

October 25, 1979

to their dependents. This suggested draft legislation included friction materials manufacturers. In other words, "friction materials, automotive" was included with insulating and acoustical spray materials, asbestos textiles, asbestos cement sheets, etc. As originally worded, if a certain friction materials manufacturer used 10,000 tons of asbestos in its products in 1965 (15 years before the 1980 target date for the act), he would be assessed \$3,250,000 in 1980. Perhaps some of the reaction by friction material manufacturers to this industry draft filtered back because subsequent to this, the Secretary was advised that "friction materials, automotive" manufacturers had been moved to a lesser class, which would have made the assessment \$325,000 for useage similar to that above.

The membership and the Board of Directors at the June meeting indicated great displeasure with this "Asbestos Health Hazards Compensation Act." The Board of Directors asked the committee to review this and to come up with comments, suggestions and/or a plan for the Institute as regards an Asbestos Health Hazards Compensation Act. The Secretary and some committee members had monitored this question since the June meeting and have been advised that the Fenwick Bill as drafted is dead. There is no movement and no initiative, even within the asbestos producers group as regards the Fenwick Bill discussed earlier.

In monitoring this subject, the Secretary has been advised that the only action currently being considered concerns a draft bill by Senator Hart of Colorado. Senator Hart and his staff with input from asbestos producers are apparently drafting a bill regarding asbestos related disabilities using the States to administer the Compensation Act. It was commented that Senator Hart is from Colorado, the new home of Johns-Manville. The Hart bill, if reported to a committee, would include a supplemental payment for asbestos disabling diseases to be added to the present workmen's compensation benefit. The responsible parties to be assessed would be essentially the asbestos industry and the Government. When a claim is filed through the State, an employer could identify others whom they felt were responsible parties. For example, a friction materials manufacturer could claim that the asbestos producer was responsible for not warning of the disabling characteristics of asbestos exposure. Another major change, beyond the fact that the States would administer this act and there would be determination of responsible parties by the hearing officer, the compensation fund would derive from a 50% contribution by the Government and a 50% contribution by other responsible parties. This is a rough outline of what the asbestos producers industry had been advocating with Senator Hart's staff. The Secretary wrote his Congressman and was given some brief background on the Senator Hart draft, but it was suggested that he contact Senator Hart for more details. The Secretary wrote Senator Hart, but has received no response concerning a Federal Asbestos Health Hazards Compensation Act.

The Secretary followed-up the day before the Committee meeting with the Asbestos Information Association to find out if there has been anything further as regards an asbestos compensation act. The Secretary was advised that there had been no further action that Mr. Pigg was aware of. Based on the foregoing background and review, it was concluded that the objectionable Fenwick Bill was no longer under consideration.