Mr. HALL changed his vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

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

RECORDED VOTE

Mr. HASTINGS of Florida. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

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

The vote was taken by electronic device, and there were—ayes 223, noes 194, not voting 13, as follows:

[Roll No. 574]

AYES—223

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

NOES—194

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

NOT VOTING—13

Campbell
Culberson
Doggett
Herrera Beutler
Jones
Matsui
McCarthy (NY)
Neal
Rush
Schwartz
Tiberi
Wenstrup
Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1416

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, November 13, 2013.

Hon. JOHN A. BOEHNER,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on November 13, 2013 at 11:24 a.m.:

That the Senate passed S. 1499.
That the Senate passed S. 1512.
That the Senate passed S. 1557.

With best wishes, I am
Sincerely,

Karen L. Haas.

FURTHERING ASBESTOS CLAIM TRANSPARENCY (FACT) ACT OF 2013.

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 include extraneous materials on H.R. 982, currently under consideration.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 403 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. 982.

The Chair appoints the gentleman from Utah (Mr. BISHOP) to preside over the Committee of the Whole.

□ 1420

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. 982) to amend title 11 of the United States Code to require the public disclosure by trusts established under section 524(g) of such title, of quarterly reports that contain detailed information regarding the receipt and disposition of claims for injuries based on exposure to asbestos; and for other purposes, with Mr. BISHOP of Utah in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read for 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 will help those asbestos victims that must look to the bankruptcy process to seek redress for their or their loved ones' injuries. Unfortunately, on too frequent an occasion, by the time asbestos victims assert their claims for compensation, the bankruptcy trusts formed for their benefit have been diluted by fraudulent claims, leaving these victims without their entitled recovery.

The reason that fraud is allowed to exist within the asbestos trust system is the excessive lack of transparency created by plaintiffs' firms. Due to a provision in the Bankruptcy Code, plaintiffs' firms are essentially granted a statutory veto right over a debtor's chapter 11 plan that seeks to restructure asbestos liabilities. Plaintiffs' firms have exploited this leverage to prevent information contained within the asbestos trusts from seeing the light of day.

The predictable result from this reduced transparency has been a growing wave of claims and reports of fraud. The increase in claims has caused many asbestos trusts to reduce the recoveries paid to asbestos victims who emerge following the formation of the trusts. For example, the T.H. Agriculture and Nutrition asbestos trust cut its recovery rate from 100 percent to 70 percent, and the Owens Corning trust sliced its recovery rate from 40 percent to 10 percent.

In addition, instances of fraud within the asbestos trust system have been documented in news reports, State court cases, and testimony before the Judiciary Committee. The Wall Street Journal conducted an investigation into asbestos trusts where it found, among other things, that hundreds of plaintiffs filed claims against asbestos trusts asserting one injury while simultaneously asserting a completely different injury before the State courts.

Reports directly from many State courts are uncovering similar conduct. For example, in Ohio, one judge described a plaintiff's case as ''lies upon lies upon lies'' after discovering that the plaintiff received hundreds of thousands of dollars from various asbestos bankruptcy trusts while alleging in court that a single product caused his illness. In Virginia, a judge stated that a similar case over which he presided was the ''worst deception'' he had seen in his 22-year career.

The FACT Act, introduced by Congressman FARENTHOLD, will combat this fraud by introducing long-needed transparency into the asbestos bankruptcy trust system. The FACT Act increases transparency through two simple measures. First, it requires the asbestos trusts to file quarterly reports on their public bankruptcy dockets. These reports will contain very basic information about demands to the trusts and payments made by the trusts to claimants. Second, the FACT Act requires asbestos trusts to respond to information requests about claims asserted against and payments made by the asbestos trusts.

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

A State court judge with 29 years of bench experience described the privacy protections within the FACT Act as far stronger than those afforded in State court, where asbestos plaintiffs often pursue parallel claims. The FACT Act also was deliberately structured to minimize the administrative impact on asbestos trusts. Indeed, according to testimony before the Judiciary Committee from an expert on asbestos litigation and the asbestos trusts, preparing the quarterly disclosure requirements would be ''very simple'' and would ''take minutes.''

The FACT Act strikes the appropriate balance between achieving the transparency necessary to reduce fraud in an efficient manner and providing claimants with sufficient privacy protections. We cannot allow fraud to continue reducing recoveries for future asbestos victims. The FACT Act is a simple, narrow measure that will shed much-needed sunshine on a shadowy system.

I thank Mr. FARENTHOLD for introducing this legislation and urge all of my colleagues to vote for the FACT Act.

I reserve the balance of my time.

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

Members of the House, we are confronted with a very simple proposition today. What we have here is a piece of legislation that seeks to address a nonexistent problem and is strongly opposed by asbestos victims, the trusts charged with administering compensation to victims, privacy advocates, consumer groups, labor organizations, and legal representatives of future claimants.

I will point out that I have one of the longest lists of organizational opposition that I have seen in a long time, more than 11 organizations, starting with the Asbestos Cancer Victims' Rights Campaign and then going to the Asbestos Disease Awareness Organization, the AFL–CIO, the United Steelworkers, AFSCME, Public Citizen, the U.S. Public Interest Research Group, the Environmental Working Group, the Alliance for Justice, the American Association for Justice, and many others.

What we are doing here is beginning this debate by asking who actually supports this bill and why are their interests being put ahead of asbestos victims.

To begin with, the bill's reporting and disclosure requirements are an assault against asbestos victims' privacy interests. The bill mandates that the trusts publicly report information on the claimants that could include their name, address, work history, income, medical information, exposure history, as well as the basis of any payment that the trust made to the claimant.

□ 1430

Given the fact that all this information would potentially be available on the Internet, just imagine what insurance companies, potential employers, prospective lenders, and data collectors could do with this private information.

Essentially, what this bill does is allow asbestos victims to be re-victimized by exposing their health information to the public, including those who seek information for illegal purposes.

And so I ask all of the thoughtful Members of this body to join me in strongly and vigorously opposing the measure before us today.

I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, it is my pleasure to yield 4 minutes to the gentleman from Alabama (Mr. BACHUS), the chairman of the Regulatory Reform Subcommittee.

Mr. BACHUS. I appreciate the chairman yielding.

Mr. Chairman, I have great respect for Mr. CONYERS. He has been my chairman and is now my ranking member.

I, too, see this as a very simple proposition. However, I have a different point of view. I believe that sunshine is the best disinfectant, and I think that light can expose things that need to be exposed; and that is, really, the essence of this bill. This bill is about transparency. It is about revealing how much people are being paid in a claim.

America is a country that helps deserving people in their time of need, and for that reason, when we had tens of thousands of asbestos exposures which caused serious injury and death, a trust fund was specifically set up to compensate those individuals whose health had been harmed. However, as with almost anything we establish, there are those that would take advantage, there are those who would commit fraud, there are those who would abuse it. And that is the case here.

There have been inconsistent claims. Trust fund money has been diverted from these victims and from future victims to where it should properly go—to those people that truly could demonstrate health needs. Instead it went, in many cases, to the undeserved.

Don't take my word for it. An article published by The Wall Street Journal just this past March revealed that nearly half of all trusts have reduced payments to new victims at least once since 2010, partly in an effort to preserve assets for future victims. The same article cited a number of disturbing examples of money being drained from the system by waste and fraud—it is not something we made up—leaving less to those who truly suffered. We have had judges appear and tell us about those problems. We have had others.

For example, the article disclosed that, after virtually no examination

and no transparency, over $26,000 was awarded to a person who never existed. It also found that 2,700 claimants to the Manville Trust alone—just one of many trusts—couldn't have been older than 12 years of age at the time they said they were exposed to asbestos in an industrial job.

The FACT Act would combat fraud through sunshine by increasing transparency and accountability in the system. In doing so, it strengthens the asbestos trust fund and system for present and future claimants. It would improve information-sharing in the trust fund process while fully respecting privacy—and let me stress that—fully respecting privacy and protecting confidential medical information, which is very important when personal health is involved.

As we have said many times, sunshine is a disinfectant. I said it at the start of the speech, and I will say it now.

This is a commonsense, bipartisan bill that would help asbestos victims get the compensation they need and deserve by protecting the asbestos trust fund from fraud, waste, and abuse.

Let me close by commending Mr. FARENTHOLD from Texas and Mr. MATHESON from Utah for bringing this bipartisan legislation. I urge you to support them and others and bring this bill to the floor and pass it to increase accountability.

Mr. CONYERS. Mr. Chairman, I yield myself 1 minute to thank my good friend, SPENCER BACHUS, a distinguished member of the Judiciary Committee, for participating here on the floor with me. I want him to know that the privacy part of his remarks are not too relevant at this point because this bill allows the name, the disease, and all related facts to be published. It can be picked up by the Internet; and so assurances of privacy are of little usefulness here.

