

Jackson-Lee (TX)	McGovern	Sabo
Jefferson	McNulty	Sanchez
Johnson (CT)	Meehan	Sanders
Johnson, E. B.	Meek (FL)	Sawyer
Jones (OH)	Meeks (NY)	Schakowsky
Kanjorski	Millender-	Schiff
Kaptur	McDonald	Scott
Kildee	Miller, George	Serrano
Kilpatrick	Mink	Sherman
Kucinich	Mollohan	Slaughter
LaFalce	Murtha	Solis
Lampson	Nadler	Stark
Lantos	Napolitano	Stupak
Lee	Neal	Thompson (CA)
Levin	Oberstar	Thompson (MS)
Lewis (GA)	Obey	Thurman
Lipinski	Olver	Tierney
Lofgren	Owens	Udall (CO)
Lowey	Pascrell	Udall (NM)
Luther	Payne	Visclosky
Markey	Pelosi	Waters
Mascara	Phelps	Watt (NC)
Matsui	Pomeroy	Waxman
McCarthy (MO)	Rangel	Weiner
McCollum	Rodriguez	Wexler
	Roybal-Allard	Woolsey

NOT VOTING—19

Ackerman	Edwards	Ros-Lehtinen
Baird	Hoyer	Rothman
Bonior	Inslee	Snyder
Cramer	Kingston	Toomey
Cummings	McDermott	Towns
Deal	McKinney	
Dunn	Norwood	

□ 1123

Ms. SOLIS, Mrs. NAPOLITANO, Mr. POMEROY, Mrs. MEEK of Florida, Mr. FARR of California, Mrs. DAVIS of California, Mr. LAMPSON, Mr. GEPHARDT and Ms. MILLENDER-McDONALD changed their vote from "yea" to "nay."

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.

GENERAL LEAVE

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 333.

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

There was no objection.

APPOINTMENT OF MEMBERS TO PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER pro tempore. Without objection, and pursuant to clause 11 of rule X and clause 11 of rule I, the Chair announces the Speaker's appointment of the following Members of the House to the Permanent Select Committee on Intelligence:

- Mr. BISHOP of Georgia,
- Ms. HARMAN of California,
- Mr. SISISKY of Virginia,
- Mr. CONDIT of California,
- Mr. ROEMER of Indiana,
- Mr. HASTINGS of Florida, and
- Mr. REYES of Texas.

There was no objection.

BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2001

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Pursuant to House

Resolution 71 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. 333.

□ 1125

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. 333) to amend title 11, United States Code, and for other purposes, with Mr. QUINN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I rise in support of H.R. 333, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001.

Mr. Chairman, this bill is a bipartisan, balanced, and comprehensive package of reform measures pertaining to both consumer and business bankruptcy cases. The purpose of the bill is to improve bankruptcy law and practice by restoring personal responsibility and integrity in the bankruptcy system, and to ensure that the system is fair to both debtors and creditors.

With respect to its consumer provisions, H.R. 333 responds to several significant developments. One of these developments was the dramatic increase in consumer bankruptcy filings during the 1990s and the losses associated with those filings. Based on data released by the Administrative Office of the United States Courts, bankruptcy filings increased by more than 72 percent between 1994 and 1998. Mr. Chairman, for the first time in our Nation's history, bankruptcy filings exceeded 1 million in 1996. In calendar year 1997 alone, bankruptcy filings increased by more than 19 percent over the prior year. By 1998, the number of bankruptcy filings, according to the AO, reached an all-time high of more than 1.4 million cases. Although the most recent reporting periods indicate the filings have somewhat decreased, the Administrative Office states they remain well above the 1 million mark. Paradoxically, this dramatic increase in bankruptcy filing rates has occurred during a period when the economy was generally robust, with relatively low unemployment and high consumer confidence.

Coupled with this development was the release of a study estimating that financial losses attributable to bankruptcy filings in 1997 exceeded \$44 billion. The committee received testimony in the last Congress stating that this figure, when amortized on a daily

basis, amounts to a loss of at least \$110 million a day.

Please note, those of us who pay our bills as we have agreed end up having to absorb these losses through higher costs and bank fees and interest rates.

Various other studies which thereafter became available concluded that some bankruptcy debtors can in fact repay a significant portion of their debts.

The heart of H.R. 333's consumer bankruptcy provisions is the implementation of an income-expense screening mechanism, usually referred to as a means-based or means test reform.

□ 1130

These provisions are designed to ensure that debtors repay creditors the maximum they can afford.

In addition, the bill institutes significant consumer protection reforms, including mandatory credit counseling requirements and specific disclosures in connection with certain credit transactions.

The reforms are aimed to help debtors understand their rights and obligations with respect to reaffirmation agreements are also included in the legislation.

In addition, the legislation substantially expands the debtor's ability to exempt certain tax-qualified retirement accounts and pensions. It also creates a new provision that allows a consumer debtor to exempt certain education IRA and State tuition plans for his or her child's postsecondary education from the claims of creditors.

Most importantly, H.R. 333 requires debtors to participate in credit counseling programs before they file for bankruptcy relief, unless special circumstances do not permit such participation. The legislation's credit counseling provisions are intended to educate consumers about the consequences of bankruptcy, such as the potentially devastating effect it could have on their credit rating, and to provide them with guidance about how to manage their finances so that they can avoid future financial difficulties.

Mr. Chairman, the bill also makes extensive reforms pertinent to business bankruptcies. Many of these provisions are intended to heighten administrative scrutiny and judicial oversight of small business bankruptcy cases. In addition, the bill includes provisions designed to reduce systemic risk in the financial marketplace and to clarify the treatment of tax claims in bankruptcy cases. H.R. 333 also creates a new form of bankruptcy relief for transnational insolvencies and includes provisions regarding family farmer debtors and health care providers.

It should be noted that this bill is a product of more than 3 years of congressional consideration of bankruptcy reform legislation. As reported, H.R. 333 is virtually identical to the conference report on H.R. 2415, the Gekas-Grassley Bankruptcy Reform Act of