The Small Business Liability Reform Act would limit the exposure of small businesses to punitive damages and joint liability for non-economic damages in any civil action, with the exception of lawsuits involving certain harms resulting from fraudulent lawsuits which raise the cost of doing business and clog the nation’s court systems.

The legislation would limit punitive damages and joint liability for non-economic damages against small businesses in any civil action. The current law, punitive damages, and verdicts are outcomes produced by a result of vague substantive standards and unrestrained plaintiff’s lawyers. Awards in non-economic losses compensate plaintiffs for “pain and suffering” or “emotional distress,” and are not calculated on tangible economic loss.

Mr. McCONNEL. Mr. President, I rise today to join my esteemed colleagues in the introduction of the Small Business Liability Reform Act of 1999.

Over the last 30 years, the American civil justice system has become inefficient, unpredictable and costly. Consequently, I have spent a great deal of my time in the United States Senate working to reform the legal system. I encourage the production of more and better products, while encouraging the production of more and better attorneys. In the 1950s, there was one lawyer for every 250 people. In fact, we have more lawyers per capita than any other western democracy.

Mr. President, don’t get me wrong—there is nothing inherently wrong with being a lawyer. I am proud to be a graduate of the University of Kentucky College of Law. My point, however, is simple: government and society should promote a world where its more desirable to create goods and services than it is to create lawyers.

The chilling effects of our country’s litigation epidemic are felt throughout our national economy—especially by our small businesses. We must act to remove the litigation harness that constrains our nation’s small businesses.

Small businesses are vital to our national economy. My state provides a perfect example of the importance of small business. In Kentucky, more than 85% of our businesses are small businesses.

The Small Business Lawsuit Abuse Protection Act is a narrowly-crafted bill which seeks to restore some rationality, certainty and civility to the legal system.

First, Title I of this bill would offer limited relief to businesses or organizations that have fewer than 25 full-time employees. Title II seeks to provide some reasonable limits on punitive damages, which typically serve as a windfall to plaintiffs. It also provides that a business’s responsibility for non-economic losses would be in proportion to the business’s responsibility for causing the harm.

The other Title in the bill includes liability reforms for innocent product sellers—which are very often small businesses. These businesses are often dragged into product liability cases even though they did not produce, design or manufacture the product, and are not in any way to blame for the harm that the product is alleged to have caused. Title II would help protect product sellers from being subjected to frivolous lawsuits when they are not responsible for the alleged harm.

Now, let me explain what this bill does not do. It does not close the courthouse doors to plaintiffs who sue small businesses. For example, this bill does not limit a plaintiff’s ability to sue a small business for an act of negligence, or any other act, for that manner. It also does not prevent a plaintiff from recovering from product sellers when those sellers are responsible for the harm.

Mr. President, this is a sensible, narrowly-tailored piece of legislation that is greatly needed to free up the enterprising spirit of our small businesses. I look forward to the Senate’s consideration of this important legislation.

ADDITIONAL COSPONSORS

At the request of Mr. DASCHLE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 10, a bill to provide health protection and needed assistance for older Americans, including access to health insurance for 55 to 65 year olds, assistance for individuals with long-term care needs, and social services for older Americans.

At the request of Mr. ROBB, his name was added as a cosponsor of S. 13, a bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives for education.
At the request of Mr. Bond, the name of the Senator from Wyoming (Mr. Enzi) and the Senator from New Hampshire (Mr. Smith) was added as a cosponsor of S. 343, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

At the request of Mr. Bond, the name of the Senator from New Hampshire (Mr. Gregg) was added as a cosponsor of S. 344, a bill to amend the Internal Revenue Code of 1986 to provide a safe harbor for determining that certain individuals are not employees.

At the request of Mr. Durbin, the name of the Senator from Maryland (Mr. Sarbanes) was added as a cosponsor of S. 429, a bill to designate the legal public holiday of "Washington's Birthday" as "Presidents' Day" in honor of George Washington, Abraham Lincoln, and Franklin Roosevelt and in recognition of the importance of the institution of the Presidency and the contributions that Presidents have made to the development of our Nation and the principles of freedom and democracy.

At the request of Mr. Durbin, his name was added as a cosponsor of S. 434, a bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits.

