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SENATE—*Wednesday, November 1, 2000*

(Legislative day of Friday, September 22, 2000)

The Senate met at 9:31 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, in these troublesome days of conflict and consternation, frustration and fatigue, stress and strain, we come to You seeking Your special tonic for tiredness. I intercede on behalf of the Senators and their staffs and all who are feeling the energy-sapping tension of this time. I claim Your promise, ''As your days, so shall your strength be.''—Deuteronomy 33:25. Your strength is perfectly matched for whatever life will dish out today. You promise us the stamina of ever-increasing fortitude. In the quiet of this moment, we open the flood gates of our souls and ask You to flood our minds with a refreshing renewal of hope in You, our emotions with a calm confidence in help from You, and our bodies with invigorating health through You.

Thank You, mighty God, Creator of the universe and Re-creator of those who trust You, for this most crucial appointment of the day with You. You have commanded us to be still and know that You are God. Lift our burdens, show us solutions to our problems, and give us the courage to press on. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable CHARLES E. GRASSLEY, a Senator from the State of Iowa, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

The PRESIDING OFFICER (Mr. VOINOVICH). The majority leader.

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will immediately proceed to a cloture vote on H.R. 2415, the bankruptcy legislation. Following the vote, it is hoped, if cloture is invoked, that there will be a reasonable amount of postcloture debate time to be followed by a vote on the adoption of the conference report.

As a reminder, the Senate will recess for the weekly party conferences from 12:30 to 2:15 p.m.

Also, today a vote on a continuing resolution may be necessary. But we are working on how that will be handled, and we should be able to determine that right after this recorded vote. If there is a vote on the continuing resolution, it is expected to be late this afternoon. But we are seeing if some other arrangement can be worked out. Senators will be notified if and when that vote is scheduled.

BANKRUPTCY REFORM

Mr. KENNEDY. Mr. President, I urge the Senate to reject the motion to invoke cloture on this flawed legislation. For three years, proponents and opponents of this so-called Bankruptcy Reform Act have disagreed about the merits of the bill. The credit card industry argues that the bill will eliminate fraud and abuse without denying bankruptcy relief to Americans who truly need it.

But scores of bankruptcy scholars, advocates for women and children, labor unions, consumer advocates, and civil rights organizations believe that the current bill is so flawed that it will do far more harm than good.

Every Member of the Senate must analyze these arguments closely and separate the myths from the facts. I believe a fair analysis leads to the conclusion that this bankruptcy bill is the credit industry's wish list to increase its profits at the expense of working families.

Proponents of the bankruptcy legislation argue that the current bill is an appropriate response to the bankruptcy crisis. But the facts indicate the opposite. The crisis is overstated, if it exists at all, and is no justification for this sweetheart deal for the credit card industry.

For several years, bankruptcy filings were on the rise. But current data reflect a decrease in filings. The so-called bankruptcy crisis has reversed itself—without congressional assistance. According to a report last month, the personal bankruptcy rate dropped by more than 9 percent in 1999, and continued to decline at a greater than 6 percent annual rate in the first nine months of this year. Bankruptcies are now at substantially lower levels than in 1997, 1998, or 1999. There have been 138,000 fewer personal bankruptcies in the current year than during the corresponding period of 1998, a cumulative two-year decline of over 15 percent.

This decline in personal bankruptcies is consistent with the view held by leading economists—the bankruptcy crisis is correcting itself. A harsh bankruptcy bill is unnecessary.

Supporters of the bill also argue that we need tough new legislation to eliminate fraud and abuse in the bankruptcy system and to instill responsibility in debtors. The argument sounds good, but it masks the truth about this excessively harsh and punitive bill.

The current bill is based on biased studies that have been bought and paid for by industry dollars and an industry public relations campaign that unfairly characterizes the plight of honest Americans. Supporters of a bankruptcy overhaul initially relied on a Credit Research Center report in 1997, which estimated that 30 percent of Chapter 7 debtors in the sample could pay at least 21 percent of their debts. But, as the Congressional General Accounting Office responded, ''the methods used in the Center's analysis do not provide a sound basis for generalizing the Center report's findings to the . . . national population of personal bankruptcy filings.''

