ASBESTOS INFORMATION ASSOCIATION
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PLAINTIFF'S EXHIBIT
CAP-616

Board of Directors Meeting

Old Town Holiday Inn — Alexandria, VA

June 13, 1984

Pursuant to notice, a meeting of the Board of Directors was held June 13, 1984 at the Old Town Holiday Inn, Alexandria, VA. The meeting was called to order at 8:05 AM. The following directors were present:

W. H. Beasley	Capco Pipe Company, Inc.
Frank M. Brown	Connell Bros. Company, Inc.
Jean Dupere	Lake Asbestos (LAQ)
David J. Elgee (for John W. Oughtred)	Brinco Mining, Ltd.
F. D. Layton	J-M A/C Pipe Company, Inc.
Joseph T. Mooney, Jr.	Monsey Products Company
John L. Myers/AIA/NA President	Calidria Corporation
Rita M. Grisham	Nuturn Corporation
Dimitry Poutiatine	J-M Asbestos Sales, Inc.
Peter Reiser	Carey Canada, Inc.
Paul Walker	Hollingsworth & Vose Company
Frank L. Wardley	Quin-T Corporation

Also present: Joseph A. Artabane, Esq., Cadwalader, Wickersham & Taft; Nicholas J. Hluchyj, Esq., and B. J. Pigg, AIA/NA Staff; Arthur F. Sampson, Esq., and Edward W. Warren, Esq., Kirkland & Ellis; Robert V. Witeck, Gray & Company; and Gerard Hughes, J-M Asbestos Sales, Inc.

Minutes

On motion, the minutes of the previous meeting, March 14, 1984, were approved on motion.

Financial Report

The financial statement for the period ending May 31, 1984 was reviewed by the Executive Director and approved on motion.

Staff Report

Congressional Activity - On March 29, Sen. James Abdnor (R-SD) introduced the Asbestos School Hazard Abatement Act of 1984 as an amendment to S.757, a Senate bill to reauthorize the Solid Waste Disposal Act. The stated purposes of the legislation are: 1) direct the Environmental Protection Agency to establish a program

to assist states and local educational agencies to ascertain the extent of the danger to the health of school children and employees from asbestos materials in schools; 2) provide continuing scientific and technical assistance to state and local agencies to enable them to identify and abate asbestos hazards in schools; 3) provide financial assistance for the abatement of asbestos threats to the health and safety of school children or employees; and 4) assure that no employee of any local educational agency suffers any disciplinary action as a result of calling attention to potential asbestos hazards which may exist in schools.

In the Congressional Record of April 12, Sen. Daniel Quayle (R-IN) sketched the outline of a proposal to substitute a no-fault compensation system for the present product liability system for compensating the victims of asbestos-related disease. The proposal is based on four fundamental principles: 1) Victims of asbestos-related disease should be compensated on the basis of objective medical criteria without consideration of the fault of the producer or other tort defendant; 2) equal compensation should be provided to those with equal disabilities, in lieu of the widely divergent awards in tort litigation; 3) there should be a non-adversarial decisionmaking process in order to minimize transaction costs; 4) the cost of the compensation should be distributed on an objective basis, with the Federal Government having no greater or lesser liability than others involved in the production and use of asbestos. The proposal is offered to determine whether a consensus can be built around these principles and, if such a consensus appears to be possible, to solicit help in translating the principles into legislative proposals.

Reauthorization and extension of the federal Superfund Act, due to expire in 1985, continues to occupy Congress, despite the administrations's desire to postpone the issue until next year. The main proponent of Superfund reauthorization in the House is Rep. James Florio (D-NJ). In April, Rep. Florio's plans suffered a setback when the bill proposed by him, H.R.4813, was voted down by the Commerce, Transportation and Tourism Subcommittee which he chairs. Besides increasing the size of the fund by expanding the list of feedstock chemicals to be taxed, the bill created a federal cause of action for victims of exposure to chemicals from hazardous waste sites, and would have shifted the burden of proof in such cases from the plaintiff to the defendant. Rep. Florio has recently arranged a compromise reauthorization bill with the support of some members who opposed his original proposal. The new bill, H.R.5640, was approved by Florio's subcommittee on May 23. While maintaining the federal cause of action, H.R.5640 does not shift the burden of proof. It does, however, impose a chemical feedstock tax of $1.45 billion, part of which would be a $13.92 per ton tax on asbestos fiber. While no Superfund reauthorization bill has yet been introduced in the Senate, discussion of potential measures is a topic of discussion in that body's Environment and Public Works Committee.