I am so glad to know that Mrs. Sue Vento, the widow of our former colleague, Bruce Vento, is here with us in the gallery. She has been working along with us in strongly opposing H.R. 982.

Mr. Chairman, I am proud now to yield 2 minutes to the gentleman from Florida (Mr. DEUTCH), a distinguished member of the committee.

Mr. DEUTCH. I thank my friend, Mr. CONYERS.

Mr. Chairman, it is deeply troubling to see that today the House of Representatives might vote to pass the so-called FACT Act, or Furthering Asbestos Claim Transparency Act. I urge my colleagues to vote against this bill because it is not about transparency. It is not about accountability. It is absolutely not about justice. The FACT Act is nothing more than a thinly veiled attack on the rights of cancer victims and their families. That is the only way I can describe a piece of legislation that undermines the constitutional rights of asbestos victims and even threatens the privacy of victims and their families.

The FACT Act does nothing to protect the rights of victims like Genevieve Bosilevac, who was diagnosed with mesothelioma just a few days before her 48th birthday in 2009, and widows like Judy Van Ness, who lost her husband to asbestos-caused disease.

Victims of mesothelioma do not have the luxury of time. This brutal form of cancer is hard to detect until it has progressed significantly and all too often already compromised vital internal organs.

Despite the dire implications of this diagnosis, the FACT Act would place additional burdens on victims and even delay court proceedings to the point that a victim would die before receiving any financial assistance through the asbestos trust fund.

If anything, this body should be looking at ways to make it easier to identify legitimate asbestos victims and fast-track their cases. Instead, we are doing the opposite.

This legislation might as well have been written by the asbestos industry because it only provides these companies with new tools to evade justice and their responsibility to victims. Even more incomprehensibly, the FACT Act would require the asbestos trust fund to turn over personally identifying information about victims and even their children.

For the families whose lives have already been torn apart by disease from asbestos exposure, this legislation would create an online Web site that lists victims' sensitive information, including financial histories and even partial Social Security numbers.

I implore my colleagues to recognize that these families have been through enough. There is nothing we in this Chamber can do to fill the void that has been left in the hearts of so many Americans who have lost loved ones due to exposure.

The CHAIR. The time of the gentleman has expired.

Mr. CONYERS. I yield the gentleman an additional 30 seconds.

Mr. DEUTCH. What we can do is ensure that we have a justice system that protects the rights of victims and puts the constitutional rights of our citizens ahead of special interests.

I urge my colleagues to vote ''no'' on the FACT Act.

Mr. GOODLATTE. Mr. Chairman, it is my pleasure to yield 4 minutes to the gentleman from Texas (Mr. FARENTHOLD), the author of the legislation.

Mr. FARENTHOLD. Thank you, Chairman GOODLATTE.

Quite frankly, I am personally offended by the claim that this bill is against victims. It is for the victims. It is preserving the asbestos trusts for those yet undiscovered victims from people who would defraud the system.

This is a simple, short two-page bill. We are asking for no more information than you have to supply when you file a lawsuit in any court. We are asking for your name and the basis of your claim. We are asking that the expenditures be listed of the trust in a method that people can check to make sure somebody isn't claiming twice for the same injury so we don't have double dippers.

This is for the victims. We are going to try to stop unscrupulous attorneys and folks they rope in from filing false claims. We don't want to stop anybody who has a legitimate claim.

The asbestos trust has been riddled with fraud. It even comes down to Corpus Christi, Texas, the district I represent, where there were early cases where a Federal judge, Janis Jack, a Clinton-appointee and a friend of mine, ruled there was fraud with doctors. The courts are dealing with that.

We are trying to deal with multiple claims and bring simple transparency. We are not asking for detailed medical information to be released. We are just asking for the basis of the claim, and that is pretty simple information.

We are not asking for Social Security numbers. We are not asking for any financial information, other than the amount that is being claimed. This is public record in any other lawsuit in the country, and it is not an invasion of privacy. It is a protection of the system that was set up to compensate victims of mesothelioma and other asbestos-related exposure diseases that don't manifest for years after the exposure. We have got to protect this for future generations.

The FACT Act is a simple, two-page bill that leverages all the privacy protections already in the Bankruptcy Code and simply asks that we know who is getting what out of these trusts so they can't get them from multiple trusts for the same injury or they can't file a claim in State court. It is to try to stop double dipping and fraud.

Unfortunately, when they were set up, there weren't enough safeguards in place to run by plaintiffs' attorneys, who get percentages of compensation off of that. So we are trying to get this taken care of. The plaintiffs' attorneys have a big impact in creating and managing these trusts, and we are just trying to get some simple oversight.

Mr. BACHUS put it quite well when he said that sunshine is the best disinfectant. We are asking to shine the light of day on these claims so we can protect future victims. We don't want to deny anybody who is a legitimate claimant what they are entitled to. We want to get them compensated and make sure there is enough money there for everyone.

This is a bill for the victims. It is a bill to stop fraud, waste, and abuse.

Mr. CONYERS. Mr. Chairman, I am pleased now to yield 3 minutes to the gentlelady from Houston, Texas, (Ms. JACKSON LEE), a member of the Judiciary Committee.

Ms. JACKSON LEE. Let me thank the ranking member for yielding.

Mr. Chairman, with all of the protests, I think there is nothing more that we can say other than that it is a

very cruel decision to move forward this particular legislation. It really implodes and violates the process of litigation between plaintiffs and defendants, petitioners and those who are in opposition, because we have an infrastructure of a court system that allows those who participate in that court system to guide the evidence that is being presented under the representation of their counsel.

The Sixth Amendment provides for individuals to have a right to counsel, and what this legislation is trying to do is implode that relationship and ask for information that could be given in the regular order of a court process.

This is intrusive legislation under the false guise of transparency and, in actuality, 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 diseases.

This cancer-driven disease, this asbestos-driven disease, is a silent killer. For a long time, the victims don't even know that they are being impacted by asbestos that is causing cancer.

We have witnessed decades of uncontrolled use of asbestos; and even after its hazards became widely known, disease and death still persist because people work in it and they do not know. And so they have been forced to hire counsel merely to provide for their families or themselves in the waning hours and days of their life.

Hundreds of thousands of workers and family members have been exposed, suffered, or died of asbestos-related cancers and lung disease; and the toll continues. And yet we have legislation like this that wants to clearly undermine the legal system, the justice system, which means I go into a court, I have a lawyer, there is someone opposed to my position, they have a lawyer, and we submit information under the basis of that litigation or that settlement or that negotiation.

□ 1445

Why do Americans have to be subjected to another abuse while they are suffering and dying?

This is an abuse. H.R. 982 is asking for information that can already be gotten. As I indicated, these individuals have been exposed, suffered, or died from asbestos-related cancer. It is estimated that, each year, 10,000 people in the United States are expected to die from asbestos-related diseases. How much more of an outrage do we have to place on their families—and burdens—to ask them to give information about their sicknesses and other issues that are squarely within the realm of their counsel? Call up their lawyers and ask for it. This is an outrage that they have to deal with this onerous provision.

Time and again, asbestos victims have faced huge obstacles, inconvenient barriers, and veiled but persistent resistance to receiving compensation for their diseases. That is why they organized in the manner that they did. It is because they were dying, dying, dying, and there was no response.

The CHAIR. The time of the gentlewoman has expired.

Mr. CONYERS. I yield the gentlelady an additional 15 seconds.

Ms. JACKSON LEE. 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.

I ask my colleagues to vote ''no'' on this legislation. How much more can we put on these poor victims? If you want information, go to their counsel. Go into the courthouse. They will provide it. Let's give them relief. I oppose this legislation.

Mr. Chairman, I rise in opposition to H.R. 982, the F.A.C.T. Act. This intrusive legislation which misuses the word "transparency," 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 diseases.

We have witnessed decades of uncontrolled use of asbestos, and, even after its hazards became widely known, disease and death still persist.

Hundreds of thousands of workers and family members have been exposed to, suffered or died of asbestos-related cancers and lung disease, and the toll continues. 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. 982.

Time and time again, asbestos victims have faced huge obstacles, inconvenient barriers, and veiled but persistent resistance to receiving compensation for their diseases and it is important to note that asbestos litigation is the longest-running mass tort litigation in the United States.

It is particularly galling 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 special legislation that allowed the asbestos companies to set up bankruptcy trusts to compensate asbestos victims and reorganize under the bankruptcy law.

But these trusts don't have adequate funding to provide just compensation, and according to a 2010 RAND study, the median payment across the trusts is only 25 percent of the claim's value. 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 people become sick—ordinary Americans who did extraordinary things to get this disease—like go to work every day to support their families.

And although the proponents of this legislation assert that it is intended to protect asbestos victims, I have not heard of a single asbestos victim who has expressed support for the H.R. 982, the FACT Act.