At the request of Mr. Breaux, the name of the Senator from Iowa (Mr. Grassley) was added as a cosponsor of S. 434, supra.

At the request of Mr. Breaux, the name of the Senator from Texas (Mrs. Hutchison) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

At the request of Mr. Breaux, his name was added as a cosponsor of S. 471, a bill to amend the Internal Revenue Code of 1986 to eliminate the 60-month limit on student loan interest deductions.

At the request of Mr. Grassley, the names of the Senator from Florida (Mr. Mack), the Senator from New Mexico (Mr. Bingaman), and the Senator from Maryland (Ms. Mikulski) were added as cosponsors of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

At the request of Mr. Coverdell, the name of the Senator from Texas (Mr. Gramm) was added as a cosponsor of S. 593, a bill to amend the Internal Revenue Code of 1986 to increase maximum taxable income for the 15 percent rate bracket, to provide a partial exclusion from gross income for dividends and interest received by individuals, to provide a long-term capital gains deduction for individuals, to increase the traditional IRA contribution limit, and for other purposes.

At the request of Mr. Craig, the name of the Senator from North Carolina (Mr. Helms) was added as a cosponsor of S. 607, a bill to reauthorize and amend the National Geologic Mapping Act of 1992.

At the request of Mr. Sarbanes, the name of the Senator from Maine (Ms. Snowe) was added as a cosponsor of S. 620, a bill to grant a Federal charter to Korean War Veterans Association, Incorporated, and for other purposes.
At the request of Mr. Hutchinson, the name of the Senator from Arizona (Mr. Kyl) was added as a cosponsor of S. 627, a bill to terminate the Internal Revenue Code of 1986.

At the request of Mr. DeWine, the name of the Senator from Arkansas (Mrs. Lincoln) was added as a cosponsor of S. 631, a bill to amend the Social Security Act to eliminate the time limitation on benefits for immunosuppressive drugs under the medicare program, to provide continued entitlement for such drugs for certain individuals after medicare benefits end, and to extend certain medicare secondary payer requirements.

At the request of Mr. Robb, his name was added as a cosponsor of S. 635, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment.

At the request of Mr. Grassley, the name of the Senator from Washington (Mr. Gorton) was added as a cosponsor of S. 642, a bill to amend the Internal Revenue Code of 1986 to provide for Farm and Ranch Risk Management Accounts, and for other purposes.

At the request of Mr. Frist, his name was added as a cosponsor of S. 657, a bill to amend the Internal Revenue Code of 1986 to provide for medical savings accounts, and for other purposes.

At the request of Mr. Bingaman, the name of the Senator from Arkansas (Mrs. Lincoln) was added as a cosponsor of S. 660, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the medicare program of medical nutrition therapy services furnished by registered dietitians and nutrition professionals.

At the request of Mr. Abraham, the name of the Senator from Missouri (Mr. Bond) was added as a cosponsor of S. 661, a bill to amend title 19, United States Code, to prohibit taking takers across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

At the request of Mr. Chaffee, the name of the Senator from Iowa (Mr. Grassley) was added as a cosponsor of S. 662, a bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a federally funded screening program.

At the request of Mr. Robb, his name was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

At the request of Mr. Chaffee, the name of the Senator from Vermont (Mr. Leahy) was added as a cosponsor of S. 664, supra.

At the request of Mr. Lott, the name of the Senator from Illinois (Mr. Fitzgerald) was added as a cosponsor of S. 712, a bill to amend title 38, United States Code, to allow postal patrons to contribute to funding for highway-rail grade crossing safety through the voluntary purchase of certain specially issued United States postage stamps.

At the request of Mr. Craig, the name of the Senator from Oklahoma (Mr. Inhofe) was added as a cosponsor of S. 729, a bill to ensure that Congress and the public have the right to participate in the declaration of national monuments on federal land.

At the request of Mr. Kennedy, the name of the Senator from Alaska (Mr. Murkowski) was added as a cosponsor of S. 749, a bill to establish a program to provide financial assistance to States and local entities to support early learning programs for prekindergarten children, and for other purposes.

At the request of Mr. Rockefeller, the name of the Senator from Washington (Mrs. Murray) was added as a cosponsor of S. 784, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

At the request of Mr. Moynihan, the name of the Senator from New Jersey (Mr. Lautenberg) was added as a cosponsor of S. 792, a bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women, children, and blind or disabled medically needy individuals to be eligible for medical assistance under the medicaid program, and for other purposes.

