMENT NO. 2 OFFERED BY MR. COHEN

The CHAIR. It is now in order to consider amendment No. 2 printed in House Report 114–389.

Mr. COHEN. Mr. Chairman, I rise to ask that the amendment be considered.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Line 6 on the first page, strike ''No'' and insert ''Except as provided in subsection (c), no''.

After line 18 on the first page, insert the following:

(c) EXCEPTION.—Subsection (a) does not apply with respect to a claim for monetary relief arising from a foreign-made product.

The CHAIR. Pursuant to House Resolution 581, the gentleman from Tennessee (Mr. COHEN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Tennessee.

Mr. COHEN. Mr. Chairman, having seen the outcome of the last vote where there was one Member of the other side and four Members of this side, and the vote was given to the other side, I just think that it would be best for the process if I withdrew this amendment because I can see the writing on the wall. And I am going to withdraw the amendment and hope that maybe on the floor we will pass something that takes care of the victims of terror and see that they aren't deterred by this.

I would like to just mention my friend, Warren Zevon, again. He had a song called ''Lawyers, Guns and Money'' and the other side is certainly for two-thirds of that.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIR. Is there objection to the request of the gentleman from Tennessee.

There was no objection.

The CHAIR. The amendment is withdrawn.

AMENDMENT NO. 3 OFFERED BY MR. CONYERS

The CHAIR. It is now in order to consider amendment No. 3 printed in House Report 114–389.

Mr. CONYERS. I have an amendment at the desk, Mr. Chairman.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Line 6 on the first page, strike ''No'' and insert ''Except as provided in subsection (c), no''.

After line 18 on the first page, insert the following:

(c) EXCEPTION.—Subsection (a) does not apply with respect to a claim for monetary relief under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.).

The CHAIR. Pursuant to House Resolution 581, the gentleman from Michigan (Mr. CONYERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I rise in support of the amendment which would exempt from section 2(a) of the bill any claim for monetary relief under title VII of the Civil Rights Act of 1964. Title VII prohibits discrimination in employment on the basis of race, color, sex, religion, or national origin.

During the subcommittee hearing on H.R. 1927 in the Judiciary Committee, I expressed concern about the effect the bill's original language would have on civil rights claims. In particular, I was concerned that the bill applied to all class actions and that it restrictively defined ''injury'' to mean the alleged impact of a defendant's action on a plaintiff's body or property. Although the bill was revised in committee to delete this narrow definition of ''injury'' from H.R. 1927 and to limit the bill's scope to class actions seeking monetary relief for personal injury or economic loss, I remain concerned that significant categories of civil rights cases could still be effectively precluded by this bill.

Plaintiffs in employment discrimination cases, cases that seek backpay and other monetary relief for economic loss resulting from an adverse employment decision, frequently pursue class actions because such employment cases tend to be the kind that are well-suited for class treatment. These cases often involve multiple victims who were subjected to the same discriminatory employment practice or policy. While damages awarded pursuant to a single plaintiff may not be large enough to deter the employer's alleged wrongdoing, aggregate damages awarded to plaintiffs as a result of a class action would have a deterrent effect.

Unfortunately, the bill still requires class action plaintiffs to prove at the certification stage that every potential class member suffered the same type and same scope of injury, a requirement that is virtually impossible and cost prohibitive to meet. This onerous requirement would effectively deter employment discrimination plaintiffs from proceeding with any class actions.

Moreover, Federal Rule of Civil Procedure 23 already imposes significant constraints on the ability of plaintiffs to pursue class actions. Indeed, it was an employment discrimination case in Walmart v. Dukes that the Supreme Court gave what, in my view, was a cramped interpretation of rule 23's commonality requirement making it harder for employees claiming discrimination to proceed as a class.

Because of my continuing concerns with the legislation's potential effects on this important category of civil rights cases, I urge the House to adopt my amendment.

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

Mr. FARENTHOLD. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Mr. Chairman, I oppose this amendment.

First, the base bill only applies to proposed classes ''seeking monetary relief for personal injury or economic loss.'' Insofar as civil rights cases do not seek money damages, they are completely unaffected by the substitute and would proceed just as they do today. Indeed, Rule 23(b)(2) expressly provides for civil rights cases in which a class action can be certified when the defendant—and I am quoting the rule—''has acted or refused to act on grounds that apply generally to the class, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the class as a whole.'' Injunctive relief and declaratory relief, of course, are not claims for monetary relief.

Now, if money damages are sought by a proposed class, then of course they should be subject to the procedures in this bill. The purpose of a class action is to provide a fair means of evaluating like claims, not to provide a means for artificially inflating the size of a class to extort a larger settlement value. Exempting a subset of money damage cases from the bill, as this amendment would do, would serve only to incentivize the creation of artificially large classes to extort larger and unfair settlements for the purpose of disproportionately awarding uninjured plaintiffs.

Any claims seeking monetary damages for personal injury or economic loss should be grouped in classes in which those who are most injured receive the most compensation. Why should certain civil rights claimants seeking money damages under one specific statute be subjected to a particularly unfair treatment by being allowed to be forced into a class action with other uninjured or minimally injured members, only to see their own compensation reduced? That does a disservice to those claimants. That is exactly what this amendment would do.

Mr. Chairman, I urge my colleagues to oppose the amendment.

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

Mr. CONYERS. Mr. Chairman, I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Michigan (Mr. CONYERS).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan will be postponed.

AMENDMENT NO. 4 OFFERED BY MR. DEUTCH

The CHAIR. It is now in order to consider amendment No. 4 printed in House Report 114–389.

Mr. DEUTCH. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Line 6 on the first page, strike ''No'' and insert ''Except as provided in subsection (c), no''.

After line 18 on the first page, insert the following:

(c) EXCEPTION.—This section does not apply with respect to a claim brought by a gun owner seeking monetary relief involving the defective design or manufacturing of a firearm.

The CHAIR. Pursuant to House Resolution 581, the gentleman from Florida (Mr. DEUTCH) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. DEUTCH. Mr. Chairman, we know the intentions behind the bill before us today, H.R. 1927, the so-called Fairness in Class Action Litigation Act. The goal of this bill isn't to protect consumers. The goal of this bill is to wipe out class action lawsuits and to deprive consumers of their ability to band their resources together to take large corporations to court for defective and, many times, dangerous products.

We have heard from many of my colleagues already today about the problems this bill creates, and I agree that this is a bad bill. But it is a uniquely bad bill for one group in particular: gun owners. That is right, gun owners—law-abiding Americans exercising their Second Amendment rights who suffer injury or even death when gun manufacturers sell defective and ultrahazardous weapons.

Every year, many gun owners and innocent bystanders are killed when a firearm discharges just at being set down on the ground, when a faulty safety leaves a child dead, when an experienced and safety-conscious gun owner is the victim of a deadly malfunction. Unique to consumer products, no Federal safety agency has the authority to issue a recall of a defectively manufactured firearm. Indeed, the Consumer Product Safety Commission has jurisdiction and oversight to ensure that more than 15,000 household and recreation products are safe for consumers.

Thanks to years of hard work by the gun lobby, the Consumer Product Safety Commission is specifically prohibited from protecting consumers from defectively manufactured firearms. Moreover, the Bureau of Alcohol, Tobacco, Firearms and Explosives has the authority to license gun manufacturers but does not have the authority to recall defectively manufactured firearms.

Today, this bill's rigorous requirement for certifying a class would render gun owners even more powerless. Currently, gun owners' only recourse in these unfortunate events is our court system, and most people don't have the resources to go up against the massive titans of the gun industry.

Let me give you an example of the kind of class action suit that would not exist under this legislation. In 2013, a class action was filed against Taurus in a U.S. District Court in my State of Florida. The claim involved a design defect in the semiautomatic pistol's trigger safety blade.

