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March 15, 2021

RE: House Bill 1207 – Asbestos Litigation Reform Legislation

Dear Senators of Industry, Business & Labor Committee:

The North Dakota Association of Plumbing, Heating & Mechanical Contractors (our business has been a member since inception, with 5 family members serving as president) supports H.B. 1207 – an asbestos litigation reform bill that will give priority to deserving claimants with asbestos-related impairment and reduce wasteful litigation against innocent defendants.

As a company that has been engaged in our industry continuously for the past 113 years and having employed hundreds of tradesmen over those years we feel exceptionally at risk of asbestos litigation as we were involved in mechanical installations long before laws banned the use of asbestos. It was not until the early 1970's that the government banned the use of asbestos, we had already been doing mechanical installations for over 60 years, most building construction products up until that time (floor tile, ceiling tile, insulation, gaskets, pipe covering, etc.) contained asbestos. All these products were included in building, because they were the best products at the time, medical science had not yet made the connection with health risks and construction workers or building inhabitants. Having to hire legal counsel to defend ourselves against any potential future asbestos claim, whether real or frivolous, would cause severe financial distress.

Asbestos litigation continues to be a drag on North Dakota businesses, and it is estimated that the litigation could last several decades. The Legislative Assembly has taken important steps in the past to address particular abuses in this type of litigation. H.B. 1207 continues this work by addressing issues that are problematic in the litigation today. Specifically, the bill:

Gives priority to the truly sick by filtering out asbestos claims that are either premature (because the exposed person is not sick yet) or meritless (because they never will be).

By requiring plaintiffs to be sick in order to sue, the bill allows courts and defendant companies to focus their resources on the most severely injured. At the same time, the bill is fair to the non-sick by allowing them to sue in the future should a cancer develop.

Requires plaintiffs to disclose the evidentiary basis for the claims against each defendant named in a case.

This will allow claims to proceed that have evidentiary support, facilitate earlier dismissal of claims that do not, reduce wasteful litigation costs, and speed settlements.

Ensure that asbestos trials are efficient and fair by allowing courts to consolidate for trial only asbestos actions relating to the exposed person and members of that person's household.

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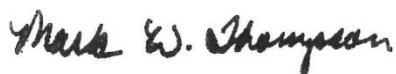
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Codifies traditional North Dakota law holding that manufacturers are responsible for products they put in the stream of commerce but are not liable for injuries caused by copycat or other asbestos-containing products made by third parties.

Amends the state's innocent seller statute to permit a seller to obtain dismissal when the seller has simply been part of the stream of commerce and has not itself acted negligently.

For these reasons, I urge you to vote for H.B. 1207.

Sincerely,



Mark W. Thompson  
President  
H. A. Thompson & Sons