VISA U.S.A. and MasterCard International funded several additional studies. One study determined that losses due to personal bankruptcies in

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

1997 totaled more than $44 billion. This study appears to be the source of the creditor rhetoric that bankruptcy imposes a hidden tax on each American family of $400 every year. But once again, the GAO concluded that the study's findings are shaky—at best. As the GAO stated, ''we believe the report's estimates of creditor losses and bankruptcy system costs should be interpreted with caution.''

The most recent and unbiased study—completed by the Executive Office for the U.S. Trustees—concluded that ''only a small percentage of current Chapter 7 debtors have the ability to pay any portion of their unsecured debts.'' That's consistent with the conclusion reached by others, including Time magazine, which reported that by the time individuals and families file for bankruptcy protection, more than 20 percent of their income before taxes is being used to pay interest and fees on their debts. The article goes on to say that ''The notion that debtors in bankruptcy court are sitting on many billions of dollars that they could turn over to their creditors is a figment of the imagination of lenders and lawmakers.''

We know the specific circumstances and market forces that so often push middle class Americans into bankruptcy.

We know that in recent years, the rising economic tide has not lifted all boats. Despite low unemployment, a soaring stock market, and large budget surpluses, Wall Street cheers when companies—eager to improve profits by down-sizing—lay off workers in large numbers. In 1998, layoffs were reported around the country in almost every industry—9,000 jobs were lost after the Exxon-Mobil merger—5,500 jobs were lost after Deutsche Bank acquired Bankers Trust—Boeing laid off 9,000 workers—Johnson & Johnson laid off 4,100. Kodak has cut 30,000 jobs since the 1980s and 6,300 just since 1997.

Often, when workers lose a good job, they are unable to recover. In a study of displaced workers in the early 1990s, the Bureau of Labor Statistics reported that only about one-quarter of these laid-off workers were working at full-time jobs paying as much as or more than they had earned at the job they lost. Too often, laid-off workers are forced to accept part-time jobs, temporary jobs, or jobs with fewer benefits or no benefits at all.

Divorce rates have soared over the past 40 years. For better or worse, more couples are separating, and the financial consequences are particularly devastating for women. Divorced women are four times more likely to file for bankruptcy than married women or single men. In 1999, 540,000 women who head their own households filed for bankruptcy to try to stabilize their economic lives. 200,000 of them were also creditors trying to collect child support or alimony. The rest were debtors struggling to make ends meet. This bankruptcy bill is anti-woman, and this Republican Congress should be ashamed of its attempt to enact it into law.

Another major factor in bankruptcy is the high cost of health care. 43 million Americans have no health insurance, and many millions more are under-insured. Each year, millions of families spend more than 20 percent of their income on medical care, and older Americans are hit particularly hard. A 1998 CRS Report states that even though Medicare provides near-universal health coverage for older Americans, half of this age group spend 14 percent or more of their after-tax income on health costs, including insurance premiums, co-payments and prescription drugs.

These are the individuals and families from whom the credit card industry believes it can squeeze another dime. The industry claims that these individuals and families are cheating and abusing the bankruptcy system, and that are irresponsibly using their charge cards to live in luxury they can't afford.

These working Americans are not cheats and frauds—but they do comprise the vast number of Americans in bankruptcy. Two out of every three bankruptcy filers have an employment problem. One out of every five bankruptcy filers has a health care problem. Divorced or separated people are three times more likely than married couples to file for bankruptcy. Working men and women in economic free fall often have no choice except bankruptcy. Yet this Republican Congress is bent on denying them that safety net.

This legislation unfairly targets middle class and poor families—and it leaves flagrant abuses in place. Time and time again, President Clinton has told the Republican leadership that the final bill must included two important provisions—a homestead provision without loopholes for the wealthy, and a provision that requires accountability and responsibility from those who unlawfully—and often violently—bar access to legal health services. The current bill includes neither of these provisions.

