



**Senate Committee on Judiciary
Testimony in Support of House Bill 2457
Presented by Eric Stafford, Vice President of Government Affairs**

Thursday, March 8, 2018

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber appreciates the opportunity to testify in support of House Bill 2457 which passed the House by a vote of 77-40.

Last year a similar bill, Senate Bill 73, passed out of the Senate 27-12 at the end of the session, but time ran out before a hearing could be held in the House. In short, HB 2457 would enact the asbestos bankruptcy trust claims transparency act to require plaintiffs in asbestos suits to file trust claims before proceeding to trial. Asbestos bankruptcy trusts were created by defendant companies most directly responsible for asbestos injuries through federal bankruptcy law. Companies primarily responsible for asbestos injuries mined and supplied asbestos or manufactured products containing high levels of asbestos. The first trust was approved in the 1980's with more than 60 companies in total creating trusts through bankruptcy for injuries sustained by exposure to asbestos. It is estimated that more than \$25 billion is available in those trusts for asbestos claims.

Today there is no requirement that plaintiffs seek compensation for their injuries through the federally established trusts. HB 2457 establishes clear guidelines for filing an asbestos claim in Kansas. Changes made by the House tie the process of trust claims disclosure with the Kansas code of civil procedure. The plaintiff must first file their trust claims before proceeding with a suit in the state tort system. This requirement offers transparency for defendants that does not exist today by providing access to trust claims by plaintiffs. Since 2012, 12 states have enacted similar legislation (Ohio, West Virginia, Tennessee, Mississippi, Wisconsin, Iowa, Oklahoma, Texas, North Dakota, South Dakota, Arizona, and Utah).

HB 2457 does not impose caps on a plaintiff's ability to receive compensation or limit claims against trusts. We simply are seeking to change the timing of filing of asbestos trust claims to before a trial to promote fairness and transparency.

We thank you for the opportunity to offer testimony in support of House Bill 2457 and I am happy to answer questions at the appropriate time.