

themselves of the best options they were able to perceive—and that the choices of some became habits for others.

The logic of welfare reform—welfare repeal, some call it—is that the best way to force better choices is to reduce the number of bad options. If it becomes a matter of work or starve, the reasoning goes, everybody will work.

But for many long-term recipients, non-work has been more the product of habit than of calculation. Thousands of people, I'm convinced, are afraid of work, in the sense that they doubt their ability to survive in a world that demands skills and attitudes they may not possess. They may talk of being unwilling to work for the "chump change" of entry-level work, but it may be the demands of the workplace and not the low pay that frightens them.

What can be done?

"What we need is to establish a new migratory pattern," Robert L. Woodson Sr. said when I put the question to him. "The people who went from rural Mississippi to Detroit did so because they keep getting positive feedback from those who'd already made the trip. The photographs, the sophistication, the Cadillacs rented for trips back home—all these produced a culture of expectation. People looked and said, 'Hey, he's no smarter than I am. I could do it, too.'"

Actually, says Woodson, president of the National Center for Neighborhood Enterprise, the necessary migration has been underway for sometime—not from one place to another but from one attitude to another. "Five women who might have grown fat and indolent in public housing started a tentative migration toward tenant management, responsible behavior and college for their children, sparking an important national movement. Thousands of others have quietly decided to leave the life of dependency and take a tentative step into the world of work."

Unfortunately, the media and the policy establishment tend to focus on those who don't join the migration rather than on those who do. As a result, the feedback isn't there. Many poor people don't know that they could start at the bottom and gradually work their way up, and the rest of us see only laziness, not doubt or fear.

Woodson thinks we should take advantage of the two-years-and-out provision of welfare reform to help present welfare recipients overcome their fears. How? By using as a resource those friends and neighbors who've already begun the migration away from dependency. "We need to look to people in those same neighborhoods who've made the move, whose children are not dropping out of school or dealing dope or getting in trouble, to show the others what is possible. We need to tell them maybe they could quit their job at the phone company or as a hotel maid and work full-time helping their peers find their way out. It would be well worth whatever we had to pay them."

Gradually, the reasoned behavior of the few could become patterns for the many, and most would be far better off than before.

But not all. It is altogether predictable that some will go on making behavioral choices as though the welfare safety net is still in place long after it has been taken down and quietly packed away. They and their children will suffer, at least until the new habits take hold. What should we do about them in the meantime?

Woodson doesn't know. He only knows that it makes more sense to build public policy on the vast majority than on the intractable few.

TRIBUTE TO JULIA L. JAMES

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1997

Mr. TOWNS. Mr. Speaker, I want to highlight the contributions of Julia James, the sixth of nine children born to Reverend and Mrs. Henry R. James, who encouraged her to be independent and courageous.

In her life, Julia has chosen a professional path in the field of accounting, and is a Certified Public Accountant [CPA] in the State of New York. She earned an M.B.A. from New York University and is a member of the American Institute of Certified Public Accountants and the Institute of Management Accountants. Mrs. James has established an accounting practice that provides accounting expertise to local businesses and community organizations.

A dedicated community worker, Julia serves as a member of Community School Board District No. 18, which represents the East Flatbush and Canarsie areas of Brooklyn. She is also the chairperson of the East Brooklyn Community Organization which is a community based organization dedicated to improving the quality of life of residents in East Flatbush. I am pleased to recognize her personal achievements and community involvement.

ALTERNATIVE DISPUTE RESOLUTION AND SETTLEMENT ENCOURAGEMENT ACT

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1997

Mr. COBLE. Mr. Speaker, today, I am pleased to introduce a bill which will provide concrete steps to restore accountability, efficiency, and fairness to our Federal civil justice system, the Alternative Dispute Resolution and Settlement Encouragement Act. This legislation will implement a more complete, fair, and effective policy than exists at present to favor alternative means of resolving disputes and to encourage compromise by parties to Federal litigation. The effect of these changes will be to: First, provide for a quicker, more efficient way to resolve some Federal cases when the parties so choose; second, lessen the incentive to litigate and consequently the caseload burdens faced by the Federal judiciary; and third, assure that only meritorious and justiciable cases supported by scientific facts be adjudicated in Federal courts.

This legislation would require all Federal district courts to establish an arbitration program, which in the discretion of the court could be either voluntary or mandatory. In 1988 Congress enacted chapter 44 of title 28 U.S.C. in order to authorize 10 pilot programs of mandatory court annexed arbitration that were in operation in the Federal courts, as well as to authorize 10 additional districts, which were to be selected later by the U.S. Judicial Conference, for voluntary programs. The legislation further required that the Federal Judicial Center [FJC] submit a report on the implementation of the act, which it transmitted to Congress on October 4, 1991. Based

upon this study, the Federal Judicial Center recommended to Congress that it enact a provision authorizing all Federal courts to adopt, in their discretion, local rules for arbitration to be mandatory or voluntary in the discretion of various courts. This bill does just that.

The goal of court-annexed arbitration is to provide more options for litigants, while reducing cost, delay, and court burden. In addition, it is the only option that provides to litigants in cases where smaller amounts are in controversy the opportunity for an early advisory adjudication on the merits of the case.

In addition to creating more opportunities for alternative dispute resolution, this bill will also encourage parties to settle their cases by offering an incentive to accept good offers of settlement. This section of the legislation, developed in the last Congress by Representative BOB GOODLATTE of Virginia, a senior member of the Judiciary Subcommittee on Courts and Intellectual Property, would amend 28 U.S.C. section 1332, the provision granting diversity jurisdiction in U.S. district courts, by creating an incentive triggered by an offer of settlement. The intent of this procedure is to encourage and facilitate the early settlement of lawsuits and reduce protracted litigation. The offer of settlement procedure would allow a party to make, by filing with the court in writing and serving on an adverse party, at any time up to 10 days before trial, a formal offer to settle any or all claims in a suit for a specified amount. If the offer of settlement is accepted, the claim or claims are resolved pursuant to the terms of the agreement. If the offer is rejected, however, and the offeree does not obtain a judgment, order, or verdict more favorable than that offered on the applicable claims, the offeree is liable for the costs and attorney's fees of the offeror for those claims from the date the last offer was made by the adverse party. Usually this will be for an amount including costs of up to 10 days before trial.

There are two exceptions to the requirement that a court award costs and attorneys fees. The first exception would allow the court to exempt certain individual cases based upon express findings that the case presents novel and important questions of law or fact and that it substantially affects nonparties. The second instance where a court would not be required to award costs and attorney's fees or may reduce such costs or fees would be when it finds that it would be manifestly unjust to do so.

This bill would not necessarily require an offeree to pay the entire amount of the offeror's attorney's fees. Rather, it would limit the offeree's liability for the offeror's attorney's fees to an amount not exceeding the amount the offeree paid its own attorney. If the offeree hired its attorney on a contingency basis—an agreement in which a plaintiff does not pay unless it prevails—and, because it lost, paid its attorney nothing, then it would be liable for the offeror's attorney's fees up to the amount that would have been incurred by the offeree for an attorney's noncontingency fee. This will encourage accurate reporting and maintenance of hourly work and costs by attorneys hired under a contingency agreement, since a fee petition containing hours worked must be presented to the court within 10 days of entry of a final judgment, order, or verdict on a claim in order to collect such costs and attorney's fees.