The conference report does include a half-hearted, loop-hole filled homestead provision. It will do little to eliminate fraud. With a little planning—or in some cases, no planning at all—wealthy debtors will be able to hide millions in assets from their creditors. For example, Allen Smith of Delaware—a state with no homestead exemption—and James Villa of Florida—a state with an unlimited homestead exemption—were treated differently by the bankruptcy system. One man eventually lost his home. The other was able to hide $1.4 million from his creditors by purchasing a luxury mansion in Florida.

The Senate passed a worthwhile amendment to eliminate this inequity, but that provision was stripped from the conference report. Surely, a bill designed to end fraud and abuse should include a loop-hole free homestead provision. The President thinks so. As an October 12, 2000 letter from White House Chief of Staff John Podesta says, ''The inclusion of a provision limiting to some degree a wealthy debtor's capacity to shift assets before bankruptcy into a home in a state with an unlimited homestead exemption does not ameliorate the glaring omission of a real homestead cap.''

Yet there is no outcry from our Republican colleagues about the injustice, fraud, and abuse in these cases. In fact, Governor Bush led the fight in Texas to see that rich cheats trying to escape their creditors can hide their assets under Texas' unlimited homestead law.

In 1999, the Texas legislature adopted a measure to opt-out of any homestead restrictions passed by Congress. The legislature also expanded the urban homestead protection to 10 acres. It allowed the homestead to be rented out and still qualify as a homestead. It even said that a homestead could be a place of business. This provision gives the phrase ''home, sweet home'' new and unfair meaning.

The homestead loop-hole should be closed permanently. It should not be left open just for the wealthy. I wish this misguided bill's supporters would fight for such a responsible provision with the same intensity they are fighting for the credit card industry's wish list, and fighting against women, against the sick, against laid-off workers, and against other average individuals and families who will have no safety net if this unjust bill passes.

This legislation flunks the test of fairness. It is a bill designed to meet the needs of one of the most profitable industries in America—the credit card industry. Credit card companies are vigorously engaged in massive and unseemly nation-wide campaigns, to hook unsuspecting citizens on credit card debt. They sent out 2.87 billion—2.87 billion—credit card solicitations in 1999. And, in recent years, they have begun to offer new lines of credit targeted at people with low incomes—people they know cannot afford to pile up credit card debt.

Supporters of the bill argue that the bankruptcy bill isn't a credit card industry bill. They argue that we had votes on credit card legislation and some amendments passed and others did not. But, to deal effectively and comprehensively with the problem of bankruptcy, we have to address the problem of debt. We must ensure that the credit card industry doesn't abandon fair lending policies to fatten its bottom line and ask Congress to become its federal debt collector.

Two years ago, the Senate passed good credit card disclosure provisions that added some balance to the bankruptcy bill. It's disturbing that the provisions in the bill passed by the Senate this year were watered down to pacify the credit card industry. Even worse, some of the provisions passed by the Senate were stripped from the conference report.

The hypocrisy of this bill is transparent. We hear a lot of pious Republican talk about the need for responsibility when average families are in financial trouble, but we hear no such talk of responsibility when the wealthy credit card companies and their lobbyists are the focus of attention.

The credit card industry and congressional supporters of the bill attempt to argue that the bankruptcy bill will help—not harm—women and children. That argument is laughable.

Proponents of the bill say that it ensures that alimony and child support will be the number one priority in bankruptcy. That rhetoric masks the complexity of the bankruptcy system—but it doesn't hide the fact that women and children will be the losers if this bill becomes law.

Under current law, an ex-wife trying to collect support enjoys special protection. But under the pending bills, credit card companies are given a new right to compete with women and children for the husband's limited income after bankruptcy.

It is true that the bill moves support payments to the first priority position in the bankruptcy code. But that only matters in the limited number of cases in which the debtor has assets to distribute to a creditor. In most cases—over 95 percent—there are no assets, and the list of priorities has no effect.