Let me read you a news story from Alabama. You will hear about Judy Price, an experienced gun owner. She says she knows them all, how to handle them safely, and she speaks to people taking concealed-carry classes. Price said that no amount of gun knowledge could have saved her from what happened in 2009. Her concealed-carry holster fell to the floor as she was undressing. Then her Taurus pistol went off with a bullet going through her groin, through her stomach, and into her liver.

''I laid down on the floor. I looked up into his eyes, and I said, 'Paul, I am going to die tonight. But I love you.' ''

Incredibly, she didn't die that night, although for about 9 days it was ''touch and go,'' she said.

The lead plaintiff in this country was actually a sheriff from Iowa. Chris Carter, a sheriff's deputy in Scott County, was serving on narcotics detail and was pursuing a fleeing suspect. As he ran, his pistol fell from his holster, hitting the ground and discharging a bullet that struck a nearby vehicle. Luckily, it was unoccupied.

Thanks to the ability to pursue a class action, this case was settled, and Taurus voluntarily recalled the pistols. Under this legislation, it is unlikely that gun owners wronged by bad actors in the gun manufacturing industry would have any recourse at all.

I will give you one more example. The gun owner who took his 22 Colt single-action revolver with him fishing. When his gun fell out of his holster, it fired and lodged a bullet in his bladder. He lost the ability to have children.

Under this bill, Federal courts would only be able to hear class action suits involving a group of people if they can prove that they have all ''suffered the same type and scope of injury'' as the named representatives. The family who lost a loved one to a bullet wound in the head due to a defective gun living in Florida would not be able to join with a gun owner shot in the knee in Oregon, would not be able to join together and seek justice even if the injuries were caused by the same defect in the same make and model of gun.

□ 1045

This overly specific language would prevent gun owners from satisfying the bill's requirement that each member demonstrate the ''same type'' and ''scope of injury.''

It would remove the courts as the last remaining venue to ensure that gun manufacturers are held liable for selling defectively manufactured firearms.

My amendment can fix this problem at least—at least—with respect to gun owners bringing claims for a defective design or manufacturing of a firearm.

This bill's rigorous requirements for certifying a class would have prevented the lawsuits I mentioned and would keep any future class actions brought by gun owners against manufacturers for defectively manufactured items from moving forward. The manufacturers, in many cases, were well aware of the defects for many years, but it took a class action for them to finally do something about it.

Today, you have the opportunity to choose to stand with sportsmen, with law-abiding citizens purchasing guns to protect their homes and families, and with law enforcement who are protecting our communities, or you can stand with the gun manufacturers when they put out defective products that put responsible gun owners at risk.

I strongly urge support for my amendment, and I reserve the balance of my time.

Mr. FARENTHOLD. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Mr. Chairman, I feel like I am caught in Groundhog Day. I am making the same argument again and again.

The purpose of this bill is to make sure the most injured are the most compensated and not result in a dilution of those by bringing in massive amounts of people not similarly injured.

I disagree with the gentleman's argument that it isn't a similar injury if you are shot in the leg or you are shot in the arm by a defective gun.

Why should guns be treated differently than toasters? If your defective product injures somebody, you are responsible for it; but if your defective product doesn't injure somebody, you shouldn't be.

Mr. DEUTCH. Will the gentleman yield?

Mr. FARENTHOLD. I yield to the gentleman from Florida.

Mr. DEUTCH. I would agree with the gentleman that guns should be treated exactly the same way as toasters. I hope that the gentleman would consider working with me to ensure that the Consumer Product Safety Commission could recall defective guns just like they can recall defective toasters.

Mr. FARENTHOLD. Reclaiming my time, we are dealing with the tort system right now and class action. I would be happy to have a conversation sometime in the future about consumer protection legislation.

At this point, under the bill we are discussing, if you exempt guns, people injured by guns—truly injured by guns—will actually receive less compensation because they will be exempted, and the plaintiffs' attorneys will be able to build a big class where even if, in a worst-case scenario, you could exhaust all of the resources of the gun company, you end up maybe with people getting a coupon for 20 percent off their next firearm as opposed to actual monetary damages, with the plaintiffs' attorney taking home millions.

This bill is designed to make sure the most injured get the most money and those not injured do not. That is what we are trying to do here. Regardless of whatever exception you want to put for whatever industry, the bill generally works for all industries. That is the way it was designed.

I urge everyone to oppose this amendment

I yield back the balance of my time.

Mr. DEUTCH. Mr. Chairman, I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Florida (Mr. DEUTCH).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. DEUTCH. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

AMENDMENT NO. 5 OFFERED BY MS. MOORE

The CHAIR. It is now in order to consider amendment No. 5 printed in House Report 114–389.

Ms. MOORE. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Line 6 on the first page, strike ''No'' and insert ''Except as provided in subsection (c), no''.

After line 18 on the first page, insert the following:

(c) EXCEPTION.—Subsection (a) does not apply with respect to causes of action arising under the Fair Housing Act (42 U.S.C. 3601 et seq.) or the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.).

The CHAIR. Pursuant to House Resolution 581, the gentlewoman from Wisconsin (Ms. MOORE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Wisconsin.

Ms. MOORE. Mr. Chairman, my amendment would exempt suits arising out of the Fair Housing Act or the Equal Credit Opportunity Act.

I offer my amendment today, Mr. Chairman, out of a real concern about the consequences the bill will have on social justice issues. One of these issues that is very dear to me is the disparate access to financial products for African Americans. That is the reason that I, before I became a Member of Congress, created a credit union for my area in Milwaukee, Wisconsin.

We are still seeing discrimination in housing and auto financing and insurance products in my home district of Milwaukee. This is not something, Mr. Chairman, that happened in the good old days. We have witnessed discrimination in mortgage loans as recently as 2012.

As a member of the Financial Services Committee, we have learned about the CFPB's role in cracking down on auto lenders who discriminate against minorities. Folks who have the same credit score, if your name is Rodriguez or Barack Obama Jones, suddenly your auto loan would be at a higher rate.

Class actions are an important tool to fight back. For example, in Adkins v. Stanley, a class action suit was filed against Morgan Stanley for practices through a mortgage lender that had a significant impact against an entire African American community. In Detroit, Michigan, from where our distinguished ranking member hails, the practices led to filling these communities with high-risk subprime loans, leading up to the 2008 housing crisis. I would commend any of you to go to Detroit and see the result of that discrimination where entire communities have been eviscerated.

Actions helped to uncover and fight back against auto finance lender practices that used these subjective criteria, whether your name was Rodriguez or Barack Obama Jones, to determine creditworthiness. This practice was found to have a disproportionate impact, charging these higher interest rates for minorities compared to White borrowers with the exact, similar credit ratings.

I reserve the balance of my time.

Mr. FARENTHOLD. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Mr. Chairman, I once again make the same argument. Once we take out one specific claim or the other, we do away with the benefits to that group that this bill confers.

This bill is pro-consumer by making sure the most injured receive the most compensation and that you don't artificially build up a class and dilute the award. It is the exact same argument I made on almost all of the previous amendments.

I urge my colleagues to oppose the amendment.

I yield back the balance of my time.

Ms. MOORE. Mr. Chairman, that argument is not a good argument because when you think of the example of just, say, Morgan Stanley, if there was someone who, in Detroit, Michigan, lost their house through the subprime lending, that has as much impact on that person as the person next door who was underwater and couldn't sell their home and couldn't repair it because of the impact on their next-door neighbor.

This notion that they have to be injured in exactly the same way really flies in the face of logic and, of course, flies in the face of justice.

I would ask Members to adopt my amendment. It is common sense. It is just. There are so many cases against minorities, in particular, that would be adversely impacted through this legislation.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentlewoman from Wisconsin (Ms. MOORE).

The question was taken; and the Chair announced that the noes appeared to have it.

Ms. MOORE. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Wisconsin will be postponed.