As the widow of our former colleague Representative Bruce Vento (D–MN), who passed away from mesothelioma, stated H.R. 982 "does not do a single thing" to help asbestos victims and their families.

H.R. 982 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. 982, however, interferes with this longstanding process in two ways. The FACT Act would require these trusts to: (1) file a publicly available quarterly report with the bankruptcy court that would include personally identifying information about such claimants, including their names, exposure history, and basis for any payment made to them; and (2) provide any information related to payment from and demands for payment from such trust to any party to any action in law or equity concerning liability for asbestos exposure.

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

Mr. GOODLATTE. Mr. Chairman, may I ask how much time is remaining on both sides.

The CHAIR. The gentleman from Virginia has 18½ minutes remaining, and the gentleman from Michigan has 20½ minutes remaining.

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume to respond to the mischaracterization of this legislation as it is somehow imposing burdens on the victims of asbestos. In fact, it is quite the opposite.

First of all, the information disclosed under the FACT Act is very basic and is less information than would be disclosed during the normal course of a State court lawsuit, in which many asbestos bankruptcy claimants pursue simultaneous claims, but they don't tell the bankruptcy courts about that, so these trusts need to tell them that.

Secondly, the FACT Act includes strong privacy protections, including prohibiting the disclosure of confidential medical records and full Social Security numbers. To be clear, the FACT Act does not require asbestos trusts to require or to disclose asbestos victims' Social Security numbers.

The FACT Act also leverages existing privacy protections in the Bankruptcy Code to give the presiding bankruptcy judge broad discretion to prevent the disclosure of information that would result in identity theft or in any other unlawful activity. Indeed, a judge with 29 years of bench experience testified before the Judiciary Committee that the FACT Act provides more protection in terms of the confidentiality of asbestos claimants' records than the legal system is able to do.

By requiring the disclosure of basic information regarding claims submitted to the asbestos trusts, the FACT Act will facilitate a reduction in fraud that will allow future asbestos victims to maximize their recovery, but they will not be able to do that if we continue to have money taken from these trusts for duplicative claims, fraudulent claims, and claims without merit.

I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Atlanta, Georgia, HANK JOHNSON, and I would indicate his very deep concern for asbestos cancer victims.

Mr. JOHNSON of Georgia. Mr. Chairman, I rise in opposition to H.R. 982, the so-called FACT Act.

The FACT Act would require asbestos trusts to publicly disclose extensive amounts of private information about asbestos victims on a public Web site. These quarterly reports would have to describe each demand the trust received, including the name and exposure history of a claimant and the basis for any payment from the trust made to such claimant. Also required to be publicly disclosed by the trusts are a claimant's home address, work history, income, medical information, and even the last four digits of a claimant's Social Security number.

Any person, including every crook in the world with Internet access, could use this information for any and all illicit purposes. That criminal or mischievous person could be your neighbor. He could be your daughter's exboyfriend—you know, the one you never liked and barred from coming to the house. He could be an employee on the job, somebody who is vying for your job. He could be anybody who wants to do harm to you or your family.

It is a serious threat to asbestos victims' security and privacy, and it is an unfair and unnecessary advantage bestowed upon the asbestos manufacturers. The truth of the matter is that such information is available to the tortfeasors during the course of the litigation. Federal and/or State Rules of Civil Procedure allow a defendant to gain all relevant information during the discovery process about a claimant's exposure. Moreover, a defendant's discovery request should never justify the publication of a plaintiff's entire medical history.

Yesterday, I offered an amendment that would have protected the privacy of asbestos victims and their families, but, unfortunately, the Republicans on the Rules Committee did not allow the House to consider my amendment today. It is disappointing that my Republican colleagues who pretend that they support Americans' rights to privacy are now willing to throw privacy rights under the bus while they stand with Big Asbestos and as they again victimize the victims by trampling on the privacy rights of those same victims and those families. Without adding important privacy safeguards, nothing would stop rampant identity theft or the misuse of a claimant victim's personal information, including that victim's entire medical history.

Why is it necessary for a claimant to have to give up his right to privacy just because he seeks to recover damages arising from exposure to asbestos?

The CHAIR. The time of the gentleman has expired.

Mr. CONYERS. I yield the gentleman an additional 30 seconds.

Mr. JOHNSON of Georgia. Thank you.

Asbestos victims who seek compensation for their injuries should retain the same privacy protections as other patients, as well as other people who make claims for personal injury.

Mr. GOODLATTE. Mr. Chairman, at this time, I yield 2 minutes to the gentleman from Texas (Mr. FARENTHOLD).

Mr. FARENTHOLD. Thank you very much.

Mr. Chairman, I would like to take a moment to address some claims that my friends and colleagues on the other side of the aisle have made.

The FACT Act is simple. There are two pages of text to the FACT Act. There is no requirement of any action whatsoever by the victims of asbestos. The trusts are the only ones that are required to do something. Let me just read to you exactly what the requirement is. It doesn't include a broad release of personal information. It is very simple:

> A trust described in paragraph 2 shall, subject to section 107, file with the bankruptcy court not later than 60 days at the end of every quarter a report that shall be made available on the court's public docket with respect to such quarter. It describes each demand the trust has received from a claimant, including the name, exposure history of a claimant and the basis for any payment from the trust made to such claimant, and it does not include any confidential medical record or the claimant's full Social Security number.

All we are asking for in this bill is that the trusts let us know who they are paying the money to and what they are paying it for so we make sure people don't double dip so that there is plenty of money there for future claimants.

Mr. JOHNSON of Georgia. Will the gentleman yield?

Mr. FARENTHOLD. I yield to the gentleman.

Mr. JOHNSON of Georgia. How do you determine claimants individually with that level of information that you just described?

Mr. FARENTHOLD. It gives you their names and potentially a part of their Social Security numbers.

Mr. JOHNSON of Georgia. Okay. Thank you.

Mr. FARENTHOLD. It is not their full Social Security numbers. It is not their confidential medical records. It is the basis of their claims.

Mr. JOHNSON of Georgia. Will the gentleman yield?

Mr. FARENTHOLD. I yield to the gentleman.

Mr. JOHNSON of Georgia. Part of your medical record goes into that public file; is that not correct?

Mr. FARENTHOLD. It is a limited basis of the claim.

Mr. JOHNSON of Georgia. So the gentleman is incorrect.

Mr. FARENTHOLD. It is not part of the medical record. It is just the basis of the claim. It would be simply: claiming mesothelioma from exposure at ''this'' location. It is that basic information that would allow other courts to determine that the person who is making the claim is not double dipping, that he has not already made that claim.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee, STEVE COHEN, a distinguished member of the Judiciary Committee.

Mr. COHEN. Mr. Chairman, there is one fact that is indisputable, and that is the procedure by which this particular bill came to the floor. It is a procedure whereby the majority had three witnesses and the minority had one, and none of the witnesses were victims.

There are two major asbestos victims' groups. They would be the people most interested in preserving the funds for victims—the Asbestos Cancer Victims' Rights Campaign and the Asbestos Disease Awareness Organization. One is headed up by the widow of a former Member of this House, Mrs. Vento. Her husband, Congressman Bruce Vento, died of mesothelioma. They oppose this bill, but the fact is, indisputably, that they were not allowed to testify.

If this bill, indeed, were for the victims, the victims should have had an opportunity to testify. The chairman of the subcommittee, Mr. BACHUS, of which I am the ranking member, valiantly tried to rectify that error by allowing them to testify, but he was overruled.

The fact is that the procedure that brought this bill to the floor was flawed. Accordingly, I submit that the bill should be flawed because the victims should have had the opportunity to speak. If it is for the victims, if it is for preserving funds, the people who are proponents shouldn't have been afraid of the victims' organizations going on record and giving testimony and testifying.

This whole proceeding today is conceived in an attack on the victims—not allowing the victims to speak and not allowing transparency in the hearing process. This is allegedly about transparency. It is not. It is about covering up and not allowing freedom of speech from the people who are most affected—those who had loved ones die from mesothelioma.

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume to respond to the mischaracterization of the process followed in the Judiciary Committee.

The FACT Act and the problems it addresses have been the subject of three separate hearings: one before the Judiciary Subcommittee on the Constitution on September 9, 2011, on the issue generally, and two legislative hearings before the Judiciary Subcommittee on Regulatory Reform, Commercial and Antitrust Law—one during the 112th Congress and another this year on March 13.

The minority used these opportunities to call witnesses who were representatives from the asbestos plaintiffs' trial bar to voice their concerns with the bill. In fact, the minority called the same witness for two out of the three hearings. Now they claim that asbestos victims were never provided an opportunity to testify. The Judiciary Committee provided ample opportunities to include asbestos victims' views on the legislation on the record, and there are many letters and statements from asbestos victims in the record as a result. Additionally, the committee offered a special procedure to asbestos victims in order to provide an occasion for the victims to personally inform Members and staff of their views, which they refused.