The claim of ''first priority'' is a sham to conceal the real problem—the competition for resources after bankruptcy. This legislation creates a new category of debt that cannot be discharged after bankruptcy—credit card debt. It will, therefore, create intense competition for the former husband's limited income. Under current law, he can devote his post-bankruptcy income to meeting his basic responsibilities, including his student loans, his tax liability, and his support payments for his former wife and their children. But if this bill becomes law, one of his so-called ''basic'' responsibilities will be a new one—to Visa and MasterCard. We all know what happens when women and children are forced to compete with these sophisticated lenders— they always lose.

As thirty-one organizations that support women and children have said, ''Some improvements were made in the domestic support provisions in the Judiciary Committee . . . however, even the revised provisions fail to solve the problems created by the rest of the bill, which gives many other creditors greater claims—both during and after bankruptcy—than they have under current law.''

In addition, as 91—91—bankruptcy and commercial law professors wrote, ''Granting 'first priority' to alimony and support claims is not the magic solution the consumer credit industry claims because 'priority' is relevant only for distributions made to creditors in the bankruptcy case itself. Such distributions are made in only a negligible percentage of cases. More than 95% of bankruptcy cases make no distributions to any creditors because there are no assets to distribute. Granting women and children first priority for bankruptcy distributions permits them to stand first in line to collect nothing.''

Based on the discredited bankruptcy studies, creditors also argue that ''no one will be denied bankruptcy protection. The ten percent of filers with the highest incomes and the lowest relative debt would be required to repay a portion of what they owed and the balance would be discharged, just as it is under current law.'' That's another credit card industry myth.

There is no doubt that this legislation will be harmful to working families who have fallen on hard times—families like those described in a Time magazine article earlier this year.

That article discussed the financial difficulties of the Trapp family, whom I had the privilege of meeting several months ago. They are not wealthy cheats trying to escape from their financial responsibilities. They are a middle class family engulfed in debt, because of circumstances beyond their control. Like half of all Americans who file for bankruptcy, the Trapp family had massive medical expenses—over $124,000 in doctors' bills that their insurance didn't cover.

The plight of the Trapp family is similar to that of many other American families with serious illness and injury. The combination of a major medical problem and a job loss pushed Maxean Bowen—a single mother—into bankruptcy. She was a social worker in the foster-care system in New York City when she developed a painful condition in both feet that made her job, which required house calls, impossible. As a result, she had to give up her work and go on the unemployment rolls. Her income fell by 50 percent. She had to borrow from relatives, and she used her credit cards to make ends meet. Like so many others in similar situations, she believed that she would soon recover and be able to pay her debts. But, like thousands who file for bankruptcy, even when Maxean was able to work again, she owed far more than she could repay.

Maxean tried paying her creditors a few hundred dollars when possible, but it wasn't enough to keep her bills from piling up because of interest charges and late-payment fees. She said she was ''going crazy.''

Some of my colleagues have argued that Maxean Bowen, Charles and Lisa Trapp, and others featured in the Time magazine article wouldn't be subject to the harsh provisions in the bankruptcy bill before us today. But, although the conference report now includes a ''means test safe harbor'' for the poorest families, a careful, objective analysis demonstrates that all Americans would be affected by the provisions in the bill.

For example, proponents of the bill argue that the Trapp family would not be affected by the means test because their current income is below the state median income. That's not true. Before Mrs. Trapp left her job, the family's annual income was $83,000 a year or $6,900 a month. Under the bill, the Trapp family's previous six months' income would be averaged, so that they would have an assumed monthly income of about $6,200—above the state median—even though their actual monthly gross income at the time of filing was $4,800.

Based on the fictitious income assumed by the bankruptcy legislation, the Trapp family would be subject to the means test. And the means test formula—using the IRS standards—would assume that the Trapps have the ability to repay more than their actual income would allow.

Similarly, although the safe harbor provision would protect Maxean Bowen from the means test, other substantive and procedural provisions in the bill would apply to her. Maxean didn't have the money to pay her bankruptcy attorney and had to obtain financial assistance from relatives. If this legislation becomes law, the new requirements may make bankruptcy relief prohibitive.