AMENDMENT NO. 6 OFFERED BY MS. MOORE

The CHAIR. It is now in order to consider amendment No. 6 printed in House Report 114–389.

Ms. MOORE. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Line 6 on the first page, strike ''No'' and insert ''Except as provided in subsection (c), no''.

After line 18 on the first page, insert the following:

(c) EXCEPTION.—Subsection (a) does not apply with respect to any cause of action arising from a pay equity claim under Title VII of the Civil Rights Act of 1964 (42 U.S.C 2000e et seq.) or that portion of the Fair Labor Standards Act (29 U.S.C. 206(d)) known as the Equal Pay Act of 1963.

The CHAIR. Pursuant to House Resolution 581, the gentlewoman from Wisconsin (Ms. MOORE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Wisconsin.

Ms. MOORE. Mr. Chairman, my amendment would exempt pay equity lawsuits arising from title VII of the Civil Rights Act or the Equal Pay Act.

Today, the wage gap for women is a very real experience, not only for those women, but for families in the United States workforce. According to the National Women's Law Center, the gender wage gap amounts to over $10,000 a year in median income.

But this bill, H.R. 1927, takes away one of the only effective tools that women in the workplace have to narrow the wage gap. That is through class action suits filed under title VII of the Civil Rights Act or the Equal Pay Act. This bill would, to borrow Judge Posner's term, really drive a stake through the heart of the Equal Pay Act or the Civil Rights Act.

This bill will make it harder to certify members of a class in pay equity

cases because each detail relating to the type and scope of the damage is often unique to the woman who was injured. For example, a woman involved in a class could have a different type of job, different number of years working for a company, different wages, different benefits, and if the company is discriminating against all women, across all the job categories, they would not be certified as a class unless they made exactly the same pay, worked there exactly the same number of years, which, Mr. Chairman, is ludicrous.

This bill would also make it harder for women in pay equity cases because, at the certification stage, women wouldn't have the same information about each other to know whether or not they could be in the same class.

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

Mr. FARENTHOLD. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Mr. Chairman, again, we get back to the argument, as you start to exempt certain groups or certain types of lawsuits, it creates the same situation we have now that we are trying to fix in that class where those mostly injured get the most compensation and those only marginally injured are compensated accordingly.

I think part of where the other side has a little misunderstanding of the bill is I keep hearing the word ''exact.'' It is not the exact same injury. The bill requires that class members share the same scope of injury, which is intended to prevent certification of grossly overbroad class action lawsuits that include members with wildly varying injury.

The dictionary and ordinary meaning of ''scope'' is the range of a relevant subject. Judges are certainly capable of determining relevant range of injuries that would make class members suitably typical of one another. I think this could happen in all cases and actually probably more so in these equal pay type of cases if the scope of the injury is being paid less.

Again, I think common sense is going to dictate. As we have seen historically, the vast majority of the times our Federal Court systems get it right. There are few notable exceptions, but that is beyond the scope of this argument.

I would urge my colleagues to oppose this amendment, this exception, to a great piece of legislation that is designed to make our class action system fair and make sure those who are the most injured are the most compensated.

I reserve the balance of my time.

Ms. MOORE. Mr. Chairman, I appreciate my colleague for that exhaustive explanation and definition of scope.

Common sense just ain't common, so we cannot rely on common sense.

I just want to say that the courts already require a plaintiff seeking class action certification to make substantial showings that they have, in fact, been injured. That is our argument, that they have to have the same scope and that we need to reserve the benefits for those at the top so that women who are discriminated against in a firm—we are only concerned with those women who are going to lose the most money because they didn't get a management position. We are not going to be concerned with the women who worked in the janitorial services and were discriminated against.

I think that there is a smoking gun here when you hear our opponents make these furious arguments and regale us with definitions of scope, where the courts have already done that. If it ain't broke, don't fix it.

I yield back the balance of my time.

Mr. FARENTHOLD. Mr. Chairman, I stand by the plain language of the statute, and the intent is to help victims and make the class action system fair. Exceptions will only weaken that.

I urge my colleagues to oppose this amendment.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentlewoman from Wisconsin (Ms. MOORE).

The question was taken; and the Chair announced that the noes appeared to have it.

Ms. MOORE. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Wisconsin will be postponed.

□ 1100

AMENDMENT NO. 7 OFFERED BY MS. MAXINE WATERS OF CALIFORNIA

The CHAIR. It is now in order to consider amendment No. 7 printed in House Report 114–389.

Ms. MAXINE WATERS of California. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

On the first page, line 6, strike ''No'' and insert ''Except as provided in subsection (c), no''.

On the first page, after line 18 insert the following:

(c) EXCEPTION.—The requirements for a demonstration under subsection (a) and the inclusion of a determination relating to that requirement under subsection (b) do not apply with respect to a claim against—

(1) any institution or third party servicer that receives or services funds under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.);

(2) any institution that originates, services, or otherwise administers qualified education loans (as defined in section 221 of the Internal Revenue Code of 1986); or

(3) any institution providing a course of education approved for purposes of chapter 33 of title 38, United States Code.

The CHAIR. Pursuant to House Resolution 581, the gentlewoman from California (Ms. MAXINE WATERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman.

Ms. MAXINE WATERS of California. Mr. Chairman, I rise in support of my amendment to H.R. 1927, the Fairness in Class Action Litigation Act.

My amendment would protect students, servicemembers, and veterans who are seeking monetary relief from fraudulent institutions of higher education by exempting them from the onerous requirements for class certification outlined in the bill.

H.R. 1927 requires Federal courts to certify a class only when all class members demonstrate they have suffered the same type and scope of injury. This additional requirement would be unduly burdensome to students, servicemembers, and veterans who have been fraudulently misled by the for-profit college industry.

For example, recently the Department of Education conducted a joint investigation with California Attorney General Kamala Harris. They concluded that for-profit college Corinthian Colleges misrepresented its job placement rates to prospective and enrolled students.

Specifically, the investigation found that, among other abuses, a Corinthian accounting program reported a job placement rate of 92 percent of its graduates in accounting-related fields, but that, in reality, only 12 percent of the graduates of this program had secured jobs in accounting.

For a separate business associate program, Corinthian reported a 95 percent job placement rate, but the Department of Education determined that, in reality, only 14 percent of the program's graduates had jobs in the relevant field.

It is clear that, with job placement rate errors of 80 and 81 percent respectively, students enrolled in both programs were intentionally and fraudulently misled by Corinthian Colleges.

Yet, under H.R. 1927, these defrauded students arguably would not be able to form a class to seek relief because they have been injured by a mere 1 percent degree of difference or because they were lied to about job placement rates in different careers. This is totally illogical and unfair, and it defeats the purpose of the class action.

As the example demonstrates, particularly in the context of higher education, H.R. 1927 essentially makes class certification impossible to achieve and, thus, impractical to pursue. The inability to bring forth class actions will selectively shield for-profit colleges from accountability and will significantly reduce access to our court system for deserving students and veterans.

We only need to look further at Corinthian Colleges to understand the harm that ensues when these schools are left unaccountable. For decades, Corinthian Colleges defrauded its students by inflating job placement rates,

by engaging in unfair marketing practices and illegal debt collection tactics, and by requiring students to take out private loans at high interest rates.

According to the California attorney general, it likewise unlawfully used military seals in its advertising materials to lure an increasing number of our active servicemen and veterans. Worse yet, by including bans on class actions as a prerequisite to enrollment, Corinthian Colleges protected itself from liability while engaging in these awful predatory tactics.

As a result of its decades of predatory conduct, Corinthian Colleges was finally forced to close its doors in April 2015, leaving thousands of students with tens of thousands of dollars in debt, with worthless degrees, and with no job opportunities to show for their time and hard work.

Hundreds of veterans forfeited their GI benefits, which were earned on the battlefield in service to our country. One veteran of the wars in Iraq and Afghanistan told Politico that the months he had spent studying auto mechanics at a Corinthian school was wasted time because of the poor equipment and the training he received.

In October, a Federal judge ruled that Corinthian Colleges was operating a predatory lending scheme and ordered the school to pay back $531 million in damages to all students who attended the network of colleges before it closed its doors.

Yet, in reality, because the school has filed for bankruptcy, executives will walk away with millions while students and veterans will never see any of the money owed to them. Meanwhile, taxpayers will be expected to pick up the tab for this and any other future Corinthian judgments.

The law already favors schools like Corinthian and other big corporations over classes of harmed consumers—as evidenced by the fact that students were unable to join together and prevail in a class action during Corinthian's prior decades of misconduct, and prior to its bankruptcy and collapse. Corinthian should have been forced to repay these students out of their own profits, and our service members and veterans should have had their G.I. benefits returned so those funds could be used at a competitive, high-achieving institution.

Yet, today, we are considering advancing H.R. 1927, which will serve as an additional barrier to ensuring justice for these students, service members and veterans. My amendment would eliminate the hurdle that H.R. 1927 imposes on defrauded students, which would help ensure that the institutions of higher education would be on the hook for their fraud and unfair practices, and ensure that other for-profit institutions would be held accountable in the future.

I would ask for support for my amendment. I am sure that my colleagues on the opposite side of the aisle would not want to go down in history as preventing these kinds of acts from being dealt with.

I yield back the balance of my time.

Mr. FARENTHOLD. Madam Chair, I claim the time in opposition to the amendment.

The Acting CHAIR (Ms. FOXX). The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Madam Chair, I oppose this amendment for the same reason that I have opposed almost every amendment so far in that it exempts a certain class from the bill that is designed to help those who are most injured.

First, the base bill only applies to classes that are seeking monetary relief for personal injury or economic loss. Insofar as education-related cases do not seek monetary damages, they are completely unaffected by the bill and would proceed just as they do today. If money damages are being sought, then, of course, they should be subject to the procedures in this bill.

The purpose of a class action is to provide a fair means of evaluating like claims, not to provide a means of artificially inflating the size of a class to extort a larger settlement. The other side is continually saying that these groups or classes must be exactly the same. The language is of the same scope. The bill is designed to keep from grossly inflating the size of a class.

The students of the college that the gentlewoman is citing were all in the same class and would appear to be similarly injured. I cannot predict what a court would do. I believe, under this bill, even without the gentlewoman's amendment, they would continue to be certified as a class because the scope of their injuries would be the same.

It is not designed to make it exact. It is the same scope. And that is where we are trying to go. Claimants who are seeking monetary relief need to be grouped in classes in which the most injured receive the most compensation, but it doesn't have to be the exact same injury.

I don't see any need for this amendment. I think it actually would unfairly hurt those folks from the college because they would not be subject to the protections of this bill in that an attorney could inflate the class to include folks, let's say, who didn't have as many damages and who were from other colleges. I can think of a wide variety of hypotheticals here.

The idea behind this bill is, regardless of the class, if you are the most injured, you should be the most compensated, and there is a lot of area in which the judges can determine what the scope of those injuries is.

I urge my colleagues to oppose the amendment.

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

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. MAXINE WATERS).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Ms. MAXINE WATERS of California. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California will be postponed.

AMENDMENT NO. 8 OFFERED BY MR. JOHNSON OF GEORGIA

The Acting CHAIR. It is now in order to consider amendment No. 8 printed in House Report 114–389.

Mr. JOHNSON of Georgia. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Line 10 on the first page, strike ''and scope''.

Line 8 on the first page, strike ''or economic loss''.

The Acting CHAIR. Pursuant to House Resolution 581, the gentleman from Georgia (Mr. JOHNSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman.

Mr. JOHNSON of Georgia. Madam Chair, my amendment would remove the scope and economic loss language from the bill.

Think of yourself as driving down a two-lane road, doing 55 miles an hour. It is nighttime or it could be daytime. Suddenly, you lose control of your car because your ignition switch cuts off the car and you lose control of your power steering and your brakes. There is an 18-wheeler coming at you and you have no time to react. There is a crash and you, as the driver, are killed in the unfortunate accident.

Let's assume that that has happened in numerous other cases. Perhaps the injuries were not as bad as a death. Perhaps someone just suffered a closed-head injury, a concussion, or perhaps a broken arm in the accident. Let's assume that both of those cars were made by the same manufacturer, had the same ignition switch, and a defect in that ignition switch caused the crashes.

Now there are numbers of claimants who are wanting to get together and file a class action lawsuit because they know that the large company has an army of lawyers, all of whom will go to court against a single plaintiff to defeat the claim. These briefcase-toting, loafer-wearing, silk-stocking lawyers, who are getting paid $900 an hour go to court, have helped the corporation hide the existence of the defect for many years, and there have been so many accidents that have occurred that singular plaintiffs who aggregate their claims and come together against that corporation have a better shot at winning the case than has just a single plaintiff who is going against an army of corporate lawyers.

This legislation changes the rules. It tilts the scales in favor of the company by making the plaintiffs prove that

they have suffered the same type and scope of injury as has the named class representative, and that is despite there being one common question of law in fact that permeates all of the cases. Why shouldn't they be allowed to bring that case together?

This amendment would remove the scope and economic loss language of the bill so that it would not impede the ability of claimants to bring a class action lawsuit against a corporate wrongdoer. I would ask my colleagues to support my amendment.

Madam Chair, I reserve the balance of my time.

Mr. FARENTHOLD. Madam Chair, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Madam Chair, this amendment should be defeated because it essentially guts the bill.

The bill requires that class action members share the same scope of injury, which is intended to prevent the certification of grossly overbroad class action lawsuits that include members with wildly varying injuries.

The ordinary meaning of scope in the dictionary is the range of a relevant subject. Judges are certainly capable of determining the relevant range of injuries that would make class members suitably typical of one another.

□ 1115

The base bill uses the word ''scope'' to make clear that all class members do not need to have suffered the same type of injury to the exact same extent, but they still must demonstrate they have suffered the same range of injuries as determined by the court.

This amendment also strikes the term ''economic loss'' from the bill. The base bill defines the scope of class actions covered by the bill as those involving claims for monetary relief for personal injury or economic loss. Economic loss is defined by Black's Law Dictionary as ''a monetary loss, such as lost wages or lost profits.'' In a products liability suit, the economic loss includes the cost of repair or replacement of defective property as well as commercial loss for the property's inadequate value and consequential loss of profits or use.

These sorts of claims should also be covered under the bill because they are claims for monetary relief. Those with significantly greater claims for such relief should have their own day in court and the chance to obtain the most compensation for their economic loss.

I am urging my colleagues to reject this gutting amendment.

I reserve the balance of my time.

Mr. JOHNSON of Georgia. Madam Chair, that is exactly what I want to do, is to gut this legislation, because it guts the ability of asbestos victims to press class actions against the wrongdoing Koch brothers and other companies that manufacture that product.

I want it to be known that there are veterans organizations that oppose this legislation: the Air Force Sergeants Association; Air Force Women Officers Associated; American Veterans, AMVETS; the Association of the United States Navy; the Commissioned Officers Association of the U.S. Public Health Services; Fleet Reserve Association; the Jewish War Veterans of the USA; the Marine Corps Reserve Association; the Military Officers Association of America; the Military Order of the Purple Heart; the National Association of Uniformed Services; the National Defense Council; the Naval Enlisted Reserve Association; the Retired Enlisted Association; the United States Coast Guard Chief Petty Officers Association; the United States Army Warrant Officers Association; the Vietnam Veterans Association; and on and on.

I don't know what those veteran organizations that my friend named actually do. I don't know who they are. They certainly have names that appear to misrepresent whether or not they are in favor of the rights of servicemen and -women, but these organizations that I just named are.