It has become necessary to act with expediency and move this important legislation forward. Each day that passes is a day on which fraudulent claims can be prosecuted against the asbestos trusts, thereby reducing the recovery to legitimate asbestos victims. This legislation will benefit victims by reducing fraudulent claims and by ensuring that asbestos trusts provide the maximum recovery to future asbestos claimants.

Mr. COHEN. Will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from Tennessee.

Mr. COHEN. Would you explain to me then why the victims were never allowed to testify on the record in this Congress and were never given an opportunity even though the subcommittee chairman valiantly and heroically tried to rectify that?

Mr. GOODLATTE. In reclaiming my time, that is not accurate. The claimants were offered a process by which they could come and speak to the members of the committee.

Mr. COHEN. In private.

Mr. GOODLATTE. Mr. Chairman, I have the time.

The CHAIR. The gentleman from Virginia controls the time.

□ 1500

Mr. GOODLATTE. The minority had the opportunity to have an asbestos victim testify if they wished to do so and chose instead to have a plaintiff's attorney who had already testified in a previous hearing do so.

I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield 30 seconds to the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. Mr. Chairman, we had one witness; the majority had three witnesses. Ours had to try to explain the legal effects.

The fact is the proponents of the bill who claim it is for the victims should have had the right to have the victims be there. The special procedure they had was an in camera hearing not on the record. That is not right. If you want to propose something for the victims, you give them an opportunity to testify on the record—and they all opposed the bill to a one.

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

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. JEFFRIES).

Mr. JEFFRIES. Mr. Chairman, I thank the distinguished ranking member for his leadership.

This bill represents an unjustified corporate giveaway being built on the backs of hardworking individuals from all across this country who in many cases were unwittingly victimized by asbestos exposure. It is an unwarranted, unnecessary, and unconscionable effort to benefit Big Business and the asbestos industrial complex, which in many instances has unleashed mesothelioma, lung cancer, and other diseases of mass destruction on Americans all across this country who are hardworking and, in most instances, simply trying to make a living for themselves and for their families.

It is being done allegedly to create greater transparency and in the name of litigation reform. Yet the record reflects that there is no evidence of systematic fraud, no evidence of systematic waste, no evidence of systematic abuse, no evidence of systematic overpayment to victims of asbestos exposure.

This is wrong, it is shameful, it is a bill that is dead on arrival in the Senate; and that is why I respectfully urge all of my colleagues to vote ''no.''

Mr. GOODLATTE. Mr. Chairman, I yield 1 minute to myself to respond to the allegation that fraud has not been documented.

Fraud has been documented in news reports, State court cases, and testimony before the Judiciary Committee. The Wall Street Journal conducted an investigation that found thousands of disparately filed claims. Court documents in many States, including Delaware, Louisiana, Maryland, New York, Ohio, Oklahoma, and Virginia, attest to widespread fraud.

Additionally, the Judiciary Committee heard testimony over the course of three hearings during which witnesses repeatedly testified that fraud existed within the asbestos trust bankruptcy system. Keep in mind that the fraud reported to date has been in spite of the lack of disclosure that currently pervades this system. The increased transparency the FACT Act introduces will go a long way in uncovering previously undetected fraud and preserving assets for future asbestos victims.

Mr. Chairman, it is my pleasure to yield 2 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. RODNEY DAVIS of Illinois. Mr. Chairman, I rise today in support of the FACT Act. This bill aims to address a fraud problem and ensure that true asbestos victims obtain maximum recoveries for their injuries.

My district is home to many asbestos lawsuits. Currently, a lack of transparency has led to fraud in the asbestos bankruptcy trust system and diverted millions of dollars away from those who should have the ability to receive these recoveries. This lack of transparency discourages a free flow of information resulting in fraudulent claims that deplete funds that are intended for legitimate victims.

This bill requires these trusts to file quarterly reports, which include the claimant's name, basis for the claim, payments made, and the basis behind those payments. It protects privacy by prohibiting disclosure of sensitive medical records and Social Security numbers.

In order to help ensure future victims will have access to the money they deserve, these problems cannot be allowed to continue. This is why I stand today in support of the FACT Act.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 1 minute to the leader of the Democratic Caucus, Ms. PELOSI.

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding and for his leadership on so many issues.

Mr. Chairman, as you know, the debates that we have on the floor of the House affect millions of Americans: families, senior citizens, veterans, students, and children. We all bring stories of men and women and families from our districts—the challenges facing our neighbors, the urgent need to solve them.

Today, we address an issue that takes the lives of thousands of Americans each year: asbestos exposure. Yet we do not have to look back only to our districts on this scourge; we only need to look into the lives of some who have served in this body.

I am very honored today, as I know some of my colleagues are as well, that Susan Vento, wife of our former colleague Bruce Vento who served with such distinction in the Congress with some of us some years ago, is with us. Bruce Vento was affected by asbestos exposure. It took his life.

I wish to place in the RECORD Susan Vento's letter, Mr. Chairman, and just to say that in the letter Susan says:

> During the consideration of this legislation in the Judiciary Committee, two other women who have been affected by the ravages of asbestos and I requested to have a chance to testify about how the legislation would affect people like us. Our request was denied. To date, not one victim of asbestos exposure or an affected family member has been allowed to be heard on this legislation. The only people who would be directly affected by this bill have been completely shut out of the process.

It goes on to say the so-called FACT Act—and this letter doesn't say ''the

so-called.'' That is my characterization. The letter says:

The FACT Act drastically erodes the decades of work Bruce and so many of you have invested in helping those who could not help themselves. If this bill passes, it will be a serious setback for Americans who expect their elected representatives to work on their behalf. Instead of helping those who suffer from the diseases caused by asbestos, it will reward those who have perpetuated the diseases.

I would also like to talk about another of our colleagues who is affected by this: Congresswoman CAROLYN MCCARTHY. CAROLYN MCCARTHY serves in this Congress with us. She is a distinguished Congresswoman from the State of New York. Congresswoman MCCARTHY's father and brother were career boilermakers. Each night, they brought home asbestos fibers in their clothes. Over time, exposure to this asbestos affected Congresswoman MCCARTHY herself. Today, she is battling asbestos-related lung cancer.

Her story is like the stories of countless Americans across the country. It is up to us to strengthen the health of those suffering from exposure. It is up to us to act in their names, whether they suffer from cancer today or face the prospect of severe illness in the future.

Yet the Republican measure we consider today does not meet this challenge. Like far too many Republican bills in this Congress, this legislation only serves to make matters worse for the American people. The so-called—there it is again—the so-called FACT Act actually harms the American people—that is a fact—and hinders the ability of asbestos victims to obtain compensation.

How does it do this? This bill would deny cancer victims the assistance and simple justice they deserve. It would even delay compensation beyond the life of a person suffering from asbestos-related cancer and illnesses. It would invade the privacy of thousands of Americans, and it would pose a particularly detrimental impact on veterans of the United States Armed Forces who have been disproportionately affected by asbestos.

Contrary to the claims of the bill's proponents, there is no need for this bill. State laws provide for adequate disclosure. There is no evidence of systematic fraud in the asbestos trust system.

In short, this bill is unnecessary, it is mean-spirited and will never become the law of the land.

The Republican majority has little time left on the legislative calendar this year: just 13 days between now and December 31, according to the schedule they have given us. In that short window, the House should focus on the most pressing challenges—priorities like job creation, economic growth, comprehensive immigration reform, or deficit reduction. Instead, our Republican colleagues have chosen to waste time on another message bill to nowhere.

In the name of Bruce Vento and Congresswoman MCCARTHY, in the name of our friends, family members, and constituents facing the daily challenges of asbestos exposure, let's work together on steps to strengthen the health of the American people. Let's preserve the privacy and well-being of asbestos victims and all American families.

We can do this by voting ''no'' on this legislation.

PLEASE OPPOSE H.R. 982, THE FURTHERING ASBESTOS CLAIM TRANSPARENCY ACT (FACT ACT)

NOVEMBER 11, 2013.

DEAR REPRESENTATIVE: My name is Susan Vent, and I'm writing to express my strong opposition to H.R. 982, called the Furthering Asbestos Claim Transparency Act (FACT Act). My husband was the late Congressman Bruce F. Vento who served for almost 24 years in the House of Representatives representing Minnesota's Fourth Congressional District. He died from mesothelioma in 2000 within eight months of being diagnosed.

Mesothelioma is an aggressive cancer caused by asbestos exposure. Bruce was exposed through his work as a laborer years before we met or became involved in public life. He told his constituency about his diagnosis in early February 2000 when he announced why he would not run for re-election. On February 14, he had his lung surgically removed and then began an aggressive treatment regimen at the Mayo Clinic.

