

Another constituent contacted me to tell me that his multi-million lease agreement—that he had worked on for more than a year—had just fallen apart because this court decision had clouded the title. The investors had been unwilling to go through with the deal.

These stories are just the start of a devastating series of consequences that will arise out of this decision. Each breakdown will have a multiplying effect on unemployment and loss of confidence in western states.

This is a very serious situation, Mr. President, but it is one that can be stabilized.

Today, we are offering a bill that would grandfather the leases that have been negotiated, in good faith, according to the explicit policies of the U.S. Government. The amendment would ensure that existing leases to produce methane—or natural gas out of the coal seam, as some of the older leases read—remain valid and that there is no future assertion of ownership by the Federal Government on these parcels.

The amendment applies only to federally owned coal. It would not have any effect on tribally owned or state-owned coal. We have worked this out with the Chairman of the Indian Affairs Committee, Senator CAMPBELL from Colorado.

Furthermore, we have worked with the coal companies, who have valid concerns about their existing and future leases to mine federal coal. We have made it clear that nothing in this bill should be construed to limit their ability to mine federal coal under valid leases, nor should anything be construed to expand their liabilities to coalbed methane owners covered by the bill.

The timing of the decision means we will be working to move this bill as soon as possible. Next year, we will pursue a more in-depth review of the situation. This body will need to conduct hearings and look at ways to work out problems with future leases and with conflicting resource use issues. These are details that demand very careful consideration.

For now, however, we should take this opportunity to provide some certainty for people with existing agreements. This is a statement of support for the sanctity of those contracts—and a statement of support for the economies in our states.

In closing, I would like to thank the Republican and Democratic members of the Senate who have been so important in helping us to work out this legislation. A special thanks to the Indian Affairs Committee for helping us craft language to accommodate tribal lands and a special thanks to the Department of Interior, who is helping us to protect eighty years of doing business. They have also helped us remove the possibility of devastating private property takings, retroactive liabilities, and mountains of litigation.

Mr. THOMAS. Mr. President, I rise today to strongly support this legisla-

tion designed to protect contracts and leases of surface patent holders for coalbed methane. This legislation, which my colleague Senator ENZI and I are jointly introducing along with our House colleague Congresswoman CUBIN, is vitally important to coalbed methane producers and lease holders in Wyoming and will address a problem which arose due to an appellate court decision rendered earlier this summer.

On July 20, 1998, the Tenth Circuit Court of Appeals turned years of precedent and practice on its head by ruling that coalbed methane should be classified as a coal-by-product rather than a form of natural gas. That decision was completely contrary to past interpretation, and will severely impact coalbed methane lease holders in Wyoming and throughout the nation. The ruling will also delay completion of leases and drilling, which will negatively impact our state's economy.

The court's decision is particularly troubling for producers because the Office of the Solicitor at the Department of Interior had issued two earlier opinions regarding ownership of coalbed methane in federally-owned coal, which were directly opposite to the appellate court's ruling. Both in 1981 and in 1990, the Solicitor's office issued opinions which stated that coalbed methane was not part of the federally-reserved coal protected under the 1909 and 1910 Coal Lands Acts. Now, leaseholders and producers, who believed they were acting in good faith and compliance with federal law, are faced with the troubling possibility that their leases may be revoked.

The legislation that we are introducing today is designed to remedy many of the problems caused by the appellate court's decision. This bill would protect current contracts and leases of surface patent holders for coalbed methane gas. The measure does not address future leases or contracts and only deals with folks who are already engaged in the production of coalbed methane gas or who have leased land for drilling and exploration. It is a fair and reasonable proposal and would simply protect people who acted in compliance with the law as it was interpreted by the Department of Interior.

Mr. President, I hope the Senate will take quick action on this measure and approve it as quickly as possible. Coalbed methane production is a growing and vibrant part of Wyoming's economy and we need to take action to ensure that the lives of folks who rely on stable production of coalbed methane are not completely disrupted. Producers acted in good faith and in compliance with the law as they knew it. We should not punish them for actions beyond their control and should work to ensure that the blood and sweat which they invested into their businesses is not swept away by the actions of the court.

ADDITIONAL COSPONSORS

S. 555

At the request of Mr. ALLARD, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 555, a bill to amend the Solid Waste Disposal Act to require that at least 85 percent of funds appropriated to the Environmental Protection Agency from the Leaking Underground Storage Tank Trust Fund be distributed to States to carry out cooperative agreements for undertaking corrective action and for enforcement of subtitle I of that Act.

