

# **The Hide No Harm Act of 2014**

**Sponsor:** Senator Richard Blumenthal

**Original Cosponsors:** Senators Tom Harkin and Robert P. Casey, Jr.

*A defect leading to a serious danger may simply be a case of negligent behavior. Knowingly and intentionally concealing that danger must be a case of criminal behavior.*

## **The Problem: Willful Concealment of Harm**

As early as 2004, corporate officers at General Motors were aware of an ignition defect in certain vehicles that should have been recognized as a serious danger. GM's own internal investigation concluded that, as early as 2011, high-level corporate officers at GM recognized the serious danger posed to drivers of certain GM cars, but chose to continue investigating the issue rather than immediately notifying consumers of the potential for death or serious physical injury that could result from driving the defective cars. No recalls were announced until 2014.

GM is not alone –

- **Second Chance Body Armor:** Executives knowingly manufactured and sold deficient ballistic vests to law enforcement and the military for nearly five years, resulting in two documented incidents of ballistic failure during firefights.
- **Simplicity for Children:** Executives knowingly allowed defective cribs to remain on the market, resulting in at least 11 infant deaths.

## **The Consequences: Tragedy, Unfair Competition, Market Instability**

When the serious danger inevitably comes to light and civil litigation follows, the corporate officer who knowingly concealed the harm suffers very little, if at all. Meanwhile, the consequences of their actions are felt by the consumers or employees who were injured or killed as a result of the danger, by the shareholders who are financially responsible for the ensuing civil damages, and by the majority of companies within the industry that take seriously their safety responsibilities but have their reputations tarnished nonetheless.

## **The Solution: Criminalization of the Willful Concealment of Harm**

The Hide No Harm Act of 2014 would:

Make it a crime, punishable by fines and up to five years in prison, for a corporate officer to knowingly conceal the fact that a corporate action or product poses a danger of death or serious physical injury.

Create a safe harbor from that criminal liability in cases where that corporate officer notