

new investment for many capital intensive and rapidly growing manufacturing firms in the chemical, electronic equipment, energy, metal, paper, steel, and transportation industries. It is a parallel tax system that takes away a portion of a company's depreciation deductions if their income as computed under the alternative minimum formula is higher than their income calculated under the regular tax system.

While it was designed and intended to prevent otherwise profitable companies from escaping taxation altogether through the use of exclusions, deductions, and credits, it has instead resulted in large interest-free loans to the Government by companies that experienced real economic losses during the early 1990's. Congress never intended for companies to incur a permanent increase in tax liability due to this tax. Put simply, the alternative minimum tax is not working as it was intended.

While many members of the House Ways and Means Committee, on which I serve, are very concerned about this tax, by introducing this legislation I hope to ignite a broader interest in this exact type of much needed tax reform. I am pleased to offer this bill to the House.

LEAVE THE KIDS ALONE

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

Mr. LEWIS of Georgia. Mr. Speaker, yesterday I ate breakfast and lunch with students at two schools in Atlanta, Payton Forest Elementary School and Thomasville Heights Elementary School. Many of these children were receiving these meals through the School Lunch and Breakfast Programs. For some of them it was the first decent meal they had had since Friday, the last time they were in school.

Mr. Speaker, it is cold and heartless, it is just plain mean, for the Republican majority to deprive these children of their school breakfast and lunches. This program is a success. It provides the food necessary for children to learn. Children cannot learn on an empty stomach, they cannot learn if they are hungry.

The cost of my breakfast and lunch yesterday was a combined \$2.70. Surely, this is not too great a cost to pay to feed our children, to give them the nutrition they need to learn and to grow.

In their rush to provide tax breaks to the wealthy, the Republican majority would steal lunch money from our kids. I, for one, do not want any part of that contract and I don't think the American people do either.

THE SIMPLE FACTS

(Mr. HAYWORTH asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I certainly have a great deal of affection and admiration for the gentleman who preceded me here in the well. I was pleased to see that he was back at school as were many of my liberal Democrat colleagues yesterday. But the fact is that with all due respect, my friends should not spend time exclusively in the lunchroom, they should go back to math class, because here are the simple facts of this case.

We are actually increasing \$200 million in excess of what the President is calling for in school nutrition programs. We are calling for a 4.5-percent increase in these school nutrition programs. Yes, we are asking to fine tune the responsibility to give the responsibility to people on the front lines fighting the battle, but friends, it is an increase.

Only in Washington can an increase be called a cut and be called heartless and mean spirited when in fact we are public spirited trying to get control of this problem, trying to feed the truly needy and trying not to make this a crass political issue.

SUPPORT FEDERAL NUTRITION PROGRAMS

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

Mr. WARD. Mr. Speaker, I have a prepared text for today to talk about child nutrition programs, but I have to react to what we have just been hearing. To say that they are not going to cut these child nutrition programs is the big lie, ladies and gentlemen, because if you make a block grant, you take last year's figure which may be higher than the year before's but say, "We are not going to raise it in the future, we are just going to let the States spend it," you are cutting it.

If you do not take into account economic downturns, if you do not take into account what happens in community after community across this country which may be different than what is happening here, and then have the audacity to blame the Democrat support on our connections with Federal bureaucrats, that is just too absurd for words.

Ladies and gentlemen, we need to continue to support our children.

FEAR TACTICS EMPLOYED IN SUPPORTING FEDERAL NUTRITION PROGRAMS

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

Mr. DREIER. Mr. Speaker, pathetic is the only way to describe the message which has been emanating from the other side, trying to frighten the people of the United States of America

about our goals for dealing with the issue of child nutrition.

We do not have a cut. We have a 4.5-percent increase. That is very clear. But as my friend from the other side of the aisle just said, we somehow in transferring this to the States will in fact allow a tremendous cut to take place. Baloney. There is a provision in this legislation which states that 80 percent of those funds that are provided must go toward the nutrition program and the requirement also states that no more than a 2-percent overhead can be provided.

We are increasing the level of funding, we are trying to make it more responsible so that in fact we do not see what exists today, 20 percent of those young people benefiting from the program coming from homes with incomes in excess of \$50,000 a year.

We want the truly needy to benefit from this, we are increasing the level of funding for it, and they should quit the kind of fear tactics that they are imposing.

TORT REFORM

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

Mr. SAM JOHNSON of Texas. I will not even address the lies coming from the other side.

Mr. Speaker, I want to talk about tort reforms we are considering this week. They are important to every citizen in this country, so important that each of the 50 States is currently considering some type of overhaul of their own legal system.

In my home State of Texas, Governor Bush has declared a state of emergency to address these reforms and with good cause. Texas ranked fourth in the Nation in million-dollar verdicts between 1990 and 1993. Lawsuit abuse is out of control, so out of control it is crippling businesses, destroying jobs, and costing every household in Texas \$2,700 per year.

Last year alone in Texas prisons there were 1,000 suits filed by prisoners for crazy reasons. One for being licked. Yeah, I said licked by a horse while on a work detail.

The time has come for my colleagues to take a giant step for America and answer the plea seen on a billboard in a town in south Texas that reads, "Stop Lawsuit Abuse Now."

FIXING THE WELFARE MESS

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

Mr. RIGGS. Mr. Speaker, I first of all will join with my colleagues who have used adjectives such as pathetic and audacious to describe the fear tactics and the continuing politics of envy that we hear coming from the other side of the aisle. I will add another,

though, adjective to describe what I have been seeing take place, and that is unconscionable. It is unconscionable for the House Democratic Party to treat welfare recipients as a political constituency for political gain.

