

Nixon fights inflation on wrong battlefield

To the Editor:

I was appalled to read your editorial of April 5 which suggested that those senators who voted for the vocational rehabilitation bill were irresponsible and that those who upheld Mr. Nixon's veto were striking a blow at inflation.

Sen. Scott and others who supported the administration veto were striking a blow against humanity! This bill would have provided services such as education and training to the blind, the paralyzed, the retarded, and other seriously handicapped persons.

I cannot believe this is a responsible method of fighting inflation. This bill would have cost approximately the same as what the Pentagon wasted in cost overruns for the F-15 fighter bomber. In fact, the cost overruns on the 45 major U. S. weapons systems totaled over \$28 billion. Of course, the administration continues to support the wealthy by refusing to reform our tax system and by allowing agricultural and maritime subsidies along with oil depletion allowances.

The vocational rehabilitation bill is only one of the many "programs for people" which Mr. Nixon is attempting to cutback or eliminate. The battle against inflation is beginning to take shape as being very selective. The War on Poverty has become The War on the Poor.

I commend and respect Sens. Schweikér, Biden, Case and Williams who made the first attempt in an upcoming series of struggles to set human priorities for a country which is fast losing sight of those goals.

JEANNE CONNELLY
Coalition for Human Priorities
Philadelphia.

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Panel approves \$321 million for '81 Legal Services budget

By MARGARET KIRK
Staff writer

WASHINGTON — A \$321.3 million appropriation for the Legal Services Corp., the parent organization for 32 legal aid agencies nationwide, was approved yesterday, temporarily easing the corporation's anxieties about not having enough money to continue another year.

Community Legal Aid Inc. in Delaware is one of those 32 agencies, and local officials were afraid that any cuts in the federal appropriation, which provides half of Legal Aid's annual income, would severely hamper their work.

The fiscal 1981 appropriation was approved by a joint conference committee, but must be passed by both houses and signed by the President before it becomes final. Legal service representatives are confident that it will pass those hurdles.

In a related action, a bill that would set the maximum federal budget levels for legal services during the next three years apparently

died yesterday when its sponsors agreed not to bring it up for a vote before the House of Representatives.

H.R. 6386, better known as the reauthorization bill, provided \$321.3 million for legal services in fiscal 1981, \$380 million in fiscal 1982, and \$450 million in fiscal 1983. The bill, the target of much controversy during Congress' lame duck session, had been saddled with nearly 20 restrictive amendments that would have drastically altered the program.

U.S. Reps. Robert Kastenmeier, D-Wisconsin, and Tom Railsback, R-Illinois, sponsors of the bill, decided it simply would not pass this year, and didn't want to risk seeing the crippling amendments go any further. Jeanne Connelly, assistant director of government relations for the Legal Services Corp. said yesterday.

The move leaves the corporation's financial future in doubt and in the hands of the newly elected, more conservative Congress when both houses convene in January. In this month's election, legal services

lost many of its more ardent supporters when the Republican Party gained control of the Senate.

Both the Senate and House versions of the reauthorization bill will die when Congress recesses. The Senate version, which passed in June, would have extended Legal Services' budget for another two years at a limit of \$321.3 million for fiscal 1981 and at "such sums as may be necessary" for fiscal 1982.

John C. Landis, executive director of Community Legal Aid Society Inc. in Delaware, was optimistic about yesterday's actions.

"In a dismal year, with as many challenges as they've had, I think that's cause for a celebration," he said of the appropriation.

Landis was relieved that the \$321 million appropriation provides a \$21 million increase over last year's budget. Delaware's legal aid receives 50 percent of its total \$1.04 million budget from the parent organization.

Landis has argued that the federal increase is particularly crucial this year because the agency has become increasingly skeptical about any budget increase from local supporters. The agency's recent participation in controversial cases to improve the plight of Delaware's poor have drawn criticism from the community, and put many of its grants in jeopardy.

The current fiscal year began Oct. 1. While waiting for passage of the entire budget, Legal Services and all other federally funded agencies have been receiving money through what is called the "continuing resolution." The resolution allows the agency to continue receiving as much money as they received last year through Dec. 15.

U.S. cuts threaten area legal aid, too

By Florestine Purnell
and W.S. Wilson

staff writers

Reagan administration plans to wipe out funding for the Legal Services Corp. could have a major impact on the amount of legal aid available to Missouri's poor.

Legal Aid of Western Missouri stands to lose at least one quarter of the \$1.6 million it has received from the Legal Services Corp., an agency that today finds itself squarely in the cross hairs of the Reagan assault on government spending. Additionally, the Western Missouri operation receives money from other threatened federal budgets, such as the U.S. Department of Health and Human Services.

The Western Missouri operation's budget last year was \$2.3 million, deputy director Richard Halliburton said. He said the federal cut could result in the loss of much more than one-quarter of his budget.

At stake is the nature of what Joseph Stephens, president of the Missouri Bar, calls "a tradition in this country for over 100 years: equal access to the courts regardless of financial well-being."

"The bar, the government, the courts—somebody—has been rendering such legal service for a long, long time. They (Legal Services) are offering services that should be offered," Stevens said.

Specifics of the cuts are unknown to local legal aid attorneys, but Halliburton is as worried about the way cuts might come as he is about their size.

"The unfortunate problem is the block grant concept, where we would have to apply locally and be subject to local political pressures," Halliburton said today. The block grant approach is to lump together all social service money headed to the states from Washington, D.C. The state then would be responsible for distributing it in the form of block

grants.

The result, Halliburton fears, could be competition among local social service organizations for money.

"In this regard, I think it's a brilliant ploy by the Reagan administration to wreak havoc among these programs."

Things might be worse than Halliburton fears. "The latest recommendation from Ronald Reagan is to not include legal services in block grants," said Ms. Jeanne Connelly, deputy director of the corporation's Washington office. "They say 'no.' No legal dollars." If Reagan is successful, Ms. Connelly said, as many as 30 million people now eligible for legal assistance would be without such help.

"This will be a terrible setback for poor people," said Mrs. Doretta Henderson, head of the Welfare Rights organization serving a large number of welfare recipients in the inner city.

Mrs. Henderson said the three counselors in her office are assisted by a Western Missouri lawyer two days each week. The counselors handle from 150 to 250 cases monthly under the division of aging and social service programs.

"Our staff has been around long enough to be able to handle most things from experience," she said. "Legal Aid has helped us learn a lot about how things work and how things are supposed to be done. But the staff still depends on Legal Aid—we can't file briefs (in cases that go to court) . . ."

David Nelson, contract manager from the state Division of Family Services who works out of the Welfare Rights office, agreed that many of his clients would have no place to turn if there was no legal aid program. He said he handles about 60 clients each month.

"There are some areas where we could get by," he said. "But, in a lot of cases, they (poor) people would be left to the whims of those running the government."

Drive Mounts For Uniform Product Liability Law

Jan 22, 1984

Allen Gosnell, president of Gosnell Manufacturing Company in New Iberia, bought a piece of equipment out-of-state, had it shipped to his warehouse, sold it to a firm in Texas, never touched it except to invoice it over his counter.

An accident happened in Texas and because of the lack of a nationwide uniform product liability law Gosnell was sued. He was not negligent, there was no evidence that he had not used reasonable care in handling the equipment. He's already paid \$4,000 in attorney's fees and apparently has no recourse.

Daily J. Bernard, president of Universal Fabricators, has had a similar experience of being sued when through no fault of his company's when an accident occurred elsewhere. Berard has another concern: He is franchise licensing nationwide a fire safety device called "Uniscape" and because of the lack of a uniform law on product liability there are some states where he cannot protect his operation with proper insurance because of the uncertainty. Berard feels that unless some effort is made to bring the matter under control manufacturers will shy away from risk-taking and the only jobs created will be the ones for attorneys earning legal fees.

So Gosnell and Berard are doing what other businessmen in Shreveport, Baton Rouge, Monroe, Ruston and New Orleans are doing: They're working to get national legislation passed that would establish federal standards for product liability law.

Two organizations headquartered in Washington are coordinating the effort. They are the Coalition for Uniform Product Liability Law and The Product Liability Alliance.

Jeanne K. Connelly, an attorney whose law firm represents the Coalition, is joining Gosnell, Berard and other business people around the state to bring the problem to public attention.

Miss Connelly told The Advertiser that she learned during a visit to Shreveport that a businessman there who sold Caterpillar equipment was the victim of eight suits and that each time it cost him from \$8,000 to \$10,000 to defend himself. He was not negligent and was not responsible for any defect of the product.

The Washington attorney says that there has been a 500 percent increase in product liability and the high cost is rapidly bringing the issue to a head. She said that consumers pay the increased cost noting that 20 percent of the cost of a step ladder goes towards product liability.

A clearer law with one national standard is the aim of the Coalition and the Alliance, Miss Connelly advises. The proposal known as S 44 comes before the U. S. Senate commerce committee in two weeks and before the full senate within a month. Senator Russell Long is a member of the senate commerce committee but thus far had made no commitment on the proposed bill. "He is playing it close to his belt and we are hopeful Senator Long will support the measure," she said.

Literature from the Coalition and the Alliance indicates that rules for deciding product-related injury cases, known as product liability law, vary widely from one state to the next. In Louisiana, 61.3 percent of all goods made here are shipped for out of state use.

Under the present system a product made in Louisiana may lose a lawsuit in California but win a virtually identical suit in Minnesota or some other state.

The Coalition and the Alliance claim that America's trial lawyers are vehemently opposed to any change in the status quo when one considers that attorneys make \$77 for every \$66 awarded claimants.

Chambers of Commerce, industrial development agencies, the Louisiana Retailers Association, the Louisiana Association of Business and Industry and others are being solicited for support of a federal product liability law to implement uniform rules in all 50 states. Miss Connelly says that the proposed bill tries to be fair, strikes middle ground and will not be anti-consumer but would define legal rights of consumers and the obligation of manufacturers in injury cases.

Liability Bill Backers Contributing Heavily

WASHINGTON (AP) — Corporations and trade associations supporting a bill that would limit the liability of manufacturers of defective products have given senators \$4.7 million in campaign contributions since 1979, a report said Monday.

The Senate could consider the bill by Sen. Robert Kasten, R-Wis., as early as Tuesday, the report said. It was prepared by Congress Watch, an organization founded by consumer advocate Ralph Nader.

The report said the 33 senators who publicly support the bill received an average of \$67,315 in campaign contributions from organizations supporting the bill, 79 percent more than the \$37,680 average received by other senators.

Sen. Pete Wilson, R-Calif., was the leading recipient with \$199,717, it said.

"The greater the amount of campaign contributions a

senator received from supporters of the bill, the more likely he or she was to publicly support the bill. For example, of the 10 senators receiving the most in campaign contributions, eight publicly support the bill, while of the 20 senators receiving the least only three publicly support the bill," the report said.

The report did not allege that any senators' votes were bought, but it did insist that the more money a senator received, the more likely he was to publicly support the bill.

The bill would abolish all state product liability laws and substitute a federal statute requiring victims to prove negligence against manufacturers of defectively-designed products. The legislation would reverse a rule of strict liability followed by 46 states.

The bill is strongly supported by two coalitions of business organizations, the Product Liability Alliance

and the Coalition for Uniform Product Liability Law.

The report said members of those two groups gave a total of \$687,300 in honoraria to senators. Of the 21 senators who received no honoraria, only four have publicly supported the bill.

Coalition spokeswoman Jeanne Connelly said that organization "doesn't have a political action committee and hasn't contributed one penny." She said many changes had been made in the original Kasten bill because of consumer complaints. "Every consumer is now paying for unnecessary litigation that would be stopped by this bill," she said.

At Congress Watch, Jay Angoff said, "Apparently, many senators care more about the makers of defective products who contribute to their campaigns than about the folks back home who have been, or could be, injured by defective products."