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## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 818

Session of 2001

INTRODUCED BY (PRIME SPONSOR WITHDREW), GREENLEAF AND HOLL, MAY 2, 2001

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES, NOVEMBER 20, 2001

## AN ACT

1 2 3 4 5	Amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for law enforcement records; AND PROVIDING FOR LIMITATIONS ON ASBESTOS-RELATED LIABILITIES RELATING TO CERTAIN MERGERS OR CONSOLIDATIONS.	<
6	The General Assembly of the Commonwealth of Pennsylvania	
7	hereby enacts as follows:	
8	Section 1. Section 6308(b)(1) of Title 42 of the	
9	Pennsylvania Consolidated Statutes is amended to read:	
10	§ 6308. Law enforcement records.	
11	* * *	
12	(b) Public availability	
13	(1) The contents of law enforcement records and files	
14	concerning a child shall not be disclosed to the public	
15	[except if the child is 14 or more years of age at the time	
16	of the alleged conduct and if any of] $\underline{\text{unless ANY OF}}$ the	<
17	following apply:	

(i) The child has been adjudicated delinquent by a

1	court as a result of an act or acts [which include the	
2	elements of rape, kidnapping, murder, robbery, arson,	
3	burglary, violation of section 13(a)(30) of the act of	
4	April 14, 1972 (P.L.233, No.64), known as The Controlled	
5	Substance, Drug, Device and Cosmetic Act, or other act	
6	involving the use of or threat of serious bodily harm.]	
7	<pre>committed:</pre>	
8	(A) when the child was 14 years of age or older and	
9	the alleged conduct would be considered a felony if	<
10	committed by an adult; or	
11	(B) when the child was 12 or 13 years of age and the	
12	alleged conduct would have constituted one or more of the	<
13	following offenses if committed by an adult:	
14	(I) Murder.	
15	(II) Voluntary manslaughter.	
16	(III) Aggravated assault as defined in 18	
17	Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated	
18	assault).	
19	(IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1)	
20	(relating to arson and related offenses).	
21	(V) Involuntary deviate sexual intercourse.	
22	(VI) Kidnapping.	
23	(VII) Rape.	
24	(VIII) Robbery as defined in 18 Pa.C.S. §	
25	3701(a)(1)(i), (ii) or (iii) (relating to robbery).	
26	(IX) Robbery of motor vehicle.	
27	(X) Attempt or conspiracy to commit any of the	
28	offenses in this subparagraph.	
29	(ii) A petition alleging delinquency has been filed	
30	by a law enforcement agency alleging that the child has	

