

US asbestos bill draws big lobby spending

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US businesses and insurers have spent millions of dollars lobbying on Capitol Hill this year for an asbestos litigation reform bill now locked in a stalemate, lobbying disclosure forms and spokespersons say.

A group of companies called the Asbestos Study Group reported spending \$5.56-million in the first half of 2003 on lobbying for legislation to end asbestos lawsuits, making the group one of the top spenders, according to disclosure forms.

The American Insurance Association meanwhile has spent about \$1.3-million on lobbying for an asbestos reform bill this year, spokesperson Julie Rochman said on Monday.

Business and insurers favor a proposal to pay asbestos claims out of a trust fund that they would finance, rather than continuing to pay victims' claims in court.

But labor leaders have rejected the money offered for the fund as too small, stalling the bill before it could reach the Senate floor.

The latest proposal for the fund's size was \$114-billion.

"I would think asbestos is one of the most expensive lobbying fights this year, along with energy and Medicare-prescription drugs," said Steve Weiss, spokesman for the Center for Responsive Politics, which follows money in politics.

PolitialMoneyLine.com, which tracks spending totals from lobbying reports, said the Asbestos Study Group was the 11th biggest lobby spender in the first half of 2003, along with organisations like the American Medical Association and the Pharmaceutical Research and Manufacturers of America.

Asbestos was widely used for fireproofing and insulation until the 1970s. Scientists have concluded that inhaled fibers could be linked to cancer and other diseases.

Asbestos injury claims have cost over \$54-billion in settlements so far and driven 69 US companies into bankruptcy.

The Asbestos Study Group is a coalition of companies that generally did not manufacture asbestos, but acquired asbestos liabilities through acquisitions, or by using the mineral in products such as turbines.

Its members include Halliburton, Honeywell, Viacom, and General Motors.

Joel Johnson, a spokesperson for the Asbestos Study Group, said most of the \$5,56-million spent was dedicated to attorneys analysing proposals and how they affect various companies.

Asbestos manufacturers in the Asbestos Alliance reported spending less - just \$180 000 - on lobbying in the first half of 2003, according to forms filed with the government.

On the other side of the asbestos battle are trial lawyers who bring claims on behalf of those exposed to the mineral, and who oppose a trust fund that would end their ability to do so.

The Association of Trial Lawyers of America spent an estimated \$250 000 on lobbying on the asbestos issue in the first half of 2003, said spokesperson Carlton Carl.

Labour unions reported spending over \$10-million in their lobbying efforts in the first half of 2003, according to PoliticalMoneyLine.com, but this was on all topics, not just asbestos. – Reuters.