

Specter Attempting to Revive Asbestos Litigation in the U.S. Senate

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WASHINGTON (BestWire) - Whether the stature of longtime U.S. Sen. Arlen Specter will be enough to rejuvenate asbestos-reform legislation in his chamber, and among the affected parties strongly opposing it, will be one of the major questions facing the Senate as it returns from its summer break.

Calls to Specter's office were not returned, but there are hints the Republican senator from Pennsylvania, and a federal judge who met recently with representatives from insurance companies, businesses, manufacturers, labor and trial lawyers for a few days in a Philadelphia courthouse, may want to continue those discussions.

Those attending were told by Chief Judge Emeritus Edward Becker of the U.S. Court of Appeals for the Third Circuit, who has experience in asbestos cases, not to talk publicly about the meetings.

But prior to the start of the talks, one insurance industry lobbyist said she didn't expect them to be negotiating sessions, but rather, educational sessions for Specter and Becker. "We're not in a position to negotiate at this time," said Leigh Ann Pusey, senior vice president of federal affairs for the American Insurance Association, before heading to Philadelphia.

The fact that so many were invited also suggested this was not the time for negotiations. "When talking about a chance to probe for places to move to next, you can't do it with lots of people," said Gary Karr, an AIA spokesman.

Specter already knew the insurance industry did not support the bill passed this summer by the Senate Judiciary Committee, and he had heard why, Pusey said, adding that she and a representative of Ace met with the senator in late July.

He also met with other bill detractors--representatives of labor and the trial bar--soon after. "Many very smart people don't appreciate how this bill works and doesn't work," she said.

Specter is a very senior member of the Senate and its Judiciary Committee, and a former prosecutor who knows the ins and outs of the legal system, Karr noted. These Philadelphia meetings seemed like an opportunity for him to dig deeper into the details of the bill and the overall issue, he said

Specter is also one of few Congressional Republicans that insurance industry advocates have to "work on" when it comes to tort-reform issues.

The asbestos-reform bill passed largely along party lines, and is expected to be taken up sometime after Labor Day, when Congress returns from its summer break. Sen. Orrin Hatch, R-Utah, chair of the Senate Judiciary Committee, and Sen. Patrick Leahy of Vermont, the committee's highest ranking Democrat, had said they would send representatives to the Philadelphia meetings, according to a statement from Specter's office.

Other judiciary committee members, all Republican, have also said that the bill needs major changes. Sens. Charles Grassley, Iowa; Jeff Sessions, Alabama; Larry Craig, Idaho; John Cornyn, Texas; and Jon Kyl, Arizona, made their long list of qualms with the Fairness in Asbestos Injury Resolution Act known in a report that accompanied the bill. Kyl was the only one of the five not to vote on S. 1125.

Hatch spent months negotiating a bill with all the affected parties. When it was originally introduced in his committee, S. 1125 had the support of insurers, because it called for a trust fund that set a definite limit to their exposure, as well as a set of medical criteria that insurers were satisfied established payments to the truly sick.

But the bill that came out of the committee had several amendments which making those certainties much more cloudy, and thus the industry's backing of the legislation was called to a halt. Those amendments are also part of the dissatisfaction of the five Republican Judiciary members.

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