It was not enough. My husband died three days after his 60th birthday in October 2010, just eight and one-half months after the diagnosis. With his death, our country lost a hard-working and humble public servant years before his time. Bruce's parents, children, grandchildren and I lost so much more.

Bruce dedicated himself as a tireless and effective advocate for the environment, for working people and for the disadvantaged. During his time in Congress, he was well respected by members of both parties. He served as ranking member and chairman of the Natural Resources Subcommittee on National Parks, Forests and Public Lands and also served on the House Banking Committee.

During the consideration of this legislation in the Judiciary Committee, two other women who have been affected by the ravages of asbestos and I requested to have a chance to testify about how the legislation would affect people like us. Our request was denied. To date, not one victim of asbestos exposure or an affected family member has been allowed to be heard on the legislation. The only people who would be directly affected by this bill have been completely shut out of the process.

This legislation is premised on a myth that fraud is a problem in asbestos-related litigation and that transparency must be required of those suffering from asbestos-caused diseases and their families. Such transparency would require mesothelioma patients and their families and others suffering from asbestos-related diseases to divulge personal information on public websites, including portions of their Social Security numbers, information about their personal finances and information about their children. Extensive and reputable research has disproved the fraud claims.

I find it highly ironic that the asbestos industry is seeking transparency, of all things. If the companies that are pushing this bill really cared about transparency, they wouldn't have concealed what they knew regarding the lethal nature of exposure to asbestos and hundreds of thousands of Americans would not have died from such cruel diseases, including my husband.

If Congress is striving to be transparent about asbestos, please pass legislation to reduce exposure to asbestos in work-settings, schools, hospitals, and other settings, increase awareness of the risks of asbestos exposure including secondary exposure, and significantly increase federal funding for medical research to fund diagnoses and treatments for mesothelioma, asbestosis and other asbestos-related diseases.

The FACT Act drastically erodes the decades of work Bruce and so many of you have invested in helping those who could not help themselves. If this bill passes, it will be a serious step back for Americans who expect their elected representatives to work on their behalf. Instead of helping those who suffer from the diseases caused by asbestos, it will reward those who have perpetuated the diseases.

I thank you for your consideration. I hope you will stand with me in support of Bruce's memory and in opposition to this bill.

Sincerely,

SUSAN VENTO.

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

Mr. CONYERS. Mr. Chairman, I am pleased now to yield 2 minutes to the distinguished gentlelady from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Thank you very much, Mr. Chairman, and thank you to the ranking member.

Mr. Chairman, I rise to speak against H.R. 982.

This legislation requires that asbestos trusts, which were set up to manage a company's asbestos liability exposure, disclose names and personal information of any individual who is seeking compensation from such trusts.

The negative health effects associated with asbestos have been under investigation since the early 1990s. Premature death, lung cancer, and mesothelioma are known effects of asbestos exposure. While asbestos industry officials were aware of these negative health impacts since the 1930s, it wasn't until the 1970s that evidence emerged that the industry concealed these dangers from the public.

Lawsuits resulted; and in 1973 the U.S. Court of Appeals for the Fifth Circuit upheld the first successful asbestos liability suit. Today, hundreds of thousands of claims have been filed, amounting to billions of dollars in damages.

The key principle behind this legislation is to prevent duplicative and fraudulent claims from being filed against companies. However, there is zero evidence to support any allegation of endemic fraud in the filing of asbestos claims. In fact, in 2011, during an examination of asbestos trusts, the Government Accountability Office, the GAO, did not find any evidence of such fraud.

Make no mistake, this bill does nothing to enhance transparency and simply increases the burden on the victims who are seeking compensation for asbestos exposure and the related side effects. Instead, the FACT Act simply makes it more difficult for asbestos victims to receive compensation for

their injuries. The individuals who file asbestos disease claims do so in order to receive compensation to pay for medical bills or to make up for lost income when they are too sick to work.

Many others were not as fortunate and ultimately died from the consequences of asbestos exposure, leaving family members and friends behind.

The FACT Act not only fails to enhance transparency, but it may also expose these victims to added fraud and abuse. This bill would require asbestos trusts to publish the claimants' name, address, work history, income, and even personal medical information onto the Internet, where it can be accessed by people all around the world. This gross invasion of privacy could unwittingly expose these victims to identity theft or other forms of fraud, while completely failing to enhance the operation of these trusts to compensate legitimate victims.

Mr. Speaker, the FACT Act is a terrible piece of legislation that undermines the safety and privacy of many Americans, while giving unjustified deference to companies that have wittingly exposed individuals to asbestos. Instead of focusing on legislation that creates jobs or enhances U.S. competitiveness abroad, House Republicans continue to waste our time with poorly crafted bills that have obvious ties to industry. I strongly urge my colleagues to vote no on this legislation so that we may continue to compensate legitimate victims of asbestos exposure.

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

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from California, Mr. ERIC SWALWELL.

□ 1515

Mr. SWALWELL of California. I thank the ranking member for his leadership on this issue, and I rise in strong opposition to H.R. 982, the FACT Act.

It is a fact that asbestos can be found in thousands of products and locations. It is a fact that asbestos is a deadly carcinogen which kills about 10,000 Americans a year. It is a fact that trusts were set up so victims could still be compensated even when asbestos companies went bankrupt. It is also a fact that there is no evidence of systemic fraud or abuse in these asbestos trusts. It is also a fact that H.R. 982 would put tremendous new administrative burdens on these trusts. It is a fact that the result of this bill would make it more difficult for victims of asbestos exposure and their families to achieve justice.

With all of these facts, the evidence is clear: the FACT Act is a fact in name only, and instead, what it claims to do is really a fiction. It is just another part of the majority's historic and ongoing hostility to victims and their attorneys who are trying to achieve justice through our courts.

Instead of working to make it easier for victims to be compensated, instead of working on a whole host of other problems facing the American people, we are targeting innocent asbestos victims who are merely trying to be compensated for a wrong done to them.

I urge all of my colleagues to reject this misguided legislation.

Mr. GOODLATTE. Mr. Chairman, we are prepared to close. If the gentleman from Michigan is prepared to close as well, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I am prepared to close. I think the case has been made that the asbestos victims do not benefit from this bill, that there is no widespread fraud or abuse, that all of the victims and their organizations are, in fact, strongly opposed to H.R. 982, and so are we. It is for that reason that I urge Members of the House to soundly reject this measure.

I yield back the balance of my time.

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

Mr. Chairman, a lot of assertions have been made by the other side of the aisle with regard to the FACT Act. Let's make clear what we are talking about here.

This is a bill that in its totality doesn't cover two full pages of double-spaced type in legislative language. It simply requires that trusts that have been established to preserve the assets of companies that have gone bankrupt and have paid funds into these trusts, that future claims, future real, legitimate claims, will have resources available to them when it is a known fact and established by testimony before the Judiciary Committee and by investigations in a number of publications, including The Wall Street Journal, and by reports from various State courts in more than a half-dozen States, of fraud, duplicative claims.

These are what we are concerned about, and this is simply good legislative reform for protection of these assets for future availability. Otherwise, these trusts, which are already reducing the amount that they can pay to legitimate asbestos victims, will run out of money altogether before all of the legitimate claims have been addressed.

That's what the purpose of this legislation is. The opponents of the FACT Act have offered creative and far-ranging allegations against a measure that only seeks to introduce a modest amount of transparency into an opaque system. We know these allegations to be unfounded. The allegation that it hurts asbestos victims is unfounded. We know this because by increasing transparency and deterring fraud, the FACT Act helps asbestos victims by protecting trust funds for future claimants.

The allegation there is no widespread fraud is unfounded. We know this because there has been fraud documented in news reports, State court cases, and before the Judiciary Committee.

I urge my colleagues to reject the unfounded allegations offered today by critics of the FACT Act, and vote in support of this simple transparency measure.

I might add, this does not in any way delay the claim of anyone with a legitimate claim, either in State courts or in the bankruptcy courts. What it will do is it will root out those who are making duplicative claims, who are trying to double dip at the same time there are people with legitimate claims that will not have any money available to them because, as we know, and as was mentioned by many of the speakers here today, asbestos is a problem that has affected many, many Americans, and it is something that can be latent for a long period of time. We want to make sure that those victims who come along at the end of this process, who discover late in their lives that they also suffer from mesothelioma and related cancers, and other diseases caused by asbestos, have the opportunity to recover, not just those who want to abuse this system by hiding their claims and not allowing proper discovery of duplicative claims and fraudulent claims.

I urge my colleagues to support this well founded, good legal reform.

I yield back the balance of my time.

Ms. SCHAKOWSKY. Mr. Chair, I rise in strong opposition to H.R. 982.

The average adult takes about 20,000 breaths a day. Most of us don't think much about those breaths. But for those living with asbestosis or mesothelioma, they think about every one of them. They struggle to breathe, they struggle to get medical treatments that are often painful, and they struggle financially. And they have struggled for decades for justice and some have died before receiving it.

