

DISCLAIMER

Electronic versions of the exhibits in these minutes may not be complete.

This information is supplied as an informational service only and should not be relied upon as an official record.

Original exhibits are on file at the Legislative Counsel Bureau Research Library in Carson City.

Contact the Library at (775) 684-6827 or library@lcb.state.nv.us.

nma Nevada Manufacturers Association

780 Pawnee St., Carson City, NV 89705 / Phone 775-882-6662 / Fax 775-883-8906
E-mail nma@nevadaweb.com / Phone 800-821-6662 / Alt Fax 775-267-4747

April 29, 2003

TO: Chairman Amodel and Judiciary Committee Members

FROM: Ray Bacon

SUBJECT: Amendment offered for ~~SE 251~~

AS 166 to Amend by SB 251

The facts of the Firestone / Explorer case are far different than most people perceive from the media coverage. The investigators and attorneys that first identified the defective tires did not report that defect to either state or national consumer protection agencies. Instead they searched accident records in south Texas looking for new claimants. That failure to notify the consumer protection agencies probably cost additional lives and injuries. The Public Safety and awareness of Public Hazard that is called for in Senator Titus' bill has merit. As I testified earlier, the Ford policy for years has been that "only the financial settlements are confidential". We recommend that be specifically included in the bill as allowed for protection of the plaintiffs as well as the company involved in each case. The amount of any financial settlement does not change the Public Hazard or likely Public Hazard that may or may not exist.

Second, the Explorer case indicates that at least a few lawyers and their investigators withheld information from the federal and state consumer protection agencies for over two years. By one estimate, that delay **LIKELY** was a contributing cause in perhaps hundreds of additional injuries and some additional deaths. That action is immoral and if this bill is to be processed that loophole should be closed at the same time.

We recommend a new section of the bill worded something like this:

If an attorney, investigator or insurance representative representing an injured person or their next of kin becomes aware that an accident or injury is the result of product defect or likely product defect, they have a binding legal obligation to report their findings and beliefs to the appropriate federal and state consumer protection agencies within 90 days of discovery or confirmation. Failure to notify the consumer protection agencies of a Public Hazard or likely Public Hazard in a product normally used by the general public shall require a license "fitness and ethics" review by the appropriate state licensing body in Nevada with prompt media publication of the results of that review. A second offense may be prosecuted as a Category D felony. Conviction also requires a minimum ten-year revocation of any professional licenses held by a person convicted.

If the goal is to truly reduce the Public Hazard and likely Public Hazards, then this inclusion helps the bill. Withholding information while other people are at knowing or likely risk is reprehensible behavior of any licensed professional.