At the request of Mr. Chaffee, the name of the Senator from Oklahoma (Mr. Inhofe) was added as a cosponsor of S. 820, a bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury.

At the request of Mr. Conrad, the name of the Senator from Rhode Island (Mr. Chafee) was added as a cosponsor of S. 866, a bill to direct the Secretary of Health and Human Services to revise existing regulations concerning the conditions of participation for hospitals and ambulatory surgical centers under the medicare program relating to certified registered nurse anesthetists’ services to make the regulations consistent with State supervision requirements.

At the request of Mr. Conrad, the name of the Senator from North Dakota (Mr. Dorgan) was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements.

At the request of Mr. Kerry, the names of the Senators from Maryland (Ms. Mikulski), the Senator from Maryland (Mr. Sarbanes), and the Senator from Oregon (Mr. Smith) were added as cosponsors of S. 918, a bill to authorize the Small Business Administration to provide financial and business development assistance to military reservists’ small business, and for other purposes.

At the request of Mr. Dodd, the names of the Senator from Illinois (Mr. Durbin) and the Senator from Minnesota (Mr. Wellstone) were added as cosponsors of S. 926, a bill to provide the people of Cuba with access to food and medicines from the United States, and for other purposes.

At the request of Mr. Baucus, the names of the Senator from Hawaii (Mr. Inouye) and the Senator from Mississippi (Mr. Cochran) were added as cosponsors of S. 980, a bill to promote access to health care services in rural areas.

At the request of Mr. Mack, the names of the Senator from South Carolina (Mr. Thurmond) and the Senator from Maine (Ms. Collins) were added as cosponsors of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

At the request of Mr. Bond, the name of the Senator from Mississippi (Mr. Cochran) was added as a cosponsor of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

At the request of Ms. Collins, the names of the Senators from Texas (Mrs. Hutchison), the Senator from Ohio (Mr. DeWine), and the Senator from Missouri (Mr. Bond) were added as cosponsors of S. 1124, a bill to amend the
INTERNAL REVENUE CODE OF 1986 TO ELIMINATE THE 2-PERCENT FLOOR ON MISCELLANEOUS ITEMIZED DEDUCTIONS FOR QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

SENATE CONCURRENT RESOLUTION 19

At the request of Mr. DOMENICI, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 1129, a bill to facilitate the acquisition of properties in Federal land management units and the disposal of surplus public land, for other purposes.

SENATE CONCURRENT RESOLUTION 22

At the request of Mr. CAMPBELL, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of Senate Concurrent Resolution 19, a concurrent resolution concerning anti-Semitic statements made by members of the Duma of the Russian Federation.

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. DODD, the name of the Senator from New Hampshire (Mr. SANTORUM) was added as a cosponsor of Senate Concurrent Resolution 22, a concurrent resolution expressing the sense of the Congress with respect to promoting coverage of individuals under long-term care insurance.

SENATE RESOLUTION 31

At the request of Mr. TORRICELLI, the names of the Senators from California (Mrs. FEINSTEIN), the Senator from Alabama (Mr. SESSIONS), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of Senate Resolution 31, a resolution designating both July 2, 1999, and July 2, 2000, as “National Youth Fitness Week.”

AMENDMENT NO. 394

At the request of Mr. LOTT, the name of the Senator from Georgia (Mr. COVEDERELL) was added as a cosponsor of amendment No. 394 proposed to S. 1069, an original bill to authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mr. LEVIN, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of amendment No. 394 proposed to S. 1069, supra.

At the request of Mr. ROBB, his name was added as a cosponsor of amendment No. 394 proposed to S. 1069, supra.

