

income are not well served by H.R. 5. Compensation for economic damages for minorities and women is often already much less than those awarded to white males. In a case with caps on punitive damages and the calculated economic ones, if the individual is working for minimum wage, unemployed, a homemaker or a child, awards will be small and possibly not meet the real needs of the individual or their family.

But who knows what a young person's potential might be, or even that of an adult. There are Members serving in this body who were once on welfare. If they had filed for malpractice under what is proposed in H.R. 5, their award would not have reflected the potential they have now realized. I say that to say that we cannot project what a person's earning potential might be.

Then H.R. 5 also caps HMOs. That and politics is what the provisions of that bill are really about, protecting the corporations, as has been offered time and time again in different ways for different businesses in just about every committee, all under the guise of helping the consumer or the little guy.

Medical providers do not want to bear the brunt of political battles. They need real help. Their patients need their doctors and other health care providers. That is why I support the Conyers-Dingell substitute, and I hope they are given a fair rule today so that we can put the two bills side by side. There is no way H.R. 5 can measure up to it.

The Democratic bill includes measures that have been proven to work at reducing malpractice insurance rates. If one thing is clear from States' experience, it is that caps alone do not work. The Medical Malpractice and Insurance Reform Act of 2003, the Conyers-Dingell bill, does not cap damages for corporations. It does not apply caps at all, and it only applies to physicians and other health professionals. It also has a better statute of limitations provision, which especially protects injured children.

The Democratic substitute has several provisions that would cut down frivolous claims, including sanctions for attorneys and physicians, and it provides for alternate dispute resolution that could enable patients to avoid litigation costs altogether.

In addition to creating an advisory commission on medical malpractice insurance, it brings insurance companies under antitrust laws that prevent price fixing and requires savings realized through the provisions of the bill to go toward reducing premium costs, and there are several other great provisions that time does not permit me to list this evening.

Madam Speaker, I came to the floor this evening because there are a lot of misconceptions about H.R. 5 which have caused medical organizations and many of my colleagues to support it. In my opinion, the situation for health care providers is so bad that we are grasping at any straw to save the practices we have dedicated our lives to. But our health care providers and their

patients need more than the weak straw offered by H.R. 5. We need real reform, real help.

The Democratic substitute would provide that help and help get us started on the kind of reform that will bring long-term relief to providers and be fair to all parties concerned. I hope this bill will be on the floor tomorrow, and I hope that all of my colleagues on both sides of the aisle will support and pass it. And then let us move on to fix all of the other problems in our health care system and provide health insurance coverage for everyone.

THE BREAKDOWN OF CYPRUS PEACE TALKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

Mr. BILIRAKIS. Madam Speaker, it is with a profound sense of disappointment that I rise today to speak about the breakdown of the United Nations-sponsored Cyprus peace talks at the Hague this week.

Responsibility for this unfortunate setback in the peace process rests largely with one man, Mr. Rauf Denktaş, the Turkish Cypriot leader who rejected U.N. Secretary General Kofi Annan's plan to end the 29-year division of Cyprus. A large share of the blame also rests with the Turkish military and hard-line nationalists in Ankara, who have maintained the illegal Turkish military occupation of Cyprus since Turkish troops invaded the island in 1974. If the government of Turkey were sincere about settling the Cyprus problem, they could have put the necessary pressure on Mr. Denktaş to say yes to the U.N. plan.

In sharp contrast to Mr. Denktaş, the newly-elected President of the Republic of Cyprus, Tassos Papadopoulos, said yes to a public referendum on the Secretary General's plan. His response is consistent with years of efforts by the government of Cyprus to try to negotiate in good faith to reunify the country, efforts that have been consistently rebuffed by the separatist Turkish Cypriot regime.

The U.N. peace process, which is strongly supported by the United States and the international community has sought to reunite Cyprus as a single sovereign bicomunal federation. With Cyprus poised to join the European Union in May 2004, Secretary General Annan chose to get personally involved in bringing the two sides together, asking the two leaders to put the U.N. plan before their people in a referendum. President Papadopoulos said he was prepared to do so. But, unfortunately, Mr. Denktaş was not prepared to agree to put the plan to a referendum. It is a shame that the Secretary General's personal diplomacy was met by this kind of flat-out rejection.

