

Article III of the Constitution empowers Congress to establish federal jurisdiction over diversity cases—cases “between citizens of different States.” The grant of federal diversity jurisdiction was premised on concerns that state courts might discriminate against out of state defendants. In a class action, only the citizenship of the named plaintiffs is considered for determining diversity, which means that federal diversity jurisdiction will not exist if the named plaintiff is a citizen of the same state as the defendant, regardless of the citizenship of the rest of the class. Congress also imposes a monetary threshold—now \$75,000—for federal diversity claims. However, the amount in controversy requirement is satisfied in a class action only if all of the class members are seeking damages in excess of the statutory minimum.

These jurisdictional statutes were originally enacted years ago, well before the modern class action arose, and they now lead to perverse results. For example, under current law, a citizen of one state may bring in federal court a simple \$75,001 slip-and-fall claim against a party from another state. But if a class of 25 million product owners living in all 50 states brings claims collectively worth \$15 billion against the manufacturer, the lawsuit usually must be heard in state court.

This result is certainly not what the framers had in mind when they established federal diversity jurisdiction. Our bill offers a solution by making it easier for plaintiff class members and defendants to remove class actions to federal court, where cases involving multiple state laws are more appropriately heard. Under our bill, if a removed class action is found not to meet the requirements for proceeding on a class basis, the federal court would dismiss the action without prejudice and the action could be refiled in state court.

In addition, the bill provides a number of new protections for plaintiff class members including a requirement that notices sent to class members be written in “plain English” and provide essential information that is easily understood. Furthermore, the bill provides judicial scrutiny for settlements that provide class members only coupons as relief for their injuries, and bars approval of settlements in which class members suffer a net loss. The bill also includes provisions that protect consumers from being disadvantaged by living far away from the courthouse. These additional consumer protections will ensure that class action lawsuits benefit the consumers they are intended to compensate.

This legislation does not limit the ability of anyone to file a class action lawsuit. It does not change anybody’s rights to recovery. Our bill specifically provides that it will not alter the substantive law governing any claims as to which jurisdiction is conferred. Our legislation merely closes the loophole, allowing federal courts to hear big lawsuits involving truly interstate issues, while ensuring that purely local controversies remain in state courts. This is exactly what the framers of the Constitution had in mind when they established federal diversity jurisdiction.

I urge each of my colleagues to support this very important bipartisan legislation.

MEDICAL LIABILITY INSURANCE
CRISIS RESPONSE ACT OF 2003

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 2003

Mr. SANDLIN. Mr. Speaker, I am pleased today to introduce legislation that actually addresses the skyrocketing medical malpractice insurance premiums of such concern to physicians and other health care providers all across our Nation.

The “Medical Liability Insurance Crisis Response Act of 2003” takes significant steps directly to address the insurance premium crisis that plagues what is otherwise the finest health care system in the world.

First, the bill proposes a partial repeal of the McCarran-Ferguson Act to limit the antitrust exemption currently covering the medical malpractice insurance industry.

Second, the bill addresses the current economic strain faced by many health care providers by requiring the prompt payment of undisputed claims by health insurance carriers and penalizing those carriers who fail to comply.

Third, the bill authorizes the creation of a National Nurse Service Corps Scholarship Program to address our health care system’s dire nursing shortage. It takes steps to improve recruitment, retention and education of our Nation’s nurses.

Fourth, the bill proposes medical malpractice liability reform by requiring mandatory mediation of all malpractice claims before trial, by taking steps to prevent the filing of frivolous medical malpractice claims through the imposition of sanctions and other measures, and by requiring that plaintiffs in medical malpractice litigation to file an affidavit of merit prior to the commencement of any litigation.

Fifth, the bill directly addresses the medical malpractice insurance problems confronting our Nation’s health care providers. It creates an Advisory Commission on Medical Malpractice to conduct an examination of current problems and, within one year, to provide to the Congress specific legislative and regulatory recommendations to solve the problem. It further freezes medical malpractice insurance rates during the period of the Commission’s study. The bill provides significant disincentives to medical malpractice insurance carriers to address the current problems of industry exodus and renewability of coverage. It requires medical malpractice insurance carriers to offer coverage to any physician with no medical malpractice claims during the previous three years and imposes significant disclosure obligations on carriers to allow more informed monitoring of the industry with the goal of averting similar crises in the future. In addition, it limits the ability of carriers to raise malpractice insurance premiums without a clear demonstration of business necessity.

Sixth, the bill expresses the sense of Congress that states should consider additional and alternative methods to address medical malpractice insurance rates.

Finally, the bill provides tax incentives to physicians who practice in high-risk specialties or medically underserved areas to encourage them to maintain their current practices and provide improved access to our Nation’s health care system.

THE COMMERCIAL TRUCK HIGHWAY SAFETY DEMONSTRATION PROGRAM ACT OF 2003

HON. MICHAEL H. MICHAUD

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 2003

Mr. MICHAUD. Mr. Speaker, today, along with my good friend TOM ALLEN, I am introducing the Commercial Truck Highway Safety Demonstration Program Act of 2003. This bill would allow Maine to increase the weight limits for trucks on interstate highways, by granting a three-year waiver of federal rules. It mandates a study process that will help demonstrate the positive safety effects of these changes, and permit the waiver to be extended pending these safety determinations.

This bill is important both for public safety and economic reasons. The administration of the current 80,000 pound federal weight limit law in Maine has forced heavy tractor-trailer and tractor-semitrailer combination vehicles, traveling into Maine from neighboring States and Canada, to divert onto small State and local roads where higher vehicle weight limits apply under Maine law.

The diversion of those vehicles onto such roads causes significant economic hardships and safety challenges for small communities located along those roads. Permitting heavy commercial vehicles to travel on Interstate System highways in Maine would enhance public safety by reducing the number of heavy vehicles that use town and city streets, and as a result, the number of dangerous interactions between those heavy vehicles and other vehicles such as school buses and private cars.

It would also reduce the net highway maintenance costs in Maine because the Interstate System highways, unlike the secondary roads of Maine, are built to accommodate heavy vehicles and are, therefore, more durable.

Finally, this bill would ensure that Maine can remain competitive in the transportation and manufacturing sectors, and that our neighbors do not pass us by in development. This change is fair, and will promote parity in transportation throughout New England.

I urge my colleagues to support this bill, which will enhance safety, lower maintenance costs, and promote economic development.

HONORING RIDGEWOOD BAPTIST
CHURCH IN JOLIET, ILLINOIS

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 2003

Mr. WELLER. Mr. Speaker, I rise today to honor the Ridgewood Baptist Church in Joliet, Illinois. The Ridgewood Baptist Church is celebrating its 100th anniversary on March 9, 2003.

In 1888, Mr. William Rix, Mr. Hartwell, and Reverend J. W. Conley started Sunday School meetings that were held in various homes. In 1891, an unsightly building formerly used as a pest house was cleaned and renovated. This is where the first Sunday School session was held with George L. Vance acting as Superintendent. In 1895, property was purchased on the southeast corner of Brown and Leach Avenues at a cost of \$400. A Chapel was built