

Do I understand that your statement is in opposition to specific provisions of the bill, or is it to the bill in its entirety?

Mr. GARRETT. No, it is just the specific provisions of the increase in penalty, the fine.

Mr. SISK. That is the only thing you find objectionable?

Mr. GARRETT. Plus the amendment that would not allow us to forfeit collateral, and would make us appear in court for all personal injuries.

Mr. SISK. In other words, your opposition goes to Section 3 or at least that portion of Section 3 having to do with the change in maximum and also no forfeiture of collateral be permitted in personal injury?

Mr. GARRETT. Yes, sir, we feel that we have abilities and incentive to operate our jobs safely. If we have injuries on the job, it naturally increases our insurance costs. It puts us in a very bad competitive position, and if we have to go to court, that will create an additional hardship on us. My statement also points out that if we have to go to court to settle all of these injuries, the docket of the court, which we understand is extremely crowded, will be almost impossible. We also point out in our statement our record that The Master Builders' Association is a branch or a chapter of the Associated General Contractors of America. We do about 80 per cent of all the commercial work in this area, and we represent I think a very important segment of the business community here. Our record has been good, I believe, and it is improving all the time. We favor the regulations that Mr. Green has promulgated.

However, we do not want to have any additional penalties; we do not think this is the answer to the thing. We feel that the natural restrictions that we have against having accidents which would increase our costs and our operations, slow down our operations, the built-in problems make it so that we just naturally are penalized, if we have an accident, without having to have an additional penalty of a fine, and an additional hardship of having to go to court.

We as owners and administrators naturally in ourselves cannot go out and watch every nail that is driven on the job. We would be the ones that would have to go to court.

Mr. SISK. We appreciate your comments. I just wanted to get that in. I think I understand where your objections lie to the present bill, and it will certainly be in the minds of the committee at the time that we prepare the bill for write up. I appreciate very much, Mr. Garrett, your statement.

Mr. GARRETT. Thank you for allowing me to make a statement, sir.

Mr. SISK. I will insert this letter from the American Insurance Association in the record at this point.

(The letter referred to follows:)

AMERICAN INSURANCE ASSOCIATION,
Washington, D.C., April 26, 1967.

Re H.R. 1264.

Hon. B. F. SISK,
House Office Building,
Washington, D.C.

DEAR MR. SISK: The American Insurance Association is a non-profit, public service organization with a membership of 168 capital stock insurance companies, most of which are licensed to do business in the District of Columbia. We support H.R. 1264, which you introduced on January 10, 1967.