In fact, it is the Turkish-Cypriot community which has held unprecedented public demonstrations in favor of the U.N. plan who will be the major

victims of Mr. Denktaş's intransigence, cut off from benefits of the EU membership that the rest of the island will enjoy.

Despite this failure, Madam Speaker, I praise President Papadopoulos for stressing that the Greek-Cypriot side will continue the efforts for reaching a solution to the Cyprus question both before and after Cyprus joins the EU.

Madam Speaker, I yield to the gentleman from New Jersey (Mr. ANDREWS), who has just been fantastic on this issue.

Mr. ANDREWS. Madam Speaker, I thank my friend, the gentleman from Florida, for his enduring leadership in this very important cause. I join him in his expression of dismay that this very hopeful effort has apparently been sidetracked, and I would hope this Congress could urge Mr. Denktaş and his Turkish military sponsors to reconsider this decision.

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Madam Speaker, I believe that the principal division between the enlightened view of the Greek Cypriots and the regressive view of Mr. Denktaş is their willingness to let the people decide their own fate.

In the set of principles articulated by Kofi Annan and the United Nations, there were many concessions made by the Greek Cypriots. There were many difficult decisions that the Greek Cypriot government would have to endure. That regime, because it is democratic, was willing to put that question to the people in the Greek part of Cyprus.

On the other hand, Mr. Denktaş and his Turkish military sponsors were unwilling to let the voice of the Turkish Cypriot people determine their own fate. They have raised their voices on the streets and expressed overwhelming popular sentiment for a lawful and humane reunification of Cyprus. It is a tragedy that the voices of the Turkish Cypriots have been silenced by the short-term decision by Mr. Denktaş and by his Turkish military sponsors.

Madam Speaker, I join the gentleman from Florida (Mr. BILIRAKIS), who has led us for so many years in this effort in urging Mr. Denktaş and the Turkish Government to let the people of the Turkish part of Cyprus speak. Let them act for peace; and I believe we will, in fact, achieve peace.

Mr. BILIRAKIS. Madam Speaker, I thank the gentleman.

The SPEAKER pro tempore (Mrs. MUSGRAVE). Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

(Mr. HOLT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. ANDREWS) is recognized for 5 minutes.

(Mr. ANDREWS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

(Ms. CARSON of Indiana addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

STUDENT LOAN DEFERMENT FOR ACTIVE RESERVISTS AND NATIONAL GUARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. RYAN) is recognized for 5 minutes.

Mr. RYAN of Ohio. Madam Speaker, I rise to discuss the legislation that I introduced yesterday, the Active Reservists and National Guard Student Loan Relief Act of 2003. The purpose of this act is to ease the financial burden shouldered by our many Reservists and members of our National Guard who have been called to active duty.

Right now, there are approximately 180,000 Reserves and National Guard members deployed in the United States and abroad. My legislation is a promise to the members of the National Guard and Reserves that their student loans will be taken care of while they are called to protect and fight for our country.

For members of the Reserves and the National Guard, being called to active duty often means a drastic cut in pay. This legislation will not eliminate that burden, but it will reduce the financial obligations placed on these brave men and women during their time of active service.

The legislation is quite straightforward. Specifically, it assists members of the National Guard and Reserves who have been called to active duty in two ways. It allows those members to defer their student loans while on active duty, and it subsidizes the accruing interest on those student loans which have been deferred.

The act effectively gives eligible servicemembers the same status that they had when they were students; and this will ensure that they do not return to student loans, after serving their country, that are larger than when they were called to serve. This is critically important legislation because it helps our Nation's men and women who have left their jobs, often in higher salaries, to serve in this time of crisis.

One example is a gentleman, first lieutenant from Pittsburgh, Pennsylvania, who has \$50,000 in student loans. He has a master's degree in information systems, and he was called to active duty on January 2, 2003, for 1 year of service. This particular piece of legislation would save this gentleman approximately \$2,600 this year in total interest. When we talk about families

who have student loans, mortgages, car payments, this \$2,600 will provide some peace of mind, while they are also taking a cut in pay, to hopefully allow them to focus on their duties abroad.