CONGRESSIONAL RECORD—SENATE

CONGRESSIONAL RECORD—SENATE

SENIOR CONCURRENT RESOLUTION 36—CONDEMNATION PALESTINIAN EFFORTS TO REVIVE THE ORIGIN PALISTINE PARTITION PLAN OF NOVEMBER 29, 1947, AND CONDEMN THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS FOR ITS AP April 27, 1999, RESOLUTION ENDORSING THE SELF-DETERMINATION ON THE BASIS OF THE ORIGINAL PALESTINE PARTITION PLAN

MR. SCHUMER (for himself, Mr. MOYNIHAN, Mr. BROWNBACK, Mr. MACK, and Mr. LIEBERMAN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 36

Whereas United Nations General Assembly Resolution 181, which called for the partition of the British-mandated Palestine Mandate into a Jewish state and an Arab state, was declared null and void on November 29, 1947, by the Arab states and the Palestinians, who included the rejection of Resolution 181 as a formal justification of their May, 1948, invasion of the newly declared State of Israel by the armies of five Arab states;


Whereas in 1967 and 1973 the United Nations adopted Security Council Resolutions 242 and 338, respectively, which call for the withdrawal of Israel from territory occupied in 1967 and 1973 in exchange for the creation of secure and recognized boundaries for Israel and for political recognition of Israel’s sovereignty;

Whereas Security Council Resolutions 242 and 338 have served as the framework for all negotiations between Israel, Palestinian representatives, and Arab states for 30 years, including the 1991 Madrid Peace Conference and the ongongo Oslo peace process, and serve as the agreed basis for impending Final Status Negotiations;

Whereas senior Palestinian officials have recently resurrected United Nations General Assembly Resolution 181 through official statements and a March 25, 1999, letter from the Palestine Liberation Organization Permanent Observer to the United Nations Secretary-General contending that the State of Palestine must withdraw to the borders outlined in United Nations General Assembly Resolution 181, and accept Jerusalem as a “corpus separatum” to be placed under United Nations control as outlined in United Nations General Assembly Resolution 181; and

Whereas in its April 27, 1999, resolution, the United Nations Commission on Human Rights reiterated that the Palestinian-Israeli peace negotiations be based on United Nations General Assembly Resolution 181; and

Whereas in its April 27, 1999, resolution, the United Nations Commission on Human Rights reiterated that the Palestinian-Israeli peace negotiations be based on United Nations General Assembly Resolution 181; and

WHEREAS the National Islamic Front government in southern Sudan and the Nuba Mountains has brought untold suffering on innocent civilians and threatens the very survival of a whole generation of southern Sudanese;

WHEREAS the people of the Nuba Mountains are at particular risk from this policy because they have been the specific target of a deliberate prohibition on international food aid, which has helped induce a man-made famine, and have been subject to the routine bombing of their civilian centers, including religious facilities, schools, and hospitals;

WHEREAS the National Islamic Front government is deliberately and systematically committing crimes against humanity in southern Sudan and the Nuba Mountains; and

WHEREAS the Declaration of Principles put forth by Inter-governmental Authority for Development (IGAD) in Sudan over the past several years; and

WHEREAS the United States regards any attempt by the Palestinians, the United Nations, or any entity to resurrect United Nations General Assembly Resolution 181 as a basis for negotiations, or for any decision, as an attempt to sabotage the prospects for a successful peace agreement in the Middle East.

SENATE RESOLUTION 109—RELATING THE ACTIVITIES OF THE NATIONAL ISLAMIC FRONT GOVERNMENT IN SUDAN

MR. BROWNBACK (for himself, Mr. FRIST, Mr. HUTCHINSON, Mr. LAUTENBERG, Mr. MACK, and Mr. LIEBERMAN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 109

WHEREAS according to the United States Committee for Refugees (USCR), approximately 1,900,000 people have died in Sudan over the past decade due to war-related causes and famine, and millions more people in Sudan have been displaced from their homes and separated from their families, making this the deadliest war in the last decade in terms of mortality rates;

WHEREAS the war policy of the National Islamic Front government in southern Sudan and the Nuba Mountains has brought untold suffering on innocent civilians and threatens the very survival of a whole generation of southern Sudanese;

WHEREAS the United Nations Commission on Human Rights has said that “the National Islamic Front government is deliberately and systematically committing crimes against humanity in southern Sudan and the Nuba Mountains; and

WHEREAS the National Islamic Front government has systematically and repeatedly obstructed the peace efforts of the Inter-governmental Authority for Development (IGAD) in Sudan over the past several years;

WHEREAS the Declaration of Principles put forth by Inter-governmental Authority for Development (IGAD) in Sudan over the past several years;