EXTENSIONS OF REMARKS

When the EAJA was made permanent law in 1985, the Congress made it clear in committee report language that federal agencies must do more to meet Congress’s intent to escape paying fees and expenses to winning parties. Congress said that for an agency to be considered “substantially justified” it must have more than a “reasonable basis” for bringing the action. Unfortunately, however, courts have misunderstood Congress’s directive from Congress and have interpreted “substantially justified” to mean that an agency does not have to reimburse the winner if it had any “reasonable basis in law or fact” for bringing the action. The result of all this is that an agency easily is able to win an EAJA claim and the prevailing business is often left high and dry. Even though the employer wins its case against the Board or OSHA, the agency can still avoid paying fees and expenses under the EAJA if it meets this lower burden.

This low threshold has led to egregious cases in which the employer has won its case or even where the NLRB, for example, has withdrawn its complaint after forcing the employer to endure a costly trial or changed its legal theory in the middle of its case—and the employer has lost its follow-up EAJA claim for fees and expenses.

Since a prevailing employer faces such a difficult task when attempting to recover fees under the EAJA, very few even try to recover. For example, Mr. Speaker, in Fiscal Year 1996 for example, the NLRB received only eight EAJA fee applications, and awarded fees to a single applicant—for a little more than $11,000. Indeed, during the ten-year period from FY 1987 to FY 1996, the NLRB received a grand total of 100 applications for fees. This small number of EAJA applications and awards arises in an overall context of thousands of cases each year. In Fiscal Year 1996 alone, for example, the NLRB received nearly 33,000 unfair labor practice charges and issued more than 2,500 complaints, 2,204 of them settled at some point post-complaint. Similarly, at the OSHRC, for the fiscal years 1982 to 1994, only 79 EAJA applications were filed with 38 granted some relief. To put these numbers into context, of nearly 77,000 OSHA violations cited in Fiscal Year 1998, some 2,061 inspections resulting in citations were contested.

Since it is clear the EAJA is underutilized at best, and at worst simply not working, the FAIR Act imposes a flat rule: If you are a small business, which is ill-equipped to defend itself against aggressive federal agencies with vast expertise and resources—and that includes the National Labor Relations Board (NLRB) and the Occupational Safety and Health Administration (OSHA)—then you will automatically get your attorney’s fees and expenses. The FEIA Act says to these two agencies that they have not more than 100 employees and a net worth of not more than $7 million and that is that is in the Equal Access to Justice Act (EAJA)—an Act passed in 1980 with strong bipartisan support to level the playing field for small businesses as they face aggressive federal agencies with vast expertise and resources—and that includes the National Labor Relations Board (NLRB) and the Occupational Safety and Health Administration (OSHA)—the Fair Act—is about being fair to small businesses. It is about giving small entities, including labor organizations, the incentive they need to fight meritorious claims brought against them by intimidating bureaucracies that sometimes strong-arm those having limited resources to defend themselves.

The FAIR Act is similar to Title IV of my Fairness for Small Business and Employees Act from last Congress, H.R. 3246, which passed the House last March. This new legislation, however, amends both the National Labor Relations Act (NLRA) and the Occupational Safety and Health Act to provide that a small business or labor organization which prevails in an action against the Board or OSHA will automatically be relieved of the duty to pay its attorney’s fees and expenses. The FAIR Act applies to any employer which has not more than 100 employees and a net worth of not more than $7 million. It is these small entities that are most in need of the FAIR Act’s protection.

Mr. Speaker, the FAIR Act ensures that those with modest means will not be forced to capitulate in the face of frivolous actions brought by the Board or OSHA, while making sure those agencies’ bureaucrats think long and hard before they start an action against a small business. By granting attorney’s fees and expenses to small businesses who know the case against them is a loser, who know that they have done nothing wrong, the FAIR Act gives these entities an effective means to fight against abusive and unwarranted intrusions by the Board and OSHA. Government agencies have the resources of the NLRB and OSHA—well-staffed, with numerous lawyers—should more carefully evaluate the merit of a case before bringing a complaint or citation against a small business, which is ill-equipped to defend itself against an opponent with such superior resources and expertise. The FAIR Act will provide protection for an employer who feels strongly that its case merits full consideration. It will ensure the fair presentation of the issues.