The individuals and families featured in the article are well aware of the distortions and misrepresentations of their cases by defenders of this harsh Republican bill and by apologists for the credit card industry. The outraged response by these debtors is eloquent and powerful. As they have emphatically replied,

> During the last year, each of us declared bankruptcy. It was one of the most difficult decisions any of us had to make, coming at the darkest hours in our lives. We saw no other way to stabilize our economic situations. Each of our families is now on the long path of trying to right ourselves financially . . . We have read the statements you have made about our cases on the floor of the Senate and in Mr. Gekas' letter to Time. We deeply resent the fact that you have misrepresented our cases to the American public. Contrary to what you have stated, each of us would have been severely affected by your bankruptcy bill.

Finally, proponents of the bill argue that it will help small businesses. Again, this is another credit card industry myth.

According to the Administrative Office of the Courts, business bankruptcies represented 2.9 percent of all filings in 1999. Since June 1996, those filings have declined by over 30 percent—30 percent. The relatively low number of business bankruptcy filings and the fact that filings are decreasing indicate that drastic changes in the law are unnecessary.

This bankruptcy reform bill isn't based on any serious business need. In fact, its overhaul of Chapter 11 will hurt—rather than help—small businesses. Chapter 11 was enacted to serve the interests of business debtors, creditors, and the other constituencies affected by business failures—particularly the employees. A principal goal of Chapter 11 is to encourage business reorganization in order to preserve jobs. Supporters of the bill ride roughshod over this important goal. They create more hurdles, additional costs, and a rigid, inflexible structure for small businesses in bankruptcy. As a result, fewer small business creditors will be paid, and more jobs will be lost.

This fundamental defect led AFL–CIO President John Sweeney to write, ''The Bankruptcy Reform Act of 2000 is an attack on working families. It will undermine a critical safety net for both families and financially vulnerable businesses and their workers. Businesses filing bankruptcy cases would be required to follow stringent new rules which create significant substantive and procedural barriers to reorganization and therefore place jobs at risk. Costly, unnecessary, and inflexible procedures will increase the risk that small businesses will be unable to reorganize. The bill also threatens jobs in significant real estate enterprises and retailers.''

As I mentioned earlier, a large number of professors of bankruptcy and commercial law across the country have written to us to condemn this bill and to urge the Senate not to approve it. As their letter eloquently states in its conclusion:

> These facts are unassailable: H.R. 2415 forces women to compete with sophisticated creditors to collect alimony and child support after bankruptcy. H.R. 2415 makes it harder for women to declare bankruptcy when they are in financial trouble. H.R. 2415 fails to close the glaring homestead loophole and permits wealthy debtors to hide assets from their creditors. We implore you to look beyond the distorted ''facts'' peddled by the credit industry. Please do not pass a bill that will hurt vulnerable Americans, including women and children.

It is clear that the bill before us is designed to increase the profits of the credit card industry at the expense of working families. If it becomes law, the effects will be devastating. The Senate should reject this defective bankruptcy bill and the cynical attempt by the Republican leadership to pass it on the last day of this Congress. This bill is bad legislation. It eminently deserves the veto it will receive if it passes.

I urge the Senate to reject this cloture motion, and to reject this bill. I ask unanimous consent that the letter from the 91 law professors I mentioned be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OCTOBER 30, 2000.

Re: The Bankruptcy Reform Act Conference Report (H.R. 2415)

DEAR SENATORS: We are professors of bankruptcy and commercial law. We have been following the bankruptcy reform process with keen interest. The 91 undersigned professors come from every region of the country and from all major political parties. We are not a partisan, organized group, and we have no agenda. Our exclusive interest is to seek the enactment of a fair and just bankruptcy law, with appropriate regard given to the interests of debtors and creditors alike. Many of us have written before to express our concerns about the bankruptcy legislation, and we write again as yet another version of the bill comes before you. This bill is deeply flawed, and we hope the Senate will not act on it in the closing minutes of this session.