S. 712

At the request of Mr. MOYNIHAN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 712, a bill to provide for a system to classify information in the interests of national security and a system to declassify such information.

S. 751

At the request of Mr. SHELBY, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 751, a bill to protect and enhance sportsmen's opportunities and conservation of wildlife, and for other purposes.

S. 2049

At the request of Mr. KERREY, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 2049, a bill to provide for payments to children's hospitals that operate graduate medical education programs.

S. 2180

At the request of Mr. LOTT, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2180, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 2208

At the request of Mr. FRIST, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2208, a bill to amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research.

S. 2341

At the request of Mr. DEWINE, the names of the Senator from New York (Mr. D'AMATO), the Senator from Texas (Mrs. HUTCHISON), and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of S. 2341, a bill to support enhanced drug interdiction efforts in the major transit countries and support a comprehensive supply eradication and crop substitution program in source countries.

SENATE CONCURRENT RESOLUTION 108

At the request of Mr. DORGAN, the names of the Senator from Kentucky (Mr. FORD) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of Senate Concurrent Resolution 108, a concurrent resolution recognizing the 50th anniversary of the

National Heart, Lung, and Blood Institute, and for other purposes.

SENATE RESOLUTION 259

At the request of Mr. THURMOND, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of Senate Resolution 259, a resolution designating the week beginning September 20, 1998, as "National Historically Black Colleges and Universities Week," and for other purposes.

SENATE RESOLUTION 274

At the request of Mr. FORD, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of Senate Resolution 274, a resolution to express the sense of the Senate that the Louisville Festival of Faiths should be commended and should serve as model for similar festivals in other communities throughout the United States.

AMENDMENTS SUBMITTED—
SEPTEMBER 17, 1998

CONSUMER BANKRUPTCY REFORM
ACT OF 1998

GRASSLEY (AND DURBIN)
AMENDMENT NO. 3595

Mr. GRASSLEY (for himself and Mr. DURBIN) proposed an amendment to amendment No. 3559 proposed by Mr. GRASSLEY to the bill (S. 1301) to amend title 11, United States Code, to provide for consumer bankruptcy protection, and for other purposes; as follows:

(1) In section 102(a)(5) strike "a party in interest" and insert "only the judge, United States trustee, bankruptcy administrator or panel trustee";

(2) In section 102(a)(95) strike "not".

Strike 317 and replace with:

"Not later than 180 days after the date of enactment of this Act, the Federal Trade Commission shall promulgate regulations defining "household goods" under Section 522(c)(3) in a manner suitable and appropriate for cases under Title 11 of the United States Code. If new regulations are not effective within 180 days of enactment of this Act, then "household goods" under Section 522(c)(3) shall have the meaning given that term in section 444.1(i) of Title 16, of the Code of Federal Regulations, except that the term shall also include any tangible personal property reasonably necessary for the maintenance or support of a dependent child."

At the end of Title III, insert:

11 U.S.C. 507(a) to add a new section 507(a)(10) to read:

"Tenth, allowed claims for death or personal injury resulting from the operation of a motor vehicle or vessel if such operation was unlawful because the debtor was intoxicated from using alcohol, a drug or another substance."

Strike existing 315 and add the following:

SEC. 315. NONDISCHARGEABLE DEBTS.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14) the following:

"(14A) incurred to pay a debt that is nondischargeable by reason of section 727, 1141, 1228 (a) or (b), or 1328(b), or any other provision of this subsection, where the debtor incurred the debt to pay such a nondischargeable debt with the intent to discharge in bankruptcy the newly-created debt."

At the appropriate place in Title II, insert the following:

SEC. ____ ENHANCED DISCLOSURE FOR CREDIT EXTENSIONS SECURED BY DWELLING.

(a) OPEN-END CREDIT EXTENSIONS.—

(1) CREDIT APPLICATIONS.—Section 127A(a)(13) of the Truth in Lending Act (15 U.S.C. 1637a(a)(13)) is amended—

(A) by striking "CONSULTATION OF TAX ADVISOR.—A statement that the" and inserting the following: "TAX DEDUCTIBILITY.—A statement that—

"(A) the"; and

(B) by striking the period at the end and inserting the following: "; and

"(B) in any case in which the extension of credit exceeds the fair market value of the dwelling, the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes."