1	committed an act or acts [which include the elements of	
2	rape, kidnapping, murder, robbery, arson, burglary,	
3	violation of section 13(a)(30) of The Controlled	
4	Substance, Drug, Device and Cosmetic Act, or other act	
5	involving the use of or threat of serious bodily harm]	
6	subject to a hearing pursuant to section 6336(e) and the	
7	child previously has been adjudicated delinquent by a	
8	court as a result of an act or acts [which included the	
9	elements of one of such crimes.] <pre>committed:</pre>	
10	(A) when the child was 14 years of age or older and	
11	the alleged conduct would be considered a felony if	<
12	committed by an adult; or	
13	(B) when the child was 12 or 13 years of age and the	
14	alleged conduct would have constituted one or more of the	<
15	following offenses if committed by an adult:	
16	(I) Murder.	
16 17	(I) Murder.  (II) Voluntary manslaughter.	
17	(II) Voluntary manslaughter.	
17 18	(II) Voluntary manslaughter.  (III) Aggravated assault as defined in 18	
17 18 19	(II) Voluntary manslaughter.  (III) Aggravated assault as defined in 18  Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated	
17 18 19 20	(II) Voluntary manslaughter.  (III) Aggravated assault as defined in 18  Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).	
17 18 19 20 21	(II) Voluntary manslaughter.  (III) Aggravated assault as defined in 18  Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).  (IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1)	
17 18 19 20 21 22	<pre>(II) Voluntary manslaughter.   (III) Aggravated assault as defined in 18 Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).   (IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1) (relating to arson and related offenses).</pre>	
17 18 19 20 21 22 23	<pre>(II) Voluntary manslaughter.   (III) Aggravated assault as defined in 18 Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).   (IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1) (relating to arson and related offenses).   (V) Involuntary deviate sexual intercourse.</pre>	
17 18 19 20 21 22 23 24	<pre>(III) Voluntary manslaughter.   (III) Aggravated assault as defined in 18 Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).   (IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1) (relating to arson and related offenses).   (V) Involuntary deviate sexual intercourse.   (VI) Kidnapping.</pre>	
17 18 19 20 21 22 23 24 25	(III) Voluntary manslaughter.  (III) Aggravated assault as defined in 18  Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).  (IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1)  (relating to arson and related offenses).  (V) Involuntary deviate sexual intercourse.  (VI) Kidnapping.  (VII) Rape.	
17 18 19 20 21 22 23 24 25 26	(III) Voluntary manslaughter.  (III) Aggravated assault as defined in 18  Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).  (IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1)  (relating to arson and related offenses).  (V) Involuntary deviate sexual intercourse.  (VI) Kidnapping.  (VII) Rape.  (VIII) Robbery as defined in 18 Pa.C.S. §	
17 18 19 20 21 22 23 24 25 26 27	(III) Voluntary manslaughter.  (IIII) Aggravated assault as defined in 18  Pa.C.S. § 2702(a)(1) or (2) (relating to aggravated assault).  (IV) Arson as defined in 18 Pa.C.S. § 3301(a)(1)  (relating to arson and related offenses).  (V) Involuntary deviate sexual intercourse.  (VI) Kidnapping.  (VII) Rape.  (VIII) Robbery as defined in 18 Pa.C.S. § 3701(a)(1)(i), (ii) or (iii) (relating to robbery).	

1	* * *
2	Section 2. This act shall take effect in 60 days.
3	SECTION 2. TITLE 42 IS AMENDED BY ADDING A SECTION TO READ:
4	§ 7104. LIMITATIONS ON ASBESTOS-RELATED LIABILITIES RELATING TO
5	CERTAIN MERGERS OR CONSOLIDATIONS.
6	(A) LIMITATIONS ON SUCCESSOR ASBESTOS-RELATED LIABILITIES
7	(1) EXCEPT AS FURTHER LIMITED IN PARAGRAPH (2), THE
8	CUMULATIVE SUCCESSOR ASBESTOS-RELATED LIABILITIES OF A
9	DOMESTIC CORPORATION THAT WAS INCORPORATED IN THIS
10	COMMONWEALTH PRIOR TO MAY 1, 2001, SHALL BE LIMITED TO THE
11	FAIR MARKET VALUE OF THE TOTAL ASSETS OF THE TRANSFEROR
12	DETERMINED AT THE TIME OF THE MERGER OR CONSOLIDATION AND
13	SUCH CORPORATION SHALL HAVE NO RESPONSIBILITY FOR SUCCESSOR
14	ASBESTOS-RELATED LIABILITIES IN EXCESS OF SUCH LIMITATION.
15	(2) IF THE TRANSFEROR HAD ASSUMED OR INCURRED SUCCESSOR
16	ASBESTOS-RELATED LIABILITIES IN CONNECTION WITH A PRIOR
17	MERGER OR CONSOLIDATION WITH A PRIOR TRANSFEROR, THEN THE
18	FAIR MARKET VALUE OF THE TOTAL ASSETS OF THE PRIOR
19	TRANSFEROR, DETERMINED AT THE TIME OF SUCH EARLIER MERGER OR
20	CONSOLIDATION, SHALL BE SUBSTITUTED FOR THE LIMITATION SET
21	FORTH IN PARAGRAPH (1) FOR PURPOSES OF DETERMINING THE
22	LIMITATION OF LIABILITY OF A DOMESTIC CORPORATION.
23	(B) LIMITATION ON TOTAL ASSETS AVAILABLE TO SATISFY
24	SUCCESSOR ASBESTOS-RELATED LIABILITIES
25	(1) EXCEPT AS FURTHER LIMITED IN PARAGRAPH (2), THE
26	ASSETS OF A DOMESTIC CORPORATION THAT WAS INCORPORATED IN
27	THIS COMMONWEALTH PRIOR TO MAY 1, 2001, SHALL BE EXEMPT FROM
28	RESTRAINT, ATTACHMENT OR EXECUTION ON JUDGMENTS RELATED TO
29	CLAIMS FOR SUCCESSOR ASBESTOS-RELATED LIABILITIES TO THE
30	EXTENT THAT THE CUMULATIVE AMOUNTS WHICH, AFTER THE TIME OF