In the Congressional Record of May 23, Sen. Charles Percy (R-IL), introduced S.2708, The Asbestos Workers' Recovery Act, a bill to provide prompt, exclusive, and equitable compensation, as a substitute for inadequate tort remedies, for disabilities or deaths resulting from occupational exposure to asbestos. Among its key features, the

bill would 1) establish a national medical panel of scientists to determine what injuries fall into the category of occupationally-related asbestos disease, 2) rely on existing state workers' compensation programs to adjudicate causality and disability issues, 3) establish a uniform system of benefits 4) serve as the exclusive remedy for disability 5) be financed by all responsible parties, including defendants, their insurers, and the U.S. government.

On June 6, an amendment offered to the Education for Economic Security Act, S.1285, by Sen. James Abdnor (R-SD) was adopted. The amendment places responsibility for an asbestos in schools abatement program with the Environmental Protection Agency rather than with the Education Department. The amendment is identical to one introduced by Sen. Abdnor on March 29 to S.757, a bill to reauthorize the Solid Waste Disposal Act. Sen. Abdnor states in the June 6 Congressional Record that, "the concerns raised by representatives of the asbestos industry in response to the original amendment filed on March 29 of this year have been given careful consideration. The final section of the original amendment has been adopted in its entirety, and the liability provisions have been altered in response to industry's concerns." However, a comparison of the amendment as printed in the March 29 and June 6 Congressional Record indicated that they were identical. This, perhaps, may be the result of a printing error.

EPA - The asbestos in schools program continues to be accorded a high priority at the Environmental Protection Agency. Following an initial public hearing in Washington, DC on May 7, additional hearings are scheduled for June 14 in San Francisco, June 20 Chicago, and June 28 Boston.

OSHA - The proposed asbestos regulation of the Occupational Safety and Health Administration was published in the Federal Register of April 10. The text of the regulatory language proposed is identical to that of the emergency temporary standard (ETS) issued last November 4, with the exception that both 0.5 and 0.2 fibers/cc appear as the proposed permissible exposure limit (PEL), with a final decision to be made after all testimony is heard.

Comments on OSHA's proposed revision of the workplace asbestos standard were submitted on May 25. Hearings on the proposal are to begin on June 19, and, judging by the number of witnesses scheduled to appear, could easily take a month to complete.

It is rumored that the administration may nominate Robert A. Rowland to replace Thorne Auchter, who resigned March 30, as Assistant Secretary of Labor for OSHA. Rowland presently serves as chairman of the Occupational Safety and Health Review Commission.

State Activity - On April 11, the Association submitted comments to the New Jersey Department of Environmental Protection on proposed amendments to regulations concerning the disposal of asbestos waste. The comments pointed out that the proposed definition of "non-friable" in the amendments would place the state regulation in direct conflict with the existing federal regulation. The basis for requiring three feet of coverage for asbestos-containing waste was also questioned.

In the states, the majority of legislative activity appears to be focused on the asbestos in schools issue. For example, of 22 bills that deal with asbestos introduced in the state legislatures 14 deal with asbestos in schools and other buildings.

Resolutions Adopted

Application for regular membership in the Association from Papier Kingsey-Falls, Inc. was unanimously approved on motion.

Miscellaneous

Other reports and discussions in accordance with agenda. Mary K. Hasenfus, Director of Political Affairs, U.S. Chamber of Commerce, was the dinner speaker on June 12, 1984.

Other Business

The next regular meeting of the Board of Directors will be held on September 19, 1984 at the Twin Bridges Marriott Hotel in Arlington, VA.

Adjournment

There being no further business, the meeting was adjourned at 11:35 AM.

B. J. Pigg
Executive Director

July 31, 1984