(2) CREDIT ADVERTISEMENTS.—Section 147(b) of the Truth in Lending Act (15 U.S.C. 1665b(b)) is amended—

(A) by striking "If any" and inserting the following:

"(1) IN GENERAL.—If any"; and

(B) by adding at the end the following:

"(2) CREDIT IN EXCESS OF FAIR MARKET VALUE.—Each advertisement described in subsection (a) that relates to an extension of credit that may exceed the fair market value of the dwelling shall include a clear and conspicuous statement that—

"(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

"(B) the consumer may want to consult a tax advisor for further information regarding the deductibility of interest and charges."

(b) NON-OPEN END CREDIT EXTENSIONS.—

(1) CREDIT APPLICATIONS.—Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended—

(A) in subsection (a), by adding at the end the following:

"(15) In the case of a consumer credit transaction that is secured by the principal dwelling of the consumer, in which the extension of credit may exceed the fair market value of the dwelling, a clear and conspicuous statement that—

"(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

"(B) the consumer should consult a tax advisor for further information regarding the deductibility of interest and charges."; and

(B) in subsection (b), by adding at the end the following:

"(3) In the case of a credit transaction described in paragraph (15) of subsection (a), disclosures required by that paragraph shall be made to the consumer at the time of application for such extension of credit."

(2) CREDIT ADVERTISEMENTS.—Section 144 of the Truth in Lending Act (15 U.S.C. 1664) is amended by adding at the end the following:

"(e) Each advertisement to which this section applies that relates to a consumer credit transaction that is secured by the principal dwelling of a consumer in which the extension of credit may exceed the fair market value of the dwelling shall clearly and conspicuously state that—

"(1) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

"(2) the consumer may want to consult a tax advisor for further information regarding the deductibility of interest and charges."

This section shall become effective one year after the date of enactment.

At the appropriate place in Title II, insert the following:

SEC. ____ DUAL-USE DEBIT CARD.

(a) CONSUMER LIABILITY.—

(1) IN GENERAL.—Section 909 of the Electronic Fund Transfer Act (15 U.S.C. 1693g) is amended—

(A) by redesignating subsections (b) through (e) as subsections (d) through (g), respectively;

(B) in subsection (a)—

(i) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(ii) by inserting "CARDS NECESSITATING UNIQUE IDENTIFIER.—

"(1) IN GENERAL.—" after "(a)";

(iii) by striking "other means of access can be identified as the person authorized to use it, such as by signature, photograph," and inserting "other means of access can be identified as the person authorized to use it by a unique identifier, such as a photograph, retina scan,"; and

(iv) by striking "Notwithstanding the foregoing," and inserting the following:

"(2) NOTIFICATION.—Notwithstanding paragraph (1),"; and

(C) by inserting before subsection (d), as so designated by this section, the following new subsections:

"(b) CARDS NOT NECESSITATING UNIQUE IDENTIFIER.—A consumer shall be liable for an unauthorized electronic fund transfer only if—

"(1) the liability is not in excess of \$50;

"(2) the unauthorized electronic fund transfer is initiated by the use of a card that has been properly issued to a consumer other than the person making the unauthorized transfer as a means of access to the account of that consumer for the purpose of initiating an electronic fund transfer;

"(3) the unauthorized electronic fund transfer occurs before the card issuer has been notified that an unauthorized use of the card has occurred or may occur as the result of loss, theft, or otherwise; and

"(4) such unauthorized electronic fund transfer did not require the use of a code or other unique identifier (other than a signature), such as a photograph, fingerprint, or retina scan.

"(c) NOTICE OF LIABILITY AND RESPONSIBILITY TO REPORT LOSS OF CARD, CODE, OR OTHER MEANS OF ACCESS.—No consumer shall be liable under this title for any unauthorized electronic fund transfer unless the consumer has received in a timely manner the notice required under section 905(a)(1), and any subsequent notice required under section 905(b) with regard to any change in the information which is the subject of the notice required under section 905(a)(1)."

(2) CONFORMING AMENDMENT.—Section 905(a)(1) of the Electronic Fund Transfer Act (15 U.S.C. 1693c(a)(1)) is amended to read as follows:

"(1) the liability of the consumer for any unauthorized electronic fund transfer and the requirement for promptly reporting any loss, theft, or unauthorized use of a card, code, or other means of access in order to limit the liability of the consumer for any such unauthorized transfer;"

(b) VALIDATION REQUIREMENT FOR DUAL-USE DEBIT CARDS.—

(1) IN GENERAL.—Section 911 of the Electronic Fund Transfer Act (15 U.S.C. 1693i) is amended—

(A) by redesignating subsection (c) as subsection (d); and

(B) by inserting after subsection (b) the following new subsection:

"(c) VALIDATION REQUIREMENT.—No person may issue a card described in subsection (a),