I yield back the balance of my time.

Mr. FARENTHOLD. Madam Chair, again, I urge my colleagues to oppose this bill. The gentleman on the other side of the aisle, Mr. JOHNSON of Georgia, of course, indicated that it is his intent to gut the bill here.

We need to defeat this amendment. Of course, Mr. JOHNSON is free to vote against the bill, although I belive that would be a mistake.

I would urge my colleagues to not only oppose this amendment, but to support the underlying bill when we get to it.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Georgia (Mr. JOHNSON).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. JOHNSON of Georgia. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Georgia will be postponed.

AMENDMENT NO. 9 OFFERED BY MS. JACKSON LEE

The Acting CHAIR. It is now in order to consider amendment No. 9 printed in House Report 114–389.

Ms. JACKSON LEE. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Beginning on page 2, strike line 5 and all that follows through line 2 on page 3, and insert the following:

''(8)(A) A trust described in paragraph (2) shall, subject to subparagraph (B) and section 107, provide upon written request and subject to payment (demanded at the option of the trust) for any reasonable cost incurred by the trust to comply with such request, to any party that is a defendant in a pending court action relating to asbestos exposure, information that is directly related to the plaintiff's claim in that pending action.

''(B) A defendant requesting information under subparagraph (A) shall first disclose to such plaintiff and such trust, subject to an appropriate protective order the median settlement amount paid by that defendant for claims settled or paid within 5 years of the date of the request, by disease category, for the State in which the plaintiff's action was filed. No personally identifiable information shall be included in any exchange of information under this paragraph.''.

The Acting CHAIR. Pursuant to House Resolution 581, the gentlewoman from Texas (Ms. JACKSON LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. JACKSON LEE. Madam Chair, I think most of all that we have had a vigorous discussion on behalf of the American people. I hope they are listening.

I hope my colleagues are listening because, as I listened to the debate myself, I heard a continuing theme: Let's bash the plaintiffs and those seeking justice and make sure we make our friends who want to eliminate costs, eliminate the road to justice, provide them with an opportunity to reconfigure the road that has the Lady Justice balanced scales as a symbol of this system.

When I heard my colleague from Texas, a good friend, talk about costs and making sure that the individuals in the class are spread out so that they are limited in the ability to press their case, I got the answer. Again, I say that a one-way street to justice is unacceptable. There are too many people who died that I cannot stand on this floor and deny those who are sick and ailing or those who had in the 1950s thalidomide where babies were born with malformations because women took medicine that had not been tested.

The Jackson Lee amendment would provide a balanced approach to the bill's disclosure requirements by applying transparency rules in the bill equally to the asbestos industry defendants. Specifically, this amendment will require that an asbestos defendant seeking information from the trusts about a plaintiff to first make available to the plaintiff and trust information about the median settlement amount paid by that defendant for claims settled or paid within 5 years of the date of the request for the State in which the plaintiff's actions were filed.

The American Bar Association understands my point. Frankly, in their comments, they made the following statement that I think is important: ''We oppose legislation such as H.R. 1927, because it would unnecessarily circumvent the Rules Enabling Act, make it more difficult for large numbers of injured parties to efficiently seek redress in court''—again, a one-way street—''and could place added burdens on the already overloaded court system.'' The ABA goes on to relate how this bill is a poor bill.

I include their letter for the RECORD.

AMERICAN BAR ASSOCIATION,
Washington, DC, January 6, 2016.

Hon. PAUL RYAN,
House of Representatives,
Washington, DC.
Hon. NANCY PELOSI,
House of Representatives,
Washington, DC.

DEAR SPEAKER RYAN AND MINORITY LEADER PELOSI: On behalf of the American Bar Association and its over 400,000 members, I write to offer our views as the House considers class action reform. I understand that you intend to bring up H.R. 1927, the ''Fairness in Class Action Litigation Act of 2015,'' as early as this week. The ABA has long recognized that we must continue to improve our judicial system; however, we oppose legislation such as H.R. 1927, because it would unnecessarily circumvent the Rules Enabling Act, make it more difficult for large numbers of injured parties to efficiently seek redress in court, and could place added burdens on an already overloaded court system.

This legislation would circumvent the time-proven process for amending the Federal Rules of Civil Procedure established by Congress in the Rules Enabling Act. Rule 23 of the Federal Rules of Civil Procedure governs determinations whether class certification is appropriate. This rule was adopted in 1966 and has been amended several times utilizing the procedure established by Congress. The Judicial Conference, the policy-making body for the courts, is currently considering changes to Rule 23, and we recommend allowing this process to continue. In addition, the Supreme Court is poised to rule on cases where there are questions surrounding class certification. For example, the Court recently heard arguments in Tyson Foods v. Bouaphakeo where it will determine whether a class can be certified when it contains some members who have not been injured. We respectfully urge you to allow these processes for examining and reshaping procedural and evidentiary rules to work as Congress intended.

Currently, to proceed with a class action case, plaintiffs must meet rigorous threshold standards. A 2008 study by the Federal Judicial Center found that only 25 percent of diversity actions filed as class actions resulted in class certification motions, nine percent settled, and none went to trial. These data show that current screening practices are working. However, if the proponents of this legislation are concerned about frivolous class action cases and believe that screening can be even more effective through rule changes, those changes should be proposed and considered utilizing the current process set forth by Congress in the Rules Enabling Act.

In addition to circumventing the traditional judicial rulemaking process, the legislation would severely limit the ability of victims who have suffered a legitimate harm to seek justice collectively in a class action lawsuit. The legislation mandates that no Federal court shall certify any proposed class seeking monetary relief for personal injury or economic loss unless the party affirmatively demonstrates that each proposed class member suffered the same type and scope of injury as the named class representative(s). This requirement leaves a severe burden for people who have suffered personal injury or economic loss at the hands of large institutions with vast resources, effectively barring them from forming class actions. For example, in a class action against the Veterans Administration, several veterans sued for a variety of grievances centered on delayed claims. The requirement in this legislation that plaintiffs suffer the same type of injuries might have barred these litigants from forming a class because each plaintiff suffered harms that were not the same.

We were pleased that a manager's amendment offered in Committee removed the requirement that the alleged harm to the plaintiff involved bodily injury or property damage. This improved the bill, but the remaining requirement leaves too high a burden. Class actions have been an efficient means of resolving disputes. Many of the legitimate complaints about lawsuit abuses through class-action litigation have been addressed through the evolution of class-action standards by the courts themselves; others are currently being considered by the Judicial Conference as part of the Rules Enabling Act process. Making it harder for victims to utilize class actions could add to the burden of our court system by forcing aggrieved parties to file suit in smaller groups, or individually.

We appreciate the opportunity to provide our input and urge you to keep these concerns in mind as you continue to debate class-action reform legislation. If the ABA can provide you or your staff with any additional information regarding the ABA's views, or if we can be of further assistance, please contact me or ABA Governmental Affairs Legislative Counsel, David Eppstein.

Sincerely,

THOMAS M. SUSMAN.

Ms. JACKSON LEE. Again, my friends, this speaks to the idea that we are not focusing on the plaintiff. So the injured party is at a disadvantage.

Let me say to my colleagues that this bill is unnecessary because, in a class action, you do not get the same amount of money. It just allows you to put together your resources to press forward your case. So if you are a poor farmer or if you are a poor waitress or you are someone driving a 1989 car and you are in a circumstance that puts you in a category where that car, even as old as it is, had some defect and you have no ability to press your case, you have the ability to press your case along with others. I am outraged to think that they would deny that.

So my amendment says to the defendant: You need to put forward all the information that you are demanding of those individuals who are singularly unable to provide the kind of legal representation that they need.

If transparency was the true goal of this bill, then, why doesn't the bill require settling defendants to reveal information important to public safety? The asbestos health crisis is the result of a massive corporate coverup. Trust information is already public. So let's make it a two-way street.

