

ASBESTOS: Insurers, manufacturers OK compensation funding

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WASHINGTON -- U.S. insurers and manufacturers accepted a new plan to finance a \$114 billion fund to compensate asbestos-exposure victims, an aide to Senate Republican Leader William Frist said Wednesday.

The plan calls for insurers to contribute \$46 billion and manufacturers \$57 billion, said Frist spokeswoman Amy Call. Manufacturers also agreed to pay another \$10 billion to help finance a proposed \$45 billion contingency fund if the number of claims exhausts the original contributions, she said.

Insurance executives representing more than 50 companies approved the proposal during a conference call. The trust fund would compensate victims of cancer and respiratory diseases caused by exposure to asbestos.

Organized labor opposes the bill as passed by the Senate Judiciary Committee in July unless lawmakers also make other changes.