Asbestos victims and their families have a right to believe that the House of Representatives—the people's House—would not put further barriers in their way. And that is why H.R. 982 is so disturbing.

This bill would threaten asbestos victims' privacy by putting their personal information on a public website. Exposed to asbestos, they would now be exposed to identity theft and fraud.

The Rand Institute estimates that the median payment to asbestos victims is just 25 cents on the dollars—with some as low as 1.1 percent. Yet, H.R. 982 would divert dollars away from compensation to burdensome paperwork requirements that go far beyond current law and bypass long-established rules of discovery. Asbestos companies face no similar "transparency" requirements.

The proponents of this bill say it is necessary to put victims' privacy at risk; delay and lower the payments they need to live because of fraud in company trusts—but there is no evidence of fraud.

This is an unjustifiable bill—and it is a dangerous bill. I urge my colleagues to reject it.

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, and shall be considered as read.

The text of the bill is as follows:

H.R. 982

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 ''Furthering Asbestos Claim Transparency (FACT) Act of 2013''.

SEC. 2. AMENDMENTS.

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.''.

SEC. 3. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act 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 the bill is in order except those printed in House Report 113–264. Each such amendment may be offered only in the order printed in the report, may be offered 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, 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 113–264.

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:

Page 3, line 9, insert ''that does not have a claims audit program intended to ensure that claims are valid and supported and that is'' after ''trust''.

The CHAIR. Pursuant to House Resolution 403, 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 yield myself such time as I may consume.

My amendment ensures that H.R. 982 will not apply to trusts that have an internal claims audit program to ensure that claims are valid and supported.

Proponents of H.R. 982 argue that its reporting and other information-sharing requirements are necessary in order to ensure that asbestos victims are not committing fraud by recovering money both from trusts and through the tort system, thereby ''double dipping.''

While proponents of the bill have yet to point to any empirical evidence of endemic fraud within the asbestos trust claims process, H.R. 982, if enacted, will impose unnecessary burdens and costs on trusts and will expose claimants' private information to the unnecessary risk of inappropriate exposure, exposure that their loved ones have already suffered from.

H.R. 982's additional requirements on trusts will raise their administrative costs significantly. Money used to pay these costs ultimately means less money to compensate asbestos victims.

This is particularly problematic in light of the fact that defendants can already obtain the information they want using existing discovery tools without undermining compensation for legitimate claims.

The reporting requirements in H.R. 982 also raise privacy concerns. This provision requires that a claimant's name and exposure history be made part of a bankruptcy court's public docket, meaning that anyone can access such information for any purpose, including purposes that have nothing to do with compensation for asbestos exposure.

I recognize that the bill specifically prohibits trusts from making public any medical records or full Social Security numbers, although it does require the last four digits of the Social Security number to be used.

I also recognize that limited additional privacy protection is available under rule 107 of the Bankruptcy Code.

Nonetheless, these measures are insufficient to fully protect the claimant's privacy. As noted by my colleagues, once out in public, such information can be used for any purpose. Potential employers, insurance companies, lenders, and even those who may seek to harm an asbestos victim in some way can have access to this information without the victim's permission or knowledge.

In light of these concerns, and notwithstanding the lack of any evidence of systemic fraud, my amendment ensures that to the extent that a trust already has measures in place to ferret out potential fraudulent claims, it should not have to bear the costs, burdens, and privacy risks presented by H.R. 982's requirements.

If, in fact, proponents of H.R. 982 are primarily concerned about potential fraud in the asbestos trust claims process, then they should have little trouble supporting this amendment that recognizes processes already in place to address fraud while also addressing some of the concerns of those who oppose the bill. Accordingly, I ask my colleagues to support this amendment.

I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, I claim the time in opposition to the amendment.

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

Mr. GOODLATTE. Mr. Chairman, this amendment would exclude asbestos trusts that have in place internal audit systems from the requirements of the FACT Act.

There has not been any evidence presented to establish that trusts with internal reporting systems are free from fraud. On the contrary, a GAO report found that trust audit processes are designed to ensure compliance with internal trust procedures, not to remedy the fraud that the bill seeks to address. Simply put, internal audits will not be able to detect whether disparate claims are filed among several asbestos trusts or in the State courts.

Excluding certain asbestos trusts from the FACT Act would eliminate critical sources of information that can facilitate the reduction of fraud. Furthermore, the amendment would not address the problem presented by plaintiffs who assert inconsistent allegations between the State court tort system and the asbestos trusts. I urge my colleagues to oppose the amendment.

I reserve the balance of my time.

Mr. COHEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, the Cohen amendment to limit the bill to asbestos trusts that do not have an internal fraud detection system is very appropriate. That is because, according to the Government Accountability Office, which has studied this and filed a report, they have found that in every trust that had an existing internal quality control to detect fraud, there was no evidence of systematic fraud found, and so I want to compliment the gentleman from Tennessee for bringing this to our attention. We think that it makes a better attempt at regulating and protecting victims of asbestos, and so I am very pleased to support it, and I hope that it becomes part of the bill.

Mr. GOODLATTE. Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. FARENTHOLD), the chief sponsor of the legislation.

Mr. FARENTHOLD. Mr. Chairman, I rise in opposition to the amendment. The amendment has nothing to do with the problem we are trying to address. Listen, all well-managed trusts, nonprofits, and businesses should have an internal audit procedure to detect fraud within that organization.

What we are trying to combat with the FACT Act is fraud between organizations, where an unscrupulous attorney or claimant will file multiple claims with multiple trusts, or in State court and in Federal court, in bankruptcy court, and with the trust. So an

auditor for one trust is going to have no idea what is going on in State court or in other trusts. This is a red herring to get us away from the purpose of this bill: to protect victims by preserving the funds that have been set aside to compensate victims from waste, fraud, and abuse.

This is a victims' rights bill that the proponent of this amendment, I believe, is trying to undermine with an amendment that would exempt most trusts because, as I said, any well-run organization ought to have internal and external audit procedures in place.

□ 1530

I urge my colleagues to oppose this amendment that undermines the purpose of the bill and support the FACT Act.

Mr. COHEN. Mr. Chairman, I would like to respond.

The gentleman from Houston mentions this is a ''victims' rights bill,'' but all the victims' rights organizations are against it. There is something wrong. Something smells, and it is not Denmark.

Mr. FARENTHOLD. Will the gentleman yield?

Mr. COHEN. I yield to the gentleman from Texas.

Mr. FARENTHOLD. The point I am trying to make is that the existing victims have been compensated, and I am glad they are compensated; but there isn't an organization in place for people who don't know they have the disease.

Mr. COHEN. Sure there isn't, because a group that is unknown, they don't know who they are.

The victims' organizations are concerned about victims in the future. They have suffered. They project into the future. They want to help other people put into their position. They are reaching out in a benevolent manner.

Mr. Vento's widow and her organization and the other organizations are against it. They had no voice. The only voice they have is through Representatives, and they ask the Representatives to vote ''no.''

I yield back the balance of my time.

Mr. GOODLATTE. Mr. Chairman, I simply would reiterate that the fact of the matter is that when you don't know who future victims are going to be and you make a claim that somehow this is going to enrich businesses when, in fact, the businesses are bankrupt and they paid their money into a fund, that this is in the interest of determining what people who have not yet made claims have and in the interest of justice in making sure that people who have false claims or duplicative claims and are making claims to more than one trust for different claims about the same illness or claims in State court, as well as in the bankruptcy court, need to be uncovered. That is what this seeks to do. If some victims are doing that, that is not a defense to this legislation, to say we shouldn't have transparency in the providing of benefits to people who have truly been harmed.

I urge my colleagues to oppose this amendment and support the underlying bill.

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 ayes appeared to have it.

Mr. GOODLATTE. 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. NADLER

The CHAIR. It is now in order to consider amendment No. 2 printed in House Report 113–264.

Mr. NADLER. 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:

Page 4, beginning on line 5, strike ''if'' and all that follows through ''exposure.'', and insert the following:

if—

(i) the subject of such action concerns liability for asbestos exposure; and

(ii) such party agrees to make available (upon written request) information relevant to such action that pertains to the protection of public health or safety to any other person or to any Federal or State entity that has authority to enforce a law regulating an activity relating to such information.

The CHAIR. Pursuant to House Resolution 403, 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. Mr. Chairman, I yield myself such time as I may consume.

This amendment would ensure that the transparency the bill's supporters demand from the victims of the asbestos industry will also be applied to the corporations that have inflicted so much damage and so much suffering over the years.

The amendment would require that a defendant seeking the information required by the bill must himself provide information about threats to the public safety or health. This information must be provided to any other person or to any Federal or State entity that has the authority to enforce the law regulating activity relating to such information.