Let me also include for the RECORD a letter and these words: ''Far from being even-handed, this bill allows defendants—and only defendants—to do an end-run around state rules of discovery that place limits on information-gathering. The bill would tip the scales of justice in favor of asbestos defendants.''

JANUARY 6, 2016.

Re Opposition to Section 3 of H.R. 1927, the Fairness in Class Action Litigation and Furthering Asbestos Claim Transparency Act of 2015

Hon. PAUL RYAN,
Speaker, House of Representatives,
Washington, DC.
Hon. NANCY PELOSI,
Minority Leader, House of Representatives,
Washington, DC.

DEAR SPEAKER RYAN AND LEADER PELOSI: The undersigned groups strongly oppose Section 3 of H.R. 1927, the ''Fairness in Class Action Litigation and Furthering Asbestos Claim Transparency Act of 2015,'' formerly H.R. 526, the ''Furthering Asbestos Claim Transparency Act'' (FACT Act). This bill will interfere with state legal systems without justification, severely invade the privacy of asbestos victims and their families, and delay and deny justice to people suffering from lethal asbestos-related diseases. While it may seem like an opportune time to legislate in the area of asbestos litigation, this bill is extremely misguided. It will do little more than harm dying victims (including many former Navy shipyard workers), while advantaging the big corporations responsible for compensating them.

For decades, secrecy and deceit have been a way of business for the asbestos industry, and this bill does absolutely nothing to change that. This wholly unnecessary and one-sided legislation is an affront to states' rights and unfair to victims.

Section 3 of H.R. 1927 has two primary provisions: 1) requires asbestos trusts to disclose on public websites the private, confidential information about every asbestos claimant and their families, including past, current and future claimants. The legislation does nothing to stop asbestos defendants from continuing to demand secrecy when they settle cases (as they routinely do), or force companies to disclose any information to help a claimant with his or her case. To this day, these companies refuse to make public information about where asbestos is present, where it was used, and where it is imported. This bill is an unfair and unwarranted imposition on people who are likely to die because the asbestos industry covered up the dangers of asbestos for over 50 years and still insists on confidentiality today. Moreover, the information that will go on these public sites includes victims' names, addresses, medical information, how much they received in compensation, and the last four digits of their social security numbers. This extreme invasion of privacy will make victims and their families vulnerable to predators, con artists, and unscrupulous businesses who will scour these sites for information.

2) It gives any defendant in any asbestos lawsuit the right to demand any information about any asbestos victim from any asbestos trust at any time for any reason. The trusts themselves have already told the House Judiciary Subcommittee on Regulatory Reform, Commercial and Antitrust Law that such a provision would place substantial burdens on them, requiring them to spend tens of thousands of additional hours per year trying to comply with this requirement. And because the provision is unlimited, the costs of compliance for trusts would be very high as well. Trusts are already underfunded. A RAND study found that the median payment from asbestos trusts to victims is 25 percent of the value of the claim, and some payments are as low as 1.1 percent of the claim's value.

In addition to cost burdens, severe delays will result. As explained by Caplin & Drysdale attorney Elihu Inselbuch in his

''Responses to Questions for the Record'' following his 2013 subcommittee testimony: because trusts will be buried in otherwise unnecessary paperwork seeking claimant information, ''The bill would slow down or stop the process by which the trusts review and pay claims, such that many victims would die before receiving compensation, since victims of mesothelioma typically only live for 4 to 18 months after their diagnosis.'' In many cases, ''the delays in trust payment will force dying plaintiffs, who are in desperate need of funds, to settle for lower amounts with solvent defendants . . . Delay is a weapon for asbestos defendants.''

Finally, Mr. Inselbuch explained that, because this bill does not require that the information demanded by defendants be relevant to, or admissible in, any lawsuit, it is an unwarranted and ''heavy-handed piece of federal interference with the states' legal systems.''

Far from being even-handed, this bill allows defendants—and only defendants—to do an end-run around state rules of discovery that place limits on information-gathering. The bill would tip the scales of justice in favor of asbestos defendants by giving defendants access to information about victims' settlements with asbestos trusts while allowing defendants to continue hiding information about their settlements with other victims. To level the playing field, victims should be entitled to information from defendants regarding previous settlement amounts and true transparency about where the defendants' asbestos was used, manufactured, and stored.

As to the claim that this bill will ''prevent fraud,'' this bill places new, burdensome requirements on regularly-audited trusts. No one can find evidence of significant fraud in the trust process. The U.S. Government Accountability Office (GAO) studied the problem and did not identify one fraudulent claim. As Mr. Inselbuch noted, ''[b]ecause the injured victim was typically exposed to multiple asbestos products at multiple job sites over a period of many years, he or she must file different claims, with different trusts, with different forms that request different information. The fact that the exposure information submitted to one trust differs from the exposure information submitted to another does not mean it is 'inconsistent'—and certainly not specious or fraudulent.'' Similarly, with regard to charges that victims ''double-dip,'' he explains, ''when an asbestos victim recovers from each defendant whose product contributed to their disease, that victim is in no way 'double-dipping'; rather they are recovering a portion of their damages from each of the corporations who harmed them. In fact, each trust is responsible for and pays for only its own share of the damages.'' And as noted above, each trust usually can pay only pennies on the dollar.

Since at least the 1930s, asbestos companies and their insurers have been denying responsibility for the millions of deaths and illnesses caused by this deadly product. The Centers for Disease Control and Prevention report that roughly 3,000 people continue to die from mesothelioma and asbestosis every year. Other experts estimate the death toll is as high as 15,000 people per year when other types of asbestos-linked diseases and cancers are included. The companies hid the dangers posed by asbestos exposure, lied about what they knew, fought against liability for the harms caused, tried to change the laws that held them responsible and, to this day, fight against banning asbestos in the U.S. The asbestos industry is not interested in transparency. This legislation is nothing but another industry attempt to avoid responsibility for the grave harms they have caused. We are asking you to stand with veterans and other cancer victims of the asbestos industry's wrongdoing and oppose H.R. 1927.

Thank you for your consideration of our views.

Sincerely,

Alliance for Justice, Asbestos Disease Awareness Organization, Center for Effective Government, Center for Justice & Democracy, Connecticut Center for Patient Safety, Constitutional Alliance, Consumer Action, Consumer Watchdog, EWG Action Fund, National Employment Lawyers Association, National Association of Consumer Advocates, National Consumers League, OpenTheGovernment.org, Protect All Children's Environment, Public Citizen, U.S. PIRG.

Ms. JACKSON LEE. I ask my colleagues to support my amendment.

I reserve the balance of my time.

Mr. FARENTHOLD. Madam Chair, I claim the time in opposition.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Madam Chair, one of the issues the FACT Act addresses is State court litigants' inability to obtain information from bankruptcy asbestos trusts. The FACT Act eliminates this problem by requiring minimal disclosures from asbestos trusts and allowing for access to additional information at the cost of the requesting party. It doesn't put a burden on the trusts.

The amendment not only removes the minimal disclosure requirements, but it would replace additional disclosure requirements on parties who request information from the asbestos trust.

Over the course of four separate hearings before the Judiciary Committee the issue highlighted was the lack of disclosure by the asbestos bankruptcy trust, not private party litigants. There has been no record of plaintiffs encountering difficulties in obtaining information necessary to sue these businesses. In fact, the evidence is to the contrary. Go look at a plaintiff's attorney who specializes in asbestos litigation Web site and you see how they tout their access to information necessary to sue these companies.

It is the parties, other than the plaintiffs, including other asbestos bankruptcy trusts, as well as State court judges, who have difficulty obtaining information from the asbestos bankruptcy trust system which has created an environment that is conducive to fraud and takes money out of those trusts that is needed for future victims. The FACT Act merely levels the playing field so all parties have access to the same information.