Congress must support our men and women who have been called to active service. This is a benefit that our troops enjoyed under the first President Bush during Operation Desert Storm, and it should be promised to our troops today and for the future. I urge Members to support this legislation, and thank the strong bipartisan support that we have already received.

MEDICAL MALPRACTICE INSURANCE CRISIS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Madam Speaker, I am here tonight to talk about the medical malpractice insurance crisis which we face in New Jersey and in many States around the country. My concern is that the legislation, H.R. 5, which the Republican leadership intends to bring to the floor of the House of Representatives tomorrow, will not solve the problem in any way and in fact is another example of politics as usual where the Republican leadership, in this case with the support of the President, are bringing up a bill that they realize has no chance of passage. It may pass here and then it will go over to the other body and fail because it was not done on a bipartisan basis; it was not done in an effort to try to bring the parties together and put together something that would actually accomplish the purpose of bringing malpractice premiums down. Rather, it is sort of a bone to special interests.

In other words, it is something that is being put out so the Republicans can say and the Republican leadership can tell the doctor groups, the hospital groups, the HMOs, the drug companies, the medical device companies that somehow they are doing something to help them when in reality they are not because it is not a bill that will ultimately pass.

I want to talk a little bit about the crisis because it is real. In my home State of New Jersey, we have major problems with increasing malpractice premiums. Some of the doctors actually went out on strike about a month ago because of their concerns; and it continues to be a problem, particularly with certain specialty doctors. But in many cases, it is an across-the-board problem in New Jersey.

What is happening now with this Republican bill, H.R. 5, is it is essentially a one-size-fits-all approach that does not look at the actual underlying issue of health care and medical malpractice. It is really designed to put a cap on jury awards at \$250,000, the theory being if you do not allow large jury

awards, that will bring down the cost of malpractice insurance premiums. There is no evidence that is true.

The Republican leadership often cites the State of California as an example of where that kind of cap, a \$250,000 cap, was put into place; but we know when the cap was put into place in California, premiums did not go down. The only time when premiums went down in California was when there was an initiative passed by the voters that actually addressed the cause and said that premiums could not rise a certain amount. That did accomplish bringing the premiums down because they were not allowed to increase significantly. But the \$250,000 cap did not accomplish that.

There are many factors that contribute to the malpractice crisis in New Jersey and elsewhere. There is the changing face of health care in our Nation, namely an increase in high-risk procedures with inherently bad outcomes. There are also the recent problems we have seen in the health care market, namely a shift to managed care, to HMOs which have increasingly created bad outcomes. In addition, bad accounting or bad business judgment on the part of insurance companies has to be taken into consideration when discussing dramatic rises in medical malpractice premiums.

Now, wherever there has been success in trying to reduce premiums for malpractice insurance, it is because there has been some kind of combination of maybe some tort reform, but also linked to trying to actually address directly the effort to reduce the premiums themselves. As I said, in California the premium increases were actually capped.

In my home State of New Jersey a few years ago in the 1970s when we had a problem with rising malpractice insurance premiums, we set up a reinsurance fund which basically said that the insurance companies had to pay a certain amount of money into a fund, and that money would be used to reduce premium costs when there was a crisis.

I actually proposed this in the Committee on Energy and Commerce in the subcommittee that has jurisdiction over this issue. Last week when we had a markup, I proposed H.R. 485, the Federal Medical Malpractice Insurance Stabilization Act, that would create a national reinsurance fund just like we had in New Jersey. The proposal mandates that the Secretary of Health and Human Services establish a program where insurance companies pay into a Federal fund. In time of crisis, these funds are made available to the companies in an effort to provide stability in the marketplace for medical malpractice coverage.

I mention this not because it is the cure-all, but when I tried to raise it in the subcommittee, the Republicans said it was not germane. They would not allow it to be considered as an amendment. Why? Because they have this one-size-fits-all philosophy. They