

SENATOR MARVEL: We are operating under the motion to suspend the rules and that motion has carried. Now Senator DeCamp. I recognized you on your motion to suspend the rules.

SENATOR DE CAMP: Right. Okay.

SENATOR MARVEL: You have suspended the rules.

SENATOR DE CAMP: Right and Senator Chambers offered some debate or information on the legislation and I guess Senator Simon has some and anybody else that has some should get it out of their system now.

SENATOR MARVEL: All right. The Chair will recognize Senator Simon. You have your light on. Do you wish to speak to the motion to advance the bill? That is your motion, Senator De Camp, to advance the bill to E & R for review? Senator Simon.

SENATOR SIMON: Mr. President, members of the Legislature, I guess I should at least be fortunate enough that Senator DeCamp will allow me the opportunity to speak today. I thought perhaps we might go ahead and just advance the bill without any discussion, so at least I appreciate the opportunity to make a couple remarks before the bill does go on its merry way. Last week I handed out a copy of a memo. It was with some information which I had received from a Mr. Mike Naylor who is on the staff of U. S. Senator John Culver of Iowa regarding products liability and I'm just going to read some excerpts from that memo. I think all of you have had an opportunity to look at it and basically what the memo states are some of the comments which I had made on the floor and others had made in regarding the fact that the product liability bill doesn't really attack the basic problem and that is the problem is a national one in scope. LB 665 or any other bill will not solve that. Now I think it is important to note who the people are that issued this report. This was a task force which was chaired by the Undersecretary of the Department of Commerce. It included the Counsel of Economic Advisors, Department of Health, Education and Welfare, the Department of Housing and Urban Development, the Justice Department, the Department of Labor, the Department of the Treasury, the Small Business Administration, and the Consumer Products Safety Commission. These are all people who are knowledgeable in this area. These are people who are experts unlike perhaps some members of the Legislature, and they spend a considerable amount of time in studying just exactly what the ramifications would be of the product liability bill on a national and also state level. I would like to read a few of the quotes that were taken from that final report. It says, "both our insurance and legal studies conclude that residual insurance market mechanisms, whether voluntary or mandatory, will be effective only if they were conducted at the federal, only if they were conducted at the federal rather than at the state level." This is a national report stating rather clearly that product liability insurance can only work on a national level. Further, "the interstate nature of the product liability problem faced by manufacturers and distributors of goods suggest that uncoordinated efforts by individual states in the area of insurance pooling or reinsurance would result in both conceptual and administrative difficulties." Again, by having the State of Iowa pass one law, by having the State of Nebraska pass a different law, we're going to run into problems. I merely say it for the record because it is pretty clear what this Legislature intends to do. Now, regarding what would happen if individual states took separate actions with manufacturers who had plants