I urge my colleagues to oppose this amendment.

I reserve the balance of my time.

Ms. JACKSON LEE. How much time do I have remaining?

The Acting CHAIR. The gentlewoman from Texas has 1 minute remaining.

Ms. JACKSON LEE. Madam Chair, I vigorously disagree with my good friend from Texas (Mr. FARENTHOLD) because it is very clear that the bill would tip the scales of justice in favor of asbestos defendants by giving defendants access to information about victim settlements with asbestos trusts while allowing the defendants to continue hiding information about their settlements.

My amendment asks for the defendants to give the same information. No matter how much my good friend tries to redirect and suggest that this bill does not do that, it does.

Might I also suggest that the other side offered the suggestion that there were groups like Save Our Veterans, The Cost of Freedom, Veterans Resource, that were representing the veterans community. Again, I would take issue with that representation. I insert into the RECORD a whole list that has been recounted by the gentleman from Georgia (Mr. JOHNSON), my colleague.

JANUARY 7, 2015.

Re Veterans Service Organization oppose H.R. 1927 the ''Fairness in Class Action Litigation and Furthering Asbestos Claims Transparency Act''

Hon. PAUL RYAN,
Speaker of the House, House of Representatives, Washington DC.
Hon. KEVIN MCCARTHY,
Majority Leader, House of Representatives, Washington DC.
Hon. NANCY PELOSI,
Minority Leader, House of Representatives, Washington DC.
Hon. STENY HOYER,
Minority Whip, House of Representatives, Washington DC.

DEAR SPEAKER RYAN, LEADER MCCARTHY, LEADER PELOSI, AND WHIP HOYER: We, the undersigned Veterans Service Organizations oppose H.R. 1927 the ''Fairness in Class Action Litigation and Furthering Asbestos Claims Transparency Act of 2015.'' We have continuously expressed our united opposition to this legislation via written testimony to the House Judiciary Committee, House Leadership, in-person meetings and phone calls with members of Congress, and most recently, an op-ed many of our legislative teams submitted to ''The Hill'', entitled ''Farenthold has his facts wrong: The FACT Act hurts Veterans''. It is extremely disappointing that even with our combined opposition H.R. 1927 stands poised to be voted on the House floor later this week.

Veterans across the country disproportionately make up those who are dying and afflicted with mesothelioma and other asbestos related illnesses and injuries. Although veterans represent only 8% of the nation's population, they comprise 30% of all known mesothelioma deaths.

When our veterans and their family members file claims with the asbestos bankruptcy trusts to receive compensation for harm caused by asbestos companies, they submit personal, highly sensitive information such as how and when they were exposed to the deadly product, sensitive health information, and more. H.R.1927 would require asbestos trusts to publish their sensitive information on a public database, and also include how much money they received for their claim as well as other private information. Forcing our veterans to publicize their work histories, medical conditions, social security numbers, and information about their children and families is an offensive invasion of privacy to the men and women who have honorably served, and it does nothing to assure their adequate compensation or to prevent future asbestos exposures and deaths.

Additionally, H.R. 1927 helps asbestos companies add significant time and delay paying

trust claims to our veterans and their families by putting burdensome and costly reporting requirements on trusts, including those that already exist. One must to ask what is the real motivation for this legislation brought forward by Representative Farenthold? Rather than pursuing legislation to make it easier and less burdensome for our veterans and their families to get the compensation they so desperately need for medical bills and end of life care, trusts will have to spend time and resources complying with these additional and unnecessary requirements at the expense of our veterans.

H.R. 1927 is a bill that its supporters claim will help asbestos victims, but the reality is that this bill only helps companies and manufacturers who knowingly poisoned our honorable men and women who have made sacrifices for our country.

We urgently ask on behalf of our members across the nation that you oppose H.R. 1927.

Please contact Hershel Gober, National Legislative Director, Military Order of the Purple Heart at goberh@aol.com with any questions.

Signed:

Air Force Sergeants Association, Air Force Women's Officers Associated (AFWOA), American Veterans (AM VETS), Association of the United States Navy (AUSN), Commissioned Officers Association of the US Public Health Services, Fleet Reserve Association (FRA), Jewish War Veterans of the USA (JWV), Marine Corns Reserve Association (MCRA), Military Officers Association of America (MOAA), Military Order of the Purple Heart (MOPH), National Association of Uniformed Services (NAUS), National Defense Council, Naval Enlisted Reserve Association, The Retired Enlisted Association (TREA), United States Coast Guard Chief Petty Officers Association, United States Army Warrant Officers Association, Vietnam Veterans Association (VVA).

Ms. JACKSON LEE. The Air Force Sergeants Association, Vietnam Veterans Association, Jewish War Veterans of the USA, and others, these are the groups that are saying they are against this bill. The reason is because they are for the little guy. That is why they go to the battlefield and fight.

I am standing here for the little guy. My amendment says let the big guys give you the same information and the little guys shouldn't even have to pay, if I might say. Let the big guys do it because they are the individuals who come and try to thwart the individuals.

Madam Chair, let me express my appreciation to Chairman SESSIONS and Ranking Member SLAUGHTER for their leadership and for making the Jackson Lee Amendment in order.

Thank you for this opportunity to explain my amendment to H.R. 1927, the "Fairness in Class Litigation and Furthering Asbestos Claim Transparency Act of 2015".

The Jackson Lee Amendment #9 would provide a balanced approach to the bill's disclosure requirements by applying the transparency rules in the bill equally to asbestos industry defendants.

Specifically, this Amendment would require that an asbestos defendant seeking information from the trust about a plaintiff to first make available to the plaintiff and trust information about the median settlement amount paid by that defendant for claims settled or paid within 5 years of the date of the request, for the State in which the plaintiffs action was filed.

Thus, in order for defendants to obtain the privileges of victim information disclosure as required in H.R. 1927, asbestos companies would also be required to report information about their asbestos-containing products.

Without the Jackson Lee Amendment, H.R. 1927 is one-sided.

If passed without this balance approach, H.R. 1927 maintains the rights of asbestos defendants to demand confidentiality of settlements and protects an asbestos defendant's right to continue to hide the dangers of their asbestos products from asbestos victims and the American public.

A typical asbestos defendant who settles a case in the tort system demands confidentiality as a condition of settlement in order to ensure that other victims cannot learn how much they paid or for which asbestos products the defendant is paying compensation.

These same defendants now want the victims to disclose specific settlement amounts with the trusts, along with product exposure information and work history, that they do not themselves provide nor would have provided before the trusts were created.

If transparency were the true goal of this bill, then why doesn't the bill require settling defendants to reveal information important to public safety and health?

The asbestos health crisis is the result of a massive corporate cover-up.

For decades, asbestos companies knew about the dangers of asbestos and failed to warn or adequately protect workers and their families.

Now, the same industry responsible for causing this crisis is asking Congress to protect them from liability.

At the very least, this bill should require asbestos defendants to reveal information about their asbestos products, where they are in use, and how many Americans continue to be exposed to those products.

Trust information is already public.

Trusts already disclose far more information than solvent defendants do about their settlement practices and amounts—the settlement criteria used by a trust and the offer the trust will make if the criteria are met are publicly available in the Trust Distribution Procedures ("TDP") for that trust.

Trusts also file annual reports with the Bankruptcy courts and publish lists of the products for which they have assumed responsibility.

If asbestos victims are going to be forced to reveal private medical and work history information in a public forum, to the very industry that caused their harm, asbestos defendants should at least be required to reveal which of their products contain asbestos and how many people are being exposed.

H.R. 1927 seeks to override state law regarding discovery and disclosure of information.

State discovery rules currently govern disclosure of a trust claimant's work and exposure history.

The bill's proponents offer no explanation as to why the bill's potentially costly and burdensome information request provision is necessary or why Federal law should subvert state discovery processes.