This would go a long way to addressing the longstanding efforts by these corporations to conceal the facts surrounding their actions from the public, from their victims, and from government agencies charged with enforcing health and safety laws.

Too often, cases are settled specifically in order to prevent evidence of wrongdoing from becoming public. More importantly, because of the secrecy of these settlements, other people who have been injured have no way of gaining important information about their exposure, their illnesses, or the settled liability of the companies that made them sick.

Information about the concealment of wrongdoing never becomes public, and the people who have suffered have no way of knowing about the wrongdoing that caused their suffering or its extent. Governmental agencies that are charged with protecting the public health, whether in the workplace or the home, are deprived of the information they need to enforce the laws we have enacted.

If the sponsors of this legislation really mean what they say about the need for transparency and accountability, they will support this amendment. There has been too long a record over too many decades of concealment, disassembly, and lawlessness, and too many lives destroyed because of that illegal conduct for us to tolerate the continued coverup. This amendment will go a long way toward remedying that situation and toward correcting the unjust imbalance in the current system.

Without this amendment and the openness and clarity it would provide, this bill would favor only those who inflicted the harm and would give them yet another advantage over the victims. We should stand with the people whose lives have been destroyed, not with the corporations whose illegal and immoral conduct destroyed those lives.

This amendment would prevent a situation where as part of a settlement compensating a victim it is agreed to keep key information relevant to the public health and safety secret so that more people will not be victimized.

When such terms of the settlement are kept secret, other people will not learn that a given product contains asbestos or that a given product leaked asbestos and, therefore, will not know that they potentially were harmed, and government agencies may not learn facts necessary to exercise their responsibility to protect the public.

At the very least, we should be evenhanded and demand of the wrongdoers the same transparency that this bill demands of their victims, a transparency which will enable other victims to understand their remedies and will enable government agencies to better enforce the law. Unless you want to assist tortfeasors and wrongdoers in concealing the effects of their wrongdoing, you should support this amendment.

I urge my colleagues to vote for the amendment, and I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, I claim the time in opposition to the amendment.

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

Mr. GOODLATTE. Mr. Chairman, one of the principal issues discussed over the course of three separate hearings before the Judiciary Committee was the existing impediments to information contained in the asbestos trusts.

In particular, these impediments include obstacles that asbestos trusts institute against the prosecution of valid State court subpoenas for trust information.

The FACT Act addresses these issues by requiring affirmative, minimal disclosures from asbestos trusts and allowing for access to additional information at the cost of the requesting party. The amendment does not address these underlying problems and instead places broad additional burdens on defendants seeking to prosecute discovery requests in State courts. Specifically, it requires defendants potentially to comply with a host of unrelated requests from unknown parties. These defendants include small businesses that played a very minor role, if any, in asbestos manufacturing, but are the last wave of companies in the plaintiffs' firms never-ending search for a solvent defendant.

The burden this amendment imposes on a defendant is highly atypical, unnecessary, and would unduly impair a party's ability to assert a defense. The FACT Act, by contrast, provides transparency where previously it did not and provides defendants with the same access to information as plaintiffs. The legislation merely levels the playing field so all parties, including other asbestos trusts and State court judges, have access to the same information.

I urge my colleagues to oppose the amendment, and I reserve the balance of my time.

Mr. NADLER. Mr. Chairman, how much time do I have?

The CHAIR. The gentleman from New York has 2 minutes remaining.

Mr. NADLER. Mr. Chairman, I yield myself 30 seconds.

In reply to the gentleman from Virginia, the amendment refers to ''such party agrees to make available information.'' Such party is asbestos trusts, not a small business. So I don't know what he is talking about with small business requirements being imposed by this amendment, and the amendment deals with information that the trust must make available. It does not deal with the underlying burdens that the bill places on victims, which is what the gentleman was referring to. This has nothing to do with small business.

Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. CONYERS), the distinguished ranking member of the committee.

Mr. CONYERS. Thank you, Mr. NADLER, for your very important amendment.

As has been reported by the Fifth Circuit in the First Appellate opinion upholding the product liability against a manufacturer of asbestos-containing products, the Government Accountability Office reported:

In the course of the first successful personal injury lawsuits against asbestos manufacturers, the plaintiffs' attorney introduced evidence that these manufacturers had known but concealed information about the dangers of asbestos exposure, or that such dangers were reasonably foreseeable. And in the nearly four decades since, litigation over personal injuries resulting from exposure to asbestos has resulted in hundreds of thousands of claims filed and billions of dollars of compensation paid.

I urge support of the Nadler amendment.

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

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

The underlying bill imposes burdens on victims of asbestos poisoning because of an unsubstantiated allegation that the trusts, set up by the tortfeasors, by the giant corporations that caused the problem, may be suffering some fraud, although there is no specific about that.

The amendment simply says that if we are going to request information of the victims, we should request minimally that the representatives of the tortfeasors, the trusts, tell us the information that will prevent further people from being harmed.

I urge support of the amendment, and I yield back the balance of my time.

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

The FACT Act does not impose burdens on the victims of asbestos. It imposes a minimal disclosure requirement upon the trust, a disclosure requirement that will benefit both plaintiffs and defendants in various courts litigating asbestos claims.

Therefore, these new burdens that would be imposed by the defendant, which are substantial and onerous burdens, not the minimal informational disclosure that would help to identify duplicative claims in various courts, is a massive additional burden added to this legislation.

For that reason, I oppose the legislation, oppose the amendment, and urge my colleagues to join me opposing the amendment and supporting the underlying legislation.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. NADLER).

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

Mr. NADLER. 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 New York will be postponed.

AMENDMENT NO. 3 OFFERED BY MS. JACKSON LEE

The CHAIR. It is now in order to consider amendment No. 3 printed in House Report 113–264.

Ms. JACKSON LEE. 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:

Beginning on page 3, strike line 9 and all that follows through line 6 on page 4, and insert the following:

''(8)(A) A trust described in paragraph (2) shall, subject to subsection (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 relates to the plaintiff's claim in such action.

''(B) A defendant requesting information under subparagraph (A) shall first disclose to such plaintiff and such trust, subject to an appropriate protective order—

''(i) the name of each asbestos-containing product mined, manufactured, sold, or purchased by the defendant at any point in time and the name and location of each worksite under such defendant's control at any point in time at which such asbestos was mined or such product was manufactured; and

''(ii) each location at which such product was sold or purchased by such defendant;

except that such information shall not include any information that is a trade secret.''.

The CHAIR. Pursuant to House Resolution 403, 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. Mr. Chairman, we are here today for several reasons, and my friends on the other side of the aisle have their high calling and reasons of great merit that they argue, but I think we have a more devastating and prevailing reason that we are opposed to this legislation.

Frankly, as I indicated earlier in my remarks, there are thousands and thousands of asbestos victims who are suffering from lung disease or cancer. Many of them were diagnosed late. Many of them, unfortunately, have passed. Their families are still victims. They have lost everything that they have had in trying to treat them, and now we add what we are used to saying in the community: insult to injury.

We come with an enormously burdensome and unfair initiative. So today I rise to introduce an amendment that I ask my colleagues on both sides of the aisle to consider because it is fair.

The amendment would apply the transparency rules that they are seeking from those victims who are barely receiving dollars out of a trust that is the final result of numbers of bankrupt companies. We are asking to equally apply these transparency rules to asbestos industry defendants by requiring asbestos companies to report information about the location of their asbestos-containing products; and the amendment, out of respect for trade secrets, will exempt that.

□ 1545

So today we are asking for transparency on both sides. H.R. 982 is one-sided in that it 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 the utmost confidentiality along with the right to file for bankruptcy as a condition of the settlement in order to ensure that other victims cannot learn how much they paid or for which asbestos products the defendant is paying compensation.

By no means do we want to help those who are hurting. We certainly don't want to give them a leg up by understanding what the process of compensation is.

These same defendants now, under this particular bill, want the victims to disclose specific settlement amounts with the trusts along with product exposure information and work history. How unfair is that? On my dying bed, I have to offer and find a basis of giving you a settlement, or my family has to give it to you in the midst of our crisis.

The asbestos health crisis is the result of a massive cover-up; therefore, we are asking today for simple fairness. If there is confidentiality on the defendant's part and they ask for information on those who are suffering, then I believe, minimally, defendants can give information about the location of the asbestos-containing products to ensure that our victims are not exposed any longer.

Furthermore, the trust information is already public, and I would ask why this bill is even necessary. And then the further point of controversy is that this bill seeks to override State law regarding discovery disclosure of information.

So I am asking my colleagues to be fair, to recognize the hurt and the pain, and to support the Jackson Lee amendment, which simply asks for those defendants, those companies, to give us the location of the asbestos-containing products.

Mr. Chairman, I rise in support of the Jackson Lee amendment which would require the Asbestos Industry to Report Information about Dangerous Asbestos Products.

WHAT DOES THE AMENDMENT DO?