- 1 THE MERGER OR CONSOLIDATION AS TO WHICH THE FAIR MARKET VALUE
- 2 OF TOTAL ASSETS IS DETERMINED FOR PURPOSES OF THIS SUBSECTION
- 3 AND SUBSECTION (A), ARE PAID OR COMMITTED TO BE PAID BY OR ON
- 4 BEHALF OF THE CORPORATION, OR BY OR ON BEHALF OF A
- 5 TRANSFEROR, IN CONNECTION WITH SETTLEMENTS, JUDGMENTS OR
- 6 OTHER DISCHARGES OF CLAIMS OF ASBESTOS-RELATED LIABILITIES,
- 7 EXCEEDS THE FAIR MARKET VALUE OF THE TOTAL ASSETS OF THE
- 8 TRANSFEROR, DETERMINED AT THE TIME OF THE MERGER OR
- 9 <u>CONSOLIDATION</u>.
- 10 (2) IF THE TRANSFEROR HAD ASSUMED OR INCURRED SUCCESSOR
- 11 ASBESTOS-RELATED LIABILITIES IN CONNECTION WITH A PRIOR
- 12 MERGER OR CONSOLIDATION WITH A PRIOR TRANSFEROR, THEN THE
- 13 FAIR MARKET VALUE OF THE TOTAL ASSETS OF THE PRIOR
- 14 TRANSFEROR, DETERMINED AT THE TIME OF SUCH EARLIER MERGER OR
- 15 CONSOLIDATION, SHALL BE SUBSTITUTED FOR THE LIMITATION SET
- 16 FORTH IN PARAGRAPH (1) FOR PURPOSES OF DETERMINING THE EXTENT
- OF THE EXEMPTION OF THE ASSETS OF A DOMESTIC CORPORATION.
- 18 (C) FAIR MARKET VALUE OF TOTAL ASSETS.--
- 19 (1) A DOMESTIC CORPORATION MAY ESTABLISH THE FAIR MARKET
- 20 <u>VALUE OF TOTAL ASSETS THROUGH ANY METHOD THAT IS REASONABLE</u>
- 21 <u>IN THE CIRCUMSTANCES, INCLUDING, BUT NOT LIMITED TO, BY</u>
- 22 REFERENCE TO THE PURCHASE PRICE PAID FOR SUCH ASSETS IN AN
- 23 ARM'S LENGTH TRANSACTION AND THE VALUE OF SUCH ASSETS
- 24 RECORDED ON A BALANCE SHEET. ANY SUCH SHOWING BY THE DOMESTIC
- 25 CORPORATION OF A REASONABLE DETERMINATION OF THE FAIR MARKET
- 26 VALUE OF ASSETS SHALL BE PRIMA FACIE EVIDENCE OF SUCH FAIR
- 27 MARKET VALUE.
- 28 (2) ONCE A REASONABLE DETERMINATION OF THE FAIR MARKET
- 29 VALUE OF TOTAL ASSETS HAS BEEN THUS ESTABLISHED BY A DOMESTIC
- 30 CORPORATION, A CLAIMANT DISPUTING THAT DETERMINATION OF VALUE