If such information is relevant to a state law claim, a defendant can seek and get that information according to the rules of a state court.

What a defendant cannot do, and what this bill would allow, is for a defendant to engage in fishing expeditions for irrelevant information which has no use other than to delay a claim for as long as possible.

Thus, H.R. 1927 must be amended to apply to defendants who should be required to reveal important information about their asbestos-containing products.

Lastly, let me add that the asbestos defendants would not be required to disclose trade secrets under this amendment.

The asbestos defendants would only be required to disclose information about which of their products contain asbestos, where they are in use, and how many people are being exposed.

The Jackson Lee Amendment would not force asbestos defendants to reveal industry trade secrets or place them at a competitive disadvantage in the marketplace.

Instead, this amendment ensures transparency from both the asbestos victims and asbestos defendants since transparency is the stated goal of the bill.

I urge my colleagues to Support the Jackson Lee Amendment.

I ask for my amendment to be supported.

I yield back the balance of my time.

Mr. FARENTHOLD. Madam Chairman, with all due respect to the gentlewoman from Houston, who is my friend, the requirement of the FACT Act does not require that the settlement amount be disclosed. What it does require to be disclosed is the minimal amount of information that we believe is necessary to help prevent fraud, that is, the name of the claimant and the basis of exposure and the nature of the claim. It specifically protects all sorts of private information, in addition to the protections already built into the Bankruptcy Clause.

I guess the veterans groups are divided on that. Ms. JACKSON LEE listed out a group, and we have entered into the RECORD a list of veterans groups and other groups that support it.

Of most interest to the gentlewoman from Texas should be the Texas Coalition of Veterans Organization, which represents more than 600,000 Texas veterans, supports this because they know that our young servicemen and -women that were exposed to asbestos and have not yet manifested the symptoms of mesothelioma or other asbestos-related diseases need to have these trusts in place so that there will be money to compensate them because they can't sue the Federal Government over sovereign immunity. This protects the veterans and makes sure there is money for future claimants.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON LEE).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Ms. JACKSON LEE. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by

the gentlewoman from Texas will be postponed.

□ 1130

The Acting CHAIR. The Committee will rise informally.

The Speaker pro tempore (Mr. KLINE) assumed the chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Brian Pate, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

FAIRNESS IN CLASS ACTION LITIGATION ACT OF 2015

The Committee resumed its sitting.

AMENDMENT NO. 10 OFFERED BY MR. NADLER

The Acting CHAIR. It is now in order to consider amendment No. 10 printed in House Report 114–389.

Mr. NADLER. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Beginning on page 2, strike line 5 and all that follows through line 2 on page 3, and insert the following:

''(8) A trust described in paragraph (2) shall file with the bankruptcy court, not later than 60 days after the end of every quarter, a report that shall be made available on the court's public docket and with respect to each such reporting period contains an aggregate list of demands received and an aggregate list of payments made.''.

The Acting CHAIR. Pursuant to House Resolution 581, the gentleman from New York (Mr. NADLER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. NADLER. Madam Chair, my amendment would address the bill's serious violation of the privacy of asbestos victims. Instead of requiring asbestos trusts to disclose detailed personal information about asbestos victims, as the bill would do, my amendment would require aggregate reporting of the demands received and payments made by those trusts. This would ensure transparency of the trusts without jeopardizing the privacy of the victims.

Let's remember why these asbestos trusts are established in the first place. Corporations that knowingly produced a toxic substance that killed or seriously injured unsuspecting American consumers and workers have since been held accountable for their practices through litigation. Asbestos companies that enter bankruptcy have the option of establishing a trust to satisfy the obligations to their victims while shielding themselves from future claims when they emerge from bankruptcy.

As if contracting a painful and life-threatening disease like lung cancer or mesothelioma from exposure to asbestos is not bad enough, this bill would further victimize claimants by putting their personal information on the Internet, available to anyone who may seek to take advantage of them. The bill would require each asbestos trust to list the payment demands it has received, the amounts demanded, as well as the names and exposure histories of each claimant, along with the basis for any payment from the trust of such claimant. This information would be posted on the public docket of the court that established the trust, a docket that is easily accessible on the Internet through paying a nominal fee.

Now, it is true that the reports required under this bill would not include any ''confidential medical record''—a term that is undefined—or a claimant's full Social Security number, but with just the information that the bill requires to be provided, one can still learn a tremendous amount of sensitive health information about a victim. Releasing such information is an invitation to scam artists, to identity thieves, as well as to data brokers who may use the information collected to deny employment or credit or insurance to the victims.

To prevent this totally unnecessary and wrong invasion of privacy, my amendment would say, okay, we will release aggregate data from the trust sufficient to ensure transparency and to combat the imagined fraud claimed by supporters of the bill, but we won't expose the personal information of asbestos victims and make them vulnerable to further victimization.

Rather than standing with the corporations supporting this legislation, which spent decades poisoning Americans with asbestos, I urge my colleagues to stand with Susan Vento, a fierce opponent of this bill and the widow of our former colleague Bruce Vento, who lost his life due to asbestos exposure.

Stand with the many organizations opposing this bill that do not wish to see asbestos victims' personal information compromised. Stand with the victims who have suffered enough.

If you believe there is fraud, fine. The amendment would say present the aggregate information which would prevent or reveal the fraud, but don't further victimize the victims by putting their personal information on the Internet so that they can be further victimized in their privacy, and in reality they can be victimized by scam artists or employers or others.

I urge adoption of the Nadler amendment.

Madam Chair, I reserve the balance of my time.

Mr. FARENTHOLD. Madam Chair, I claim the time in opposition to the gentleman's amendment.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. FARENTHOLD. Madam Chair, the FACT Act requires increased transparency to combat fraud committed against the asbestos trusts. This amendment strikes the requirement that the asbestos trusts publish the very data that would be necessary to detect the fraud between the trusts and State court tort proceedings.

In its place, the amendment calls for quarterly reports under the bill to publish only aggregate lists of demands received and aggregate lists of payments made by the trusts. Simple aggregation of information is not enough to allow defendants and State court parties and sister asbestos trusts to make meaningful inquiry into whether or not they are being defrauded.

The amendment also removes the requirement that the asbestos trusts respond to information requests from parties subject to asbestos-related suits and imposes the cost of such requests on the inquiring parties. The cost-shifting element of this provision is significant. In fact, a GAO report found that one asbestos trust had to pay over $1 million to respond to a discovery request. Rather than have asbestos trust money used to comply with discovery requests, they should be preserved for the payment to the victims of asbestos-related illnesses.

This amendment not only guts the transparency requirements and elements of the bill, it also removes meaningful cost-saving measures. In fact, the bill is carefully crafted to protect folks' privacy. Here is what happens: The legislation ensures that claimants' confidential medical records and full Social Security numbers will not be made public.

Trust reports are also subject to the Bankruptcy Code's existing privacy protections. Section 107 of the code, for example, allows courts to protect any information that would present an undue risk of identity theft or injure a claimant if disclosed. Rule 9037 of the Federal Rules of Bankruptcy Procedure, Privacy Protection for Filings Made with the Court, would also apply to these public reports. The rule would allow the courts to require redactions of personal and private information. Finally, rule 9037 will allow the courts to limit or prohibit electronic access to the trust reports.

Courts throughout the country already use these rules to protect the personal information of individuals who file claims during asbestos bankruptcies. For example, the court, in overseeing a Garlock bankruptcy, redacted trust claims information that was introduced into a hearing record and later released to the public. Other courts have required anyone reviewing bankruptcy claims to agree to strict protective ordinances.

Witnesses at the House Committee on the Judiciary on the FACT Act have explained that the bill does not threaten asbestos victims' privacy and that asbestos claimants routinely disclose more information than the trust would be required to report in the course of tort litigation and bankruptcy proceedings.