

**NEWS
FROM:**

**U . S . S E N A T O R F O R K A N S A S
S E N A T E R E P U B L I C A N L E A D E R**

FOR IMMEDIATE RELEASE
Wednesday, March 20, 1996

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FILIBUSTER BROKEN, DOLE URGES PRESIDENT CLINTON TO RECONSIDER VETO THREATENING REAL LEGAL REFORM; PLEDGES TO BRING BILL TO FLOOR PROTECTING CHARITIES & VOLUNTEER ORGANIZATIONS

There is a broad bipartisan consensus that we must do more to curb lawsuit abuse in America -- the kind of abuse that has turned suing your neighbor into the newest American pastime.

This bipartisan compromise bill is an important first step: it will restrain outrageous and costly lawsuits that inhibit economic growth, threaten small businesses, and inflict a litigation tax on American consumers of \$152 billion a year -- that's right, \$152 billion a year.

I want to congratulate Chairman Pressler, and particularly Senators Gorton and Rockefeller for their hard work -- years of hard work, really -- on this important legislation. I also want to thank Senator Lott for his assistance in resolving the differences between House and Senate.

But despite all the work, all of the bipartisanship, all of the sweet whispers of support out of the White House, suddenly we are voting on a bill that is under a threat of veto.

Why?

Setting the Record Straight

Well, let's take a look at what President Clinton said last Saturday when he issued his veto threat. President Clinton said that he was concerned about federalism and an "unwarranted intrusion on state authority." But this argument was long ago dismissed by such concerned parties as the National Governors Association. In fact, the Governors, including then-Governor Clinton, called for a uniform national standard, stating that it would "greatly enhance the effectiveness of interstate commerce."

In other words, this sudden attack of "state's rights fever" is misplaced.

President Clinton also said last Saturday that he was concerned the bill would "prevent injured persons from recovering the full measure of their damages." But compensatory damages are not affected by this legislation at all. And punitive damages are available for exactly those situations for which they were intended -- situations which involve wrongdoing or egregious conduct.

That's what the President said.

Trial Lawyers Special Interest Lobby

What the President didn't say however was that he has been under enormous pressure to veto this measure from the wealthiest and most powerful special interest lobby in America: the trial lawyers.

Mr. Clinton has been one of the most favored recipients of their largess. The Center for Responsive Politics found that lawyers and lobbyists funneled a grand total of \$2.6 million to Mr. Clinton's 1992 campaign. That of course vastly understates the real number, since it's often impossible to identify the source of the real donors. In just the first nine months of 1995 lawyers and law firms have pumped another \$2.5 million into the President's campaign coffers.

If money talks, this money screams. And what it screams is very simple: kill each and every attempt at legal reform. Now, I'm not one to assume just because someone gives you money, they call the tune. But this message has apparently been heard down at the White House loud and clear.

Consider the record:

President Clinton instigated a filibuster to stop legal reform that covered small business and charities and volunteer organizations last year.

(more)

President Clinton pulled a much-publicized flip-flop and vetoed the securities litigation reform late last year. Fortunately, Congress overrode his veto.

President Clinton now threatens to veto a modest and bipartisan bill that he once suggested he would support.

Protecting Charities vs. Enriching Trial Lawyers

This is unfortunate, but how it happened is worse.

Before he said he would veto this bill, President Clinton's allies did something very cynical. Mr. Clinton's friends on the Hill made sure that the protections from lawsuit abuses in this compromise bill would not be extended to charities and non-profits.

Why would they do that? Everyone professes to want such protections passed into law.

Yet, they insisted.

Well, obviously, it would have been more difficult to veto a bill that offered protections for charities and volunteer organizations. It would have interfered with posturing as the defender of the "little guy." So, those protections had to go. And two days after those protections were deleted by his allies, President Clinton issued his veto threat.

I don't intend to play this game. Charities and volunteer organizations deserve relief, not cynical politics as usual.

Elaine Chao, President of the United Way of America, recently wrote a passionate plea calling for protections for charities, so caseworkers in family counseling agencies, literacy tutors and volunteer fundraisers won't be chased away the threat of liability.

All Americans should be outraged, as Elaine Chao puts it, by "the proliferation of frivolous lawsuits that treat charities and non-profits as pinatas, as so many bags of goodies to be plundered."

Dole-Hatch Bill Provides Relief for Charities & Non-Profits

That's why Senator Hatch and I have introduced a bill that provides such relief. Our bill would protect charities and non-profits like the Little League and Girl Scouts. I intend to bring it to the floor for consideration as soon as possible.

The President and his allies will then be asked to make a simple choice between protecting charities or enriching trial lawyers.

President Clinton, please do not block this measure again.

Do not let the heavy hand of special interests stay the helping hand of charities.

Mr. President, with nearly 19 million new suits filed per year -- one for every 10 adults -- no one is immune from the lawsuit epidemic. The cost of defending yourself in an average, non-automotive case is about \$7,500. That's money you lose even if you win your case.

The lawyers, of course, never lose.

It's time that this stopped.

I hope President Clinton will reconsider his ill-advised veto threat. In the meantime, I urge my colleagues to pass this bill.

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