

Testimony on S.37
Senate Committee on Judiciary
Chris Carrigan, Vice President Business Development
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For the record my name is Chris Carrigan and I'm the Vice President of Business Development with the statewide Vermont Chamber of Commerce, which represents 1,500 member companies from Bennington to Newport. I also manage the Vermont Chamber's Manufacturing Division.

Chair Sears and members of this committee,

Regarding S.37, a bill regarding strict liability and medical monitoring damages, the Vermont Chamber is concerned by the potential impact on Vermont's manufacturers.

The Vermont Chamber's concerns are several and include:

Broad liability, including the definition of:

1. Release, which includes "**permitted**" release. Even in the absence of wrongdoing, a permitted business following the law and in compliance is at an increased risk under S.37's broad scope of liability.

Recommendation: "Permitted release" should be excluded from the bill. The inclusion of permitted omissions would open manufacturers to penalties as a result of compliance with existing law. As written, the bill makes little distinction between legal and illegal activity as it relates to proposed liabilities.

2. Medical monitoring damages for exposure to toxic substances, which includes a person "**without**" a present injury or disease.

Recommendation: "Without" should be excluded from the bill.

3. Regarding the level of exposure,

Recommendations:

A plaintiff should have to demonstrate that their exposure to a chemical is different than the general public in order to be entitled to medical monitoring and that exposure to chemicals should be above background levels.

The threshold for the risk of developing a latent disease should be defined as a **“significantly increased risk”** above that faced by the general public.

The current version of the new version of S.37 puts our manufacturers at significant risk with broad liability, which will add additional layers of administration, complexity and legal costs. Added costs, in return, will place our manufacturers at a competitive disadvantage regionally, nationally and globally and will potentially result in reactionary measures, such as:

- Price increases;
- Reduced investments in product research, development and innovation;
- Salary reductions;
- Workforce reductions; and
- Out-of-state relocation.

In closing, and, while opposed to S.37, the statewide Vermont Chamber of Commerce asks that S.37 be amended with the above recommendations and to acknowledge our many manufacturers that operate in compliance with existing state and federal laws and that are responsible, environmental leaders providing Vermonters with employment and a high standard of living.

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