The FAIR Act says to these two agencies that if they bring a case against a “little guy” they had better make sure the case is a winner, because if the Board or OSHA loses, it puts the small entity through the time, expense and hardship of an action only to have the business or labor organization come out a winner. If the Board or OSHA has a strong case and you win it, you have to reimburse the employer for its attorney’s fees and expenses.

The FAIR Act’s 100-employee eligibility limit represents a mere 20 percent of the 500-employee eligibility limit that prevails against agencies. Under the EAJA, however, the Board or OSHA even if it loses its case—is able to escape paying fees and expenses to the winning party if the agency can show it was “substantially justified” in bringing the action.

May 27, 1999

Sam and Susie Cason helped with the painting, the carpentry, the sheet rock, the landscaping, the insulation, and countless other tasks. And they were joined by their children, and the Ray Cason family and grandchildren, with some as young as the 1st grade helping with their little tool sets in the best way they could. Many of those who volunteered their time had full-time jobs, and so they came to help on Saturdays.

Evenings and weekends—any time that was free—went into the task of completing a job whose pay to all was simply their pride.

Communities used to come together during the Middle Ages to construct spectacular cathedrals, for they were the center of public life and the beautiful churches they built were the pride of the community.

The cathedrals were often multi-year projects, and they called upon the labors of virtually everyone in the community.

The famous cathedrals of Notre Dame in Paris, for example, was built over a period of 157 years by the time it was finally completed. It was the pride of kingdom, and artists and carpenters came from great distances to have the honor of participating in such a spectacular undertaking.

Another famous cathedral is the stunningly beautiful cathedral of Chartres, also in France. 50 years after it was built, it was completely destroyed by fire.

So the community decided it would have to be rebuilt—even better than before.

It took 26 years, but as generations to follow would attest, it was worth the effort.

The same spirit of common enterprise evident here then has been evident in the construction of Offerman’s new city hall.

The entire community was involved, and for the past two years, there was no escaping the progress of the project, as the results were there for all to see.

Well, today we see the final result of so many labors.

The citizens of this great city have devoted time, materials, labor, and not a few blisters, overcoming many obstacles and unanticipated hiccups along the way.

This new addition to Offerman will be much more than a new building we call city hall. This new addition to Offerman will be much more than a new building we call city hall. It will include a branch library and computer facilities for students and adults; and it stands next to a public park with picnic and other recreational facilities that are tailor-made for Offerman families.

This facility promises to be a new center of public activity for the citizens of Offerman, and it is with great enthusiasm and pride that I join you in dedicating this new city hall and declaring “Open House” to all.

Thank you very much for allowing me an opportunity to share in the celebration of all your hard work and perseverance.
I find it unbelievable that we subject toy guns to strict safety regulations, but we do not apply quality and safety standards to real handguns.

There are currently no quality and safety standards in place for domestically produced firearms. In fact, domestically produced handguns are specifically exempted from oversight by the Consumer Product Safety Commission. However, imported handguns are subject to quality and safety standards. This disparity in standards has led to the creation of a high-volume market for domestically manufactured junk guns.

Saturday night specials or junk guns are defined as non-sporting, low quality handguns with a barrel length of under three inches. These guns are not favored by sportsmen because their short barrels make them inaccurate and their low quality of construction make them dangerous and unreliable. These guns are favored by criminals because they are cheap and easy to conceal. The American Handgun Standards Act, will amend current law to define a “junk gun” as any handgun which does not meet the standard imposed on imported handguns.

