

Testimony of

# Mr. Jim Grogan

General President  
International Association of Heat and Frost Insulators and Asbestos Workers  
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Chairman Arlen Specter  
Senator Patrick Leahy  
Distinguished Senators--

I am Jim Grogan, President of the International Association of Heat and Frost Insulators and Asbestos Workers. Our union is a member of the Building and Construction Trades Department of the AFL-CIO.

Our members insulate pipes, boilers, tanks and equipment at power houses, oil refineries, pharmaceuticals, shipyards and other major industrial locations across North America. From the 1920s to the 1970s we applied asbestos pipe covering and asbestos block side by side with numerous trades including the Boilermaker, the Pipefitter, the Electrician and others.

Our union comes before you once again to strongly support your continued efforts to pass a bi-partisan Bill S.3274 that will ensure true, fair and just compensation to current victims and future victims of asbestos exposure. As we understand, today's substitute legislation is dealing with the ongoing developments on asbestos reform and is a continuation of previous legislation that has encountered many obstacles and basically brought no relief.

This legislation, as we read it, provides assurances of equitable compensation to asbestos victims and assurances to manufacturers and insurers to resolve asbestos claims with finality. Senator Specter and Senator Leahy have provided a thorough and fair process of negotiations for this detailed legislation. They have listened to all sides and have created a balanced compromise.

For 30 years solutions to the asbestos crisis have eluded Congress and the courts and penalized the victims. Even our U.S. Supreme Court has begged the Congress to fix this national asbestos litigation problem. Over 70 companies have gone bankrupt. Thousands upon thousands of individuals exposed to asbestos have developed asbestos induced diseases.

For example, mesothelioma is a signal cancer for asbestos exposure, unrelated to tobacco or other industrial carcinogens. Mesothelioma will cause over 2,500 deaths in the U.S. each year for the foreseeable future. Asbestos induced lung cancer and asbestosis will account for thousands of additional deaths per year. We now know that exposure to asbestos with as little as three months duration is sufficient to cause mesothelioma.

Today, wives and children of asbestos workers who grew up in the 60's and 70's are getting mesothelioma. Not from washing their father's clothing, but just from living in a common home.

From the 1930's through the 1970's industry, insurance companies and even our own government hid or suppressed information about the dangers of asbestos. Companies that suppressed or downplayed or hid the information about the hazards of asbestos have not taken responsibility for their outrageous conduct. This legislation hopefully will bring that practice to an end.

No one was more patriotic than those of us who were exposed to asbestos dust while constructing, repairing or living aboard naval ships or building governmental facilities. If those who knew that asbestos was harmful would have told

us of the dangers, we would have taken measures to protect ourselves. We never would have taken our asbestos laden clothes home and exposed our families.

Many ask why our union is involved in this legislation. They say, there are remedies in the courts through the tort system. They also say people are being taken care of. While it is true that there is an asbestos litigation system out there, the system is broken. Many who cannot identify where they were exposed to asbestos recover nothing. The asbestos crisis is a national tragedy and we need a national legislative solution that is fair and equitable to all. That is what S.3274 provides.

There are other victims of asbestos litigation. Those victims are employees, retirees, shareholders, companies, savings and retirement plans, an entire group of individuals who are in the tidal wave of asbestos lawsuits. The most objectionable aspects of asbestos litigation as cited by Senators Specter and Leahy are that the dockets in both federal and state courts continue to grow. The same issues are litigated over and over. Only 42 cents of every dollar goes to the victims and their families. Attorneys' fees and transaction costs exceed the victims' recovery by nearly 2-1.

We support this bi-partisan solution to the asbestos compensation crisis, but we also caution that victims of asbestos disease must not be victimized again by passage of legislation that is unfair. Timely and full payments must be made to asbestos victims as S.3274 provides. If that cannot be accomplished access to appropriate state court forums must be preserved. Specifically, there must be a speedy return to the tort system if the trust fails to timely meet its obligations.

We join with those Senators who are trying to bring about this bi-partisan legislation that will help solve this national asbestos problem. We will continue to work in a constructive way with those who wish to see a fair, equitable and adequately funded Bill. If all fails, then we will fight for the right of any asbestos victim, union or non-union to a trial by a jury of their peers. Fundamental fairness demands no less and neither do we.  
Thank you