In a letter to you dated September 7, 1999, 82 professors of bankruptcy law from across the country expressed their grave concerns about some of the provisions of S. 625, particularly the effects of the bill on women and children. We wrote again on November 2, 1999, to reiterate our concerns. We write yet again to bring the same message; the problems with the bankruptcy bill have not been resolved, particularly those provisions that adversely affect women and children.

Notwithstanding the unsupported claims of the bill's proponents, H.R. 2415 does not help women and children. Thirty-one organizations devoted exclusively to promoting the best interests of women and children continue to oppose the pending bankruptcy bill. The concerns expressed in our earlier letters showing how S. 625 would hurt women and children have not been resolved. Indeed, they have not even been addressed.

First, one of the biggest problems the bill presents for women and children was stated in the September 7, 1999, letter: ''Women and children as creditors will have to compete with powerful creditors to collect their claims after bankruptcy.''

This increased competition for women and children will come from many quarters: from powerful credit card issuers, whose credit card claims increasingly will be excepted from discharge and remain legal obligations of the debtor after bankruptcy; from large retailers, who will have an easier time obtaining reaffirmations of debt that legally could be discharged; and from creditors claiming they hold security, even when the alleged collateral is virtually worthless. None of the changes made to S. 625 and none being proposed in H.R. 2415 addresses these problems. The truth remains: if H.R. 2415 is enacted in its current form, women and children will face increased competition in collecting their alimony and support claims after the bankruptcy case is over. We have pointed out this difficulty repeatedly, but no change has been made in the bill to address it.

Second, it is a distraction to argue—as do advocates of the bill—that the bill will ''help'' women and children and that it will ''make child support and alimony payments the top priority—no exceptions.'' As the law professors pointed out in the September 7, 1999, letter: ''Giving 'first priority' to domestic support obligations does not address the problem.''

Granting ''first priority'' to alimony and support claims is not the magic solution the consumer credit industry claims because ''priority'' is relevant only for distributions made to creditors in the bankruptcy case itself. Such distributions are made in only a negligible percentage of cases. More than 95% of bankruptcy cases make NO distributions to any creditors because there are no assets to distribute. Granting women and children a first priority for bankruptcy distributions permits them to stand first in line to collect nothing.

Women's hard-fought battle is over reaching the ex-husband's income after bankruptcy. Under current law, child support and alimony share a protected post-bankruptcy position with only two other recurrent collectors of debt—taxes and student loans. The credit industry asks that credit card debt and other consumer credit share that position, thereby elbowing aside the women trying to collect on their own behalf. The credit industry carefully avoids discussing the increased post-bankruptcy competition facing women if H.R. 2415 becomes law. As a matter of public policy, the country should not elevate credit card debt to the preferred position of taxes and child support. Once again, we have pointed out this problem repeatedly, and nothing has been changed in the pending legislation to address it.

If addition to the concerns raised on behalf of the thousands of women who are struggling now to collect alimony and child support after their ex-husband's bankrupticies, we also express our concerns on behalf of the more than half a million women heads of household who will file for bankruptcy this year alone. As the heads of the economically most vulnerable families, they have a special stake in the pending legislation. Women heads of households are now the largest demographic group in bankruptcy, and according to the credit industry's own data, they are the poorest. The provisions in this bill, particularly the many provisions that apply without regard to income, will fall hardest on them. Under this bill, a single mother with dependent children who is hopelessly insolvent and whose income is far below the national median income would have her bankruptcy case dismissed if she does not present copies of income tax returns for the past three years—even if those returns are in the possession of her ex-husband. A single mother who hoped to work through a chapter 13 payment plan would be forced to pay every penny of the entire debt owed on almost worthless items of collateral, such as used furniture or children's clothes, even if it meant that successful completion of a repayment plan was impossible.

Finally, when the Senate passed S. 625, we were hopeful that the final bankruptcy legislation would include a meaningful homestead provision to address flagrant abuse in the bankruptcy system. Instead, the conference report retreats from the concept underlying the Senate-passed homestead amendment.

The Homestead provision in the conference report will allow wealthy debtors to hide assets from their creditors.