1 SHALL THEN HAVE THE BURDEN OF ESTABLISHING A DIFFERENT FAIR 2 MARKET VALUE OF SUCH ASSETS. 3 (3) FOR THE PURPOSE OF ADJUSTING THE LIMITATIONS SET 4 FORTH IN SUBSECTIONS (A) AND (B) TO ACCOUNT FOR THE PASSAGE 5 OF TIME, THE FAIR MARKET VALUE OF TOTAL ASSETS AT THE TIME OF 6 A MERGER OR CONSOLIDATION SHALL BE INCREASED ANNUALLY, UNTIL 7 THE EARLIER OF: (I) THE DATE OF THE SETTLEMENT, JUDGMENT OR OTHER 8 9 DISCHARGE TO WHICH THE LIMITATIONS IN SUBSECTIONS (A) AND 10 (B) ARE BEING APPLIED; OR 11 (II) THE DATE ON WHICH SUCH ADJUSTED FAIR MARKET 12 VALUE IS FIRST EXCEEDED BY THE CUMULATIVE AMOUNTS PAID OR 13 COMMITTED TO BE PAID BY OR ON BEHALF OF THE CORPORATION, 14 OR BY OR ON BEHALF OF A TRANSFEROR, AFTER THE TIME OF THE 15 MERGER OR CONSOLIDATION AS TO WHICH THE FAIR MARKET VALUE OF TOTAL ASSETS IS DETERMINED FOR PURPOSES OF SUBSECTIONS 16 17 (A) AND (B), IN CONNECTION WITH SETTLEMENTS, JUDGMENTS OR 18 OTHER DISCHARGES OF THE SUCCESSOR ASBESTOS-RELATED 19 LIABILITIES, 20 AT THE RATE EOUAL TO THE PRIME RATE AS LISTED IN THE FIRST 21 EDITION OF THE WALL STREET JOURNAL PUBLISHED FOR EACH 22 CALENDAR YEAR SINCE SUCH MERGER OR CONSOLIDATION, PLUS 1%, 23 NOT COMPOUNDED. 24 (D) TRANSFER OF CLAIM TO AVOID POLICY OF COMMONWEALTH. -- THE 25 PROVISIONS OF SECTION 8128 (RELATING TO TRANSFER OF CLAIM TO 26 AVOID POLICY OF COMMONWEALTH) SHALL APPLY TO THE LIMITATION ON 27 ASSETS SET FORTH IN SUBSECTION (B). 28 (E) APPLICATION. --29 (1) THE LIMITATIONS SET FORTH IN SUBSECTIONS (A) AND (B)

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SHALL APPLY TO MERGERS OR CONSOLIDATIONS EFFECTED UNDER THE

- 1 LAWS OF THIS COMMONWEALTH OR ANOTHER JURISDICTION CONSUMMATED
- 2 <u>BEFORE MAY 1, 2001.</u>
- 3 (2) THE LIMITATIONS SET FORTH IN SUBSECTIONS (A) AND (B)
- 4 SHALL APPLY TO ALL ASBESTOS CLAIMS, INCLUDING EXISTING
- 5 ASBESTOS CLAIMS, AND ALL LITIGATION, INCLUDING EXISTING
- 6 LITIGATION, AND SHALL APPLY TO SUCCESSORS OF A DOMESTIC
- 7 CORPORATION TO WHICH THIS SECTION APPLIES.
- 8 (3) THE LIMITATIONS SET FORTH IN SUBSECTIONS (A) AND (B)
- 9 SHALL NOT APPLY TO WORKERS' COMPENSATION BENEFITS PAID BY OR
- 10 ON BEHALF OF AN EMPLOYER TO AN EMPLOYEE PURSUANT TO THE ACT
- 11 OF JUNE 2, 1915 (P.L.736, NO.338), KNOWN AS THE WORKERS'
- 12 <u>COMPENSATION ACT, OR COMPARABLE WORKERS' COMPENSATION LAW OF</u>
- 13 <u>ANOTHER JURISDICTION</u>.
- 14 (4) THE LIMITATIONS SET FORTH IN SUBSECTIONS (A) AND (B)
- 15 SHALL NOT APPLY TO ANY CLAIM AGAINST A DOMESTIC CORPORATION
- 16 THAT DOES NOT CONSTITUTE A SUCCESSOR ASBESTOS-RELATED
- 17 LIABILITY.
- 18 (5) THIS SECTION SHALL NOT APPLY TO AN INSURANCE
- 19 CORPORATION AS DEFINED IN 15 PA.C.S. § 3102 (RELATING TO
- 20 DEFINITIONS).
- 21 (6) THE LIMITATIONS SET FORTH IN SUBSECTIONS (A) AND (B)
- 22 SHALL NOT APPLY TO ANY OBLIGATIONS ARISING UNDER THE NATIONAL
- 23 LABOR RELATIONS ACT (49 STAT. 449, 29 U.S.C. § 151 ET SEO.),
- 24 <u>OR UNDER ANY COLLECTIVE BARGAINING AGREEMENT.</u>
- 25 (F) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
- 26 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
- 27 SUBSECTION:
- 28 "ASBESTOS CLAIM." ANY CLAIM, WHEREVER OR WHENEVER MADE, FOR
- 29 DAMAGES, LOSSES, INDEMNIFICATION, CONTRIBUTION OR OTHER RELIEF,
- 30 ARISING OUT OF, BASED ON OR IN ANY WAY RELATED TO ASBESTOS.