The Amendment would apply the transparency rules in the bill equally to asbestos industry defendants by requiring asbestos companies to report information about the location of their asbestos-containing products. And the amendment includes a "trade secrets" exception.

WHY SUPPORT THE AMENDMENT?

H.R. 982 is one-sided in that it 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. "The 1966 comments of the Director of Purchasing for Bendix Corporation, now a part of Honeywell, capture the complete disregard of an industry for its workforce that is expressed over and over again in company documents spanning the past 60 years. '. . . if you have enjoyed a good life while working with asbestos products, why not die from it?' "

Now, the same industry responsible for causing this crisis is asking Congress to protect them from liability. If such a bill is going to pass the U.S. House, the bill should at least force 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.

The bill seeks to override state law regarding discovery/disclosure of information. State discovery rules currently govern disclosure of a trust claimant's work and exposure history. 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, the bill must be amended to only apply to defendants willing 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 the 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 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.

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

Mr. GOODLATTE. Mr. Chairman, I claim the time in opposition to the amendment.

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

Mr. GOODLATTE. Mr. Chairman, the FACT Act addresses a number of issues, including State court litigants' inability to obtain information from federally-supervised asbestos trusts and the general lack of disclosure that is allowing fraud to be committed against these trusts. The FACT Act addresses these problems by introducing transparency into the asbestos bankruptcy trust system.

The amendment dramatically undercuts the transparency provided under the bill by completely eliminating the quarterly reporting requirements. This removes an important and efficient disclosure component provided by the FACT Act and would eliminate sister asbestos trusts' access to information that is critical for the defense against fraudulent claims. Additionally, the amendment would place disclosure requirements on the State court party requesting information from the asbestos trusts. These disclosure requirements are unnecessary, unusual, and would severely constrain a party's availability to defend itself in State court litigation.

Plaintiffs and plaintiffs' firms already have the ability to gain access to the defendant's information through the traditional discovery process; however, it is the defendant's inability to gain access to information submitted to the asbestos trusts that has created an environment that is conducive to fraud. The FACT Act merely levels the playing field so all parties, including other asbestos trusts, State court litigants, and State court judges have access to this information and the same information.

I would point out that, when one brings a lawsuit seeking damages from another entity that they make a party to that lawsuit, they are not entitled to anonymity in doing so. The purpose of the complaint, the initial pleading filed in the lawsuit, is to disclose who it is that is seeking the damages and what damages they are seeking.

All we are asking for in this legislation is that trusts that have been entrusted with funds that are to be made available for the exclusive purpose of helping the victims of asbestos problems have the opportunity to have information that they would have if it were a normal plaintiff's filing in a lawsuit. That is what we seek to have disclosed.

I urge my colleagues to oppose this amendment and to support the underlying bill.

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

Ms. JACKSON LEE. Mr. Chairman, how much time is remaining?

The CHAIR. The gentlewoman from Texas has 1½ minutes remaining.

Ms. JACKSON LEE. And the gentleman from Virginia?

The CHAIR. The gentleman from Virginia has 2½ minutes remaining.

Ms. JACKSON LEE. Mr. Chairman, I yield 45 seconds to the gentleman from

the great State of Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, I wanted to commend the creative inquiry of the gentlelady from Texas in examining this measure to make it clear to us, through her amendment, that this places disclosure burdens on trusts and asbestos victims but not on the corporations, and that is what she seeks to deal with. So this bill helps this be accomplished. And what is so critical about it is that we now have a more balanced approach than is currently in the bill. So please support the Jackson Lee amendment.

I thank the gentlelady for yielding.

Ms. JACKSON LEE. I thank the distinguished gentleman for his important remarks.

Mr. Chairman, let me quickly say, Mr. CONYERS, Mr. Ranking Member, you were superbly right. The plaintiffs in litigation have had their right of exchange of information. What our friends are trying to do on the other side of the aisle is to make the trusts, now, a courtroom where information is dragged out of the victim, but it is not asked for from the defendants, the ones who have filed for bankruptcy, the ones who have left the victims to suffer and to fend for themselves.

I ask my colleagues to make this fair and require the asbestos company to give us where the asbestos-remaining products are so that we can save lives. If there is transparency, if the FACT bill would be fair, they would then have information coming from both parties, not only the victims, the plaintiffs, but they would have it coming from the asbestos companies that have driven up the numbers of those suffering from lung disease and cancer.

I ask my colleagues to support the Jackson Lee amendment.

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

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, November 12, 2013.

DEAR REPRESENTATIVE: I am writing to express the strong opposition of the AFL–CIO to H.R. 982, the ''Furthering Asbestos Claim Transparency Act'' (FACT Act). This legislation would invade the privacy of asbestos victims by posting personal exposure and medical information online and create new barriers to victims receiving compensation for their asbestos diseases. The AFL–CIO urges you to oppose this harmful bill.

Decades of uncontrolled use of asbestos, even after its hazards were known, have resulted in a legacy of disease and death. Hundreds of thousands of workers and family members have suffered or died of asbestos-related cancers and lung disease, and the toll continues. Each year an estimated 10,000 people in the United States are expected to die from asbestos related diseases.

Asbestos victims have faced huge barriers and obstacles to receiving compensation for their diseases. Major asbestos producers refused to accept responsibility and most declared bankruptcy in an attempt to limit their future liability. In 1994 Congress passed special legislation that allowed the asbestos companies to set up bankruptcy trusts to compensate asbestos victims and reorganize under the bankruptcy law. But these trusts don't have adequate funding to provide just compensation, and according to a 2010 RAND study, the median payment across the trusts is only 25 percent of the claim's value. 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 AFL–CIO is well aware that the system for compensating asbestos disease victims has had its share of problems, with victims facing delays and inadequate compensation and too much money being spent on defendant and plaintiff lawyers. We have spent years of effort trying to seek solutions to make the asbestos compensation system fairer and more effective. But H.R. 982 does nothing to improve compensation for asbestos victims and would in fact make the situation even worse. In our view, the bill is simply an effort by asbestos manufacturers who still are subject to asbestos lawsuits to avoid liability for diseases caused by exposure to their products.

H.R. 982 would require personally identifiable exposure histories and disease information for each asbestos victim filing a claim with an asbestos trust, and related payment information, to be posted on a public docket. This public posting is an extreme invasion of privacy. It would give unfettered access to employers, insurance companies, workers compensation carriers and others who could use this information for any purpose including blacklisting workers from employment and fighting compensation claims.

The bill would also require asbestos trusts to provide on demand to asbestos defendants and litigants any information related to payments made by and claims filed with the trusts. This would place unnecessary and added burdens on the trusts, delaying much-needed compensation for asbestos victims. Such a provision allows asbestos defendants to bypass the established rules of discovery in the civil justice system, and provides broad, unrestricted access to personal information with no limitations on its use.

Congress should be helping the hundreds of thousands of individuals who are suffering from disabling and deadly asbestos diseases, not further victimizing them by invading their privacy and subjecting them to potential blacklisting and discrimination. The AFL–CIO strongly urges you to oppose H.R. 982.

Sincerely,

WILLIAM SAMUEL,
Director,
Government Affairs Department.

Mr. GOODLATTE. Mr. Chairman, I yield myself the balance of the time in opposition to the amendment.

I just have to say that this amendment goes well beyond the scope of this legislation in terms of what it would do in terms of discovery in State courts and gathering various types of information that is already readily and easily discoverable in those proceedings, including, if necessary, in the bankruptcy court.

What it doesn't get at, and the FACT Act does, is information that is not otherwise available to all of the parties to all of those proceedings to determine whether there are duplicative claims, whether there are fraudulent claims, whether there are claims where one party is claiming to have the same disease caused by two different places of employment or having claimed the same disease caused by two different instrumentalities in two different places. That is what we need to know. That is why the FACT Act is necessary.

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

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

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

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

Ms. JACKSON LEE. 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 Texas will be postponed.

Mr. GOODLATTE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. FARENTHOLD) having assumed the chair, Mr. BISHOP of Utah, Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 982) to amend title 11 of the United States Code to require the public disclosure by trusts established under section 524(g) of such title, of quarterly reports that contain detailed information regarding the receipt and disposition of claims for injuries based on exposure to asbestos; and for other purposes, had come to no resolution thereon.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 55 minutes p.m.), the House stood in recess.

□ 1617

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. WALORSKI) at 4 o'clock and 17 minutes p.m.

FURTHERING ASBESTOS CLAIM TRANSPARENCY (FACT) ACT OF 2013

The SPEAKER pro tempore. Pursuant to House Resolution 403 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R. 982.

Will the gentleman from Utah (Mr. BISHOP) kindly resume the chair.

□ 1618

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 further consideration of the bill (H.R. 982) to amend title 11 of the United States Code to require the public disclosure by trusts established under section 524(g) of such title, of quarterly reports that contain detailed information