Current bankruptcy law yields to state law to determine what property shall remain exempt from creditor attachment and levy. Homestead exemptions are highly variable by state, and six states (Florida, Iowa, Kansas, South Dakota, Texas, Oklahoma) have literally unlimited exemptions while twenty-two states have exemptions of $10,000 or less. The variation among states leads to two problems—basic inequality and strategic bankruptcy planning. The only solution is a dollar cap on the homestead exemption. Although variation among states would remain, the most outrageous abuses—those in the multi-million dollar category—would be eliminated.

The homestead provision in the conference report does little to address the problem. The legislation only requires a debtor to wait two years after the purchase of the homestead before filing a bankruptcy case. Well-counseled debtors will have no problem timing their bankruptcies or tying-up the courts in litigation to skirt the intent of this provision. The proposed change will remind debtors to buy their property early, but it will not deny anyone with substantial assets a chance to protect property from their creditors. Furthermore, debtors who are long-time residents of states like Texas and Florida will continue to enjoy a homestead exemption that can shield literally millions of dollars in value.

These facts are unassailable: H.R. 2415 forces women to compete with sophisticated creditors to collect alimony and child support after bankruptcy. H.R. 2415 makes it harder for women to declare bankruptcy when they are in financial trouble. H.R. 2415 fails to close the glaring homestead loophole and permits wealthy debtors to hide assets from their creditors. We implore you to look beyond the distorted ''facts'' peddled by the credit industry. Please do not pass a bill that will hurt vulnerable Americans, including women and children.

Thank you for your consideration.

Peter A. Alces, College of William and Mary; Peter C. Alexander, The Dickinson School of Law, Penn State University; Thomas B. Allington, Indiana University School of Law; Allan Axelrod, Rutgers Law School; Douglas G. Baird, University of Chicago Law School; Laura B. Bartell, Wayne State University Law School; Larry T. Bates, Baylor Law School; Andrea Coles Bjerre, University of Oregon School of Law; Susan Block-Lieb, Fordham University School of Law; Amelia H. Boss, Temple University School of Law; William W. Bratton, The George Washington University Law School; Jean Braucher, University of Arizona; Ralph Brubaker, Emory University School of Law.

Mark E. Budnitz, Georgia State University; Daniel J. Bussel, UCLA School of Law; Arnold B. Cohen, Villanova University School of Law; Marianne B. Culhane, Creighton Law School; Jeffrey Davis, University of Florida Law School; Susan DeJarnatt, Temple University School of Law; Paulette J. Delk, Cecil C. Humphreys School of Law, The University of Memphis; A. Mechele Dickerson, William & Mary Law School; Thomas L. Eovaldi, Northwestern University School of Law; David G. Epstein, University of Alabama Law School; Christopher W. Frost, University of Kentucky, College of Law; Dale Beck Furnish, College of Law, Arizona State University; Karen M. Gebbia-Pinetti, University of Hawaii School of Law; Nicholas Georgakopoulos, University of Connecticut School of Law visiting Indiana University School of Law; Michael A. Gerber, Brooklyn Law School; Marjorie L. Girth, Georgia State University College of Law; Ronald C. Griffin, Washburn University School of Law; Professor Karen Gross, New York Law School; Matthew P. Harrington, Roger Williams University; Kathryn Heidt, University of Pittsburgh School of Law; Joann Henderson, University of Idaho College of Law; Frances R. Hill, University of Miami School of Law; Ingrid Hillinger, Boston College; Adam Hirsch, Florida State University; Margaret Howard, Vanderbilt University Law School; Sarah Jane Hughes, Indiana University School of Law; Edward J. Janger, Broklyn Law School.