- 1 INCLUDING, BUT NOT LIMITED TO, PROPERTY DAMAGE CAUSED BY THE
- 2 INSTALLATION, PRESENCE OR REMOVAL OF ASBESTOS, THE HEALTH
- 3 EFFECTS OF EXPOSURE TO ASBESTOS, INCLUDING ANY CLAIM FOR
- 4 PERSONAL INJURY, DEATH, MENTAL OR EMOTIONAL INJURY, RISK OF
- 5 <u>DISEASE OR OTHER INJURY OR THE COSTS OF MEDICAL MONITORING OR</u>
- 6 SURVEILLANCE. THE TERM ALSO INCLUDES ANY CLAIM MADE BY OR ON
- 7 BEHALF OF ANY PERSON EXPOSED TO ASBESTOS OR ANY REPRESENTATIVE,
- 8 SPOUSE, PARENT, CHILD OR OTHER RELATIVE OF ANY SUCH PERSON.
- 9 <u>"DOMESTIC CORPORATION." A DOMESTIC CORPORATION AS DEFINED IN</u>
- 10 <u>15 PA.C.S. § 102 (RELATING TO DEFINITIONS).</u>
- 11 <u>"SUCCESSOR ASBESTOS-RELATED LIABILITIES." ANY LIABILITIES</u>
- 12 WHETHER KNOWN OR UNKNOWN, ASSERTED OR UNASSERTED, ABSOLUTE OR
- 13 CONTINGENT, ACCRUED OR UNACCRUED, LIQUIDATED OR UNLIQUIDATED OR
- 14 <u>DUE OR TO BECOME DUE, RELATED IN ANY WAY TO ASBESTOS CLAIMS,</u>
- 15 THAT WERE ASSUMED OR INCURRED BY A CORPORATION AS A RESULT OF OR
- 16 IN CONNECTION WITH A MERGER OR CONSOLIDATION, OR THE PLAN OF
- 17 MERGER OR CONSOLIDATION RELATED THERETO, WITH OR INTO ANOTHER
- 18 CORPORATION EFFECTED UNDER THE LAWS OF THIS COMMONWEALTH OR
- 19 ANOTHER JURISDICTION OR WHICH ARE RELATED IN ANY WAY TO ASBESTOS
- 20 CLAIMS BASED ON THE EXERCISE OF CONTROL OR THE OWNERSHIP OF
- 21 STOCK OF SUCH CORPORATION PRIOR TO SUCH MERGER OR CONSOLIDATION.
- 22 THE TERM SHALL INCLUDE LIABILITIES WHICH, AFTER THE TIME OF THE
- 23 MERGER OR CONSOLIDATION AS TO WHICH THE FAIR MARKET VALUE OF
- 24 TOTAL ASSETS IS DETERMINED FOR PURPOSES OF SUBSECTIONS (A) AND
- 25 (B), WERE OR ARE PAID OR OTHERWISE DISCHARGED OR COMMITTED TO BE
- 26 PAID OR OTHERWISE DISCHARGED, BY OR ON BEHALF OF THE
- 27 CORPORATION, OR BY OR ON BEHALF OF A TRANSFEROR, IN CONNECTION
- 28 WITH SETTLEMENTS, JUDGMENTS OR OTHER DISCHARGES IN THIS
- 29 <u>COMMONWEALTH OR ANOTHER JURISDICTION.</u>
- 30 "TRANSFEROR." A CORPORATION FROM WHOM SUCCESSOR ASBESTOS-

- 1 RELATED LIABILITIES ARE ASSUMED OR INCURRED.
- 2 SECTION 3. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.