According to the Bureau of Alcohol, Tobacco, and Firearms, in 1996 approximately 242 million firearms were either available for sale or were possessed by civilians in the United States. This total includes 72 million handguns, 76 million rifles and 64 million shotguns. Most guns available for sale in the US are produced domestically. We need to make sure these guns are subject to very strict safety standards. My legislation will make it unlawful for a person to manufacture, transfer, or possess a handgun that does not meet the standard imposed on imported handguns.

I urge my colleagues to support this bicameral, commonsense legislation.

EXTENSIONS OF REMARKS

Mrs. TAUSCHER. Mr. Speaker, today I am introducing the American Handgun Standards Act so we can finally eliminate junk guns from our streets and demand that domestically produced handguns meet common sense consumer product protections standards. This bill is companion legislation to S. 193 introduced by Senator BARBARA BOXER.

The FAIR Act applies the same rule regarding the awarding of fees and expenses to a small employer or labor organization engaged in a civil court action with the NLRB or OSHA. This covers situations in which the party wins a case against either agency in civil court, including a proceeding for judicial review of agency action. The Act also makes clear that fees and expenses incurred appealing an actual fee determination under the FAIR Act would also be awarded to a prevailing party without regard to whether or not the agency could show it was “substantially justified.”

In adopting EAJA case law and regulations for counting number of employees and assessing net worth, an employer’s eligibility under the FAIR Act is determined for Board actions as of the date of the complaint in an unfair labor practice proceeding or the date of the notice in a civil court proceeding for a commission action, eligibility is determined as of the date the notice of contest was filed, or in the case of a petition for modification of abatement period, the date the petition was received by the Commission. In addition, in determining the 100-employee limit, the FAIR Act adopts the NLRB and OSHRC EAJA regulations, which count part-time employees on a “proportional basis.”

Mr. Speaker, the FAIR Act will arm small entities—businesses and labor organizations alike—with the incentive to defend themselves against these two agencies. The FAIR Act will help prevent spurious lawsuits and ensure that small employers have the ability to effectively fight for themselves when they have actions brought against them by a vast bureaucracy with vast resources.

If the NLRB or the OSHA wins its case against a small employer then it has nothing to fear from the FAIR Act. If, however, one of these agencies drags an innocent small employer through the burden, expense, heartache and intrusion of an action that the employer ultimately wins, reimbursing the employer for its attorney’s fees and expenses is the very least that should be done. It’s the FAIR thing to do. I urge my colleagues in the House to support this important legislation and look forward to working with all Members in both the House and Senate in passing this bill.

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1999

HON. ELLEN O. TAUSCHER
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1999

Mrs. TAUSCHER. Mr. Speaker, today I am introducing the American Handgun Standards Act so we can finally eliminate junk guns from our streets by demanding that domestically produced handguns meet common sense consumer product protections standards. This bill is companion legislation to S. 193 introduced by Senator BARBARA BOXER.

HOTEL DOHERTY IS A SHINING PIECE OF MID-MICHIGAN’S HISTORY

HON. DAVE CAMP
OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1999

Mr. CAMP. Mr. Speaker, I rise today to speak about the Hotel Doherty, a building that has become a cherished landmark in the 4th Congressional District. I would like to bring to the attention of my colleagues this magnificent structure and the pride it has brought the people of Clare County.

In 1924, State Senator A.J. Doherty, grandfather of A.J. Doherty, built the hotel as a way to try to return to the people of Clare a fraction of what they had given to him. He had been given a piece of property in Clare with the sole requirement that he erect a hotel costing more than $60,000. Mr. Doherty far exceeded this sum, building a massive and remarkable hotel for the people of Clare County.

Mary has been an enormous inspiration, particularly to those unions who represent women, Latinas, African Americans and Asian constituencies.

Mary helped rebuild a small local union over the last ten years to become one of the largest, most visible and powerful unions in San Diego’s labor and political landscape.

Mary has been an enormous inspiration, particularly to those unions who represent women, Latinas, African Americans and Asian constituencies.

May 27, 1999