Lawrence Kalevitch, Shepard Broad Law Center, Nova Southeastern University; Allen Kamp, John Marshall Law School; Kenneth C. Kettering, New York Law School; Lawrence King, New York University School of Law; Kenneth N. Klee, University of California at Los Angeles School of Law; Don Korobkin, Rutgers-Camden School of Law; John W. Larson, Florida State University; Robert M. Lawless, University of Missouri-Columbia; Leonard J. Long, Quinnipiac University School of Law; Professor Lynn LoPucki, University of California Law School; Lois R. Lupica, University of Maine School of Law; William H. Lyons, College of Law, University of Nebraska; Bruce A. Markell, William S. Boyd School of Law, UNLV; Nathalie Martin, University of New Mexico School of Law; Judith L. Maute, University of Oklahoma Law Center; Juliet Moringiello, Widener University School of Law; Jeffrey W. Morris, University of Dayton School of Law; Spencer Neth, Case Western Reserve University; Gary Neustadter, Santa Clara University School of Law; Nathaniel C. Nichols, Widener at Delaware; Scott F. Norberg, University of California, Hastings College of the Law; Dennis Patterson, Rutgers-Camden School of Law; Dean Pawlowic, Texas Tech University School of Law; Lawrence Ponoroff, Tulane Law School; Nancy Rappoport, University of Houston College of Law; Doug Rendleman, Washington and Lee Law School; Alan N. Resnick, Hofstra University School of Law.

Steven L. Schwarcz, Duke Law School; Alan Schwartz, Yale University; Charles J. Senger, Thomas M. Cooley Law School; Stephen L. Sepinuck, Gonzaga University School of Law; Charles Shafer, University of Baltimore Law School; Melvin G. Shimm, Duke University Law School; Ann C. Stilson, Widener University School of Law; Charles J. Tabb, University of Illinois; Walter Taggert, Villanova University Law School; Marshall Tracht, Hofstra Law School; Bernard Trujillo, U. Wisconsin Law School; Frederick Tung, University of San Francisco School of Law; William T. Vukowich, Georgetown University Law Center; Thomas M. Ward, University of Maine School of Law; Elizabeth Warren, Harvard Law School; John Weistart, Duke University School of Law; Elaine A. Welle, University of Wyoming, College of Law; Jay L. Westbrook, University of Texas School of Law; William C. Whitford, Wisconsin Law School; Mary Jo Wiggins, University of San Diego Law School; Jane Kaufman Winn, Southern Methodist University; School of Law; Peter Winship, SMU School of Law; Zipporah B. Wiseman, University of Texas School of Law; William J. Woodward, Jr., Temple University.

Mr. GRASSLEY. Mr. President, we are about to vote on cloture on the bankruptcy bill. I urge my colleagues to vote for cloture.

The conference committee that produced this Bankruptcy Conference Report had an even 3–3 ratio. Obviously with this ratio, Democrats on the conference held an absolute veto over the bankruptcy bill. But here we are voting on a conference report that has the support of conferees on both sides of the aisle.

What's at stake with this vote?

If you vote ''no'' on cloture you are voting against bankruptcy protections for family farmers.

If you vote ''no'' on cloture you are voting against targeted capital gains tax relief for family farmers in bankruptcy.

If you vote ''no'' on cloture you are voting against a ''Patients' Bill of Rights'' for residents of bankrupt nursing homes.

If you vote ''no'' on cloture you are voting against provisions that Federal Reserve Chairman Alan Greenspan and Treasury Secretary Larry Summers say are crucial for protecting our financial markets.

There's a lot at stake with this vote. Let's vote for farmers. Let's vote for a ''Patients' Bill of Rights'' for residents of bankrupt nursing homes. Let's vote to protect our financial markets. Let's vote to protect our prosperity.

I urge my colleagues to vote for cloture.

Mr. LOTT. I believe we are ready to proceed to the vote.

BANKRUPTCY REFORM ACT OF 2000—CONFERENCE REPORT—Resumed

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the conference report to accompany H.R. 2415, a bill to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes.

Trent Lott, Chuck Grassley, Jeff Sessions, Richard Shelby, Fred Thompson, Mike Crapo, Phil Gramm, Jon Kyl, Jim Bunning, Wayne Allard, Thad Cochran, Craig Thomas, Connie Mack, Bill Frist, Bob Smith of New Hampshire, and Frank Murkowski.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.