Mr. Speaker, Americans have said that they are sick of a failed liberal welfare system that traps people in a cycle of dependency. Five million families, 9 million kids on AFDC, and at any given time over 50 percent of those families have been on AFDC welfare for over 10 years.

It is a system that ruins generation after generation, a system that has cost us as a country \$5 trillion while making the situation worse. Two out of three black babies born out of wedlock, 20 percent of white children born out of wedlock.

Mr. Speaker, the American people want us to fix the welfare mess before it does any more damage and fix it, we will.

□ 1145

WELFARE REFORM

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

Mr. SHAW. Mr. Speaker, I have been sitting here listening to the speakers that came before me here this morning on the House floor criticizing the Republicans for what they are trying to do that is to reform welfare, criticizing the Republicans for bringing a child support bill to the floor and saying that it was not tough enough.

I will say to my friends in the Democrat Party you had 40 years to bring welfare reform to the floor and you never brought it; you had 40 years to bring a child support bill to the floor that was tough, and you never did it.

Now we are looking to you and we are reaching out to you as we are to the President, who gave a speech within the last hour on welfare reform, we are reaching out and saying come now and join with us because we are moving it forward. We are going to have welfare reform. It is going to pass this House. We are going to have a lot of Democrats that are going to be joining the Republicans who are pushing this agenda forward.

And you know what? We are going to be doing things for the poor that you never did. We are going to be doing things for the children that you neglected and we are going to reform welfare.

SUPPORT FOR TORT REFORM

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

Mr. WELDON of Florida. Mr. Speaker, it is a pleasure for me to rise today and speak in support of the tort reform or lawsuit reform being brought before

the House by the Republican leadership. As a physician who has practiced medicine in the community for the past 7 years, I can say that I have seen firsthand the terrible effect of this runaway problem with lawsuits on our Nation and in particular on our ability to practice good, high quality, cost effective medicine.

The people who have been paying for this runaway crisis in excessive lawsuits are the people of the United States. The patients have been playing the costs.

The time has arrived, it is long overdue. Reform is needed and reform is now, this week, before the House of Representatives. And I beseech all of my colleagues on both sides of the aisle to support the Republican programs for dealing with this problem in our Nation and restoring true balance to our criminal and civil justice system.

DEMOCRATS SCARING CHILDREN ABOUT SCHOOL LUNCHES

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

Mr. BURTON of Indiana. Mr. Speaker, last week the Speaker of the House, NEWT GINGRICH, went out to a school here in Washington, DC, to try to support a program called the Earn and Learn Program. That is where they pay children \$2 for reading a book and it is to encourage kids to learn. It is a great program; it is being adopted in many schools across this country.

But before he got there, two Members of the Democrat minority went out there and had lunch with the kids and told them that the Speaker was coming out and that he was going to take away their lunches, that the Speaker of the House was against them, he was going to take away the school lunch for all of the kids across the country and scared those little kids to death.

Now, that is wrong; that is wrong. The fact of the matter is we are going to increase school lunch funding by 4 percent, we are going to increase it. What we are going to cut is the bureaucracy. We are going to send it to the States in block grants, so that the Governors who understand their States and the mayors who understand their cities can distribute this money properly so that it goes to the intended purpose without a lot of bureaucratic expense.

And I really want to say to my colleagues on the Democrat side, if you criticize us for the school lunch program, criticize your colleagues for going out and scaring those little kids last week. That is wrong.

ATTORNEY ACCOUNTABILITY ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 104 and rule XXIII 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. 988.

□ 1159

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. 988) to reform the Federal civil justice system, with Mr. HOBSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, March 6, 1995, the amendment offered by the gentleman from Ohio [Mr. HOKE] had been disposed of and the bill was open to amendment at any point.

Two and one-half hours remain for consideration of amendments under the 5-minute rule.

Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTON of Indiana: In section 2, page 4, line 1, insert at the beginning of the line "25 percent of".

And on line 5, strike the period, insert a comma and add the following new language "or the Court may increase the percentage above the 25 percent if in the opinion of the Court the offeree was not reasonable in rejecting the last offer."

Mr. BURTON of Indiana. Mr. Chairman, I believe that if there is a frivolous lawsuit filed there ought to be a penalty assessed on the plaintiff. I believe that should be the case. I do not believe, however, it should be a 100 percent losers paying totally, and the reason I say that is because I have known a number of people who have been involved in litigations of this type who have had a legitimate lawsuit, and because of the jury or because of the judge or for whatever reason the ruling was against them, and they were not in a position to be able to pay exorbitant legal fees on the part of the defendant.

Many times these defendants are lawyers for large corporations who can drag these suits on for long periods of time and spend an awful lot of money. Look at some of the trials like you see on TV right now like the O.J. Simpson trial, you see how much time and effort and money is being spent on legal defense.

Some of these people are very proficient at what they do. Can you imagine, we are not talking about a murder trial now, but can you imagine a person in a civil case that is suing somebody and they have the ability to hire the kind of legal counsel you see in the O.J. Simpson case where millions of dollars might be spent in defending someone?

So I believe that there ought to be some middle ground. And that middle ground is exhibited in my amendment, and my amendment says that if the plaintiff loses the case, there is a 25-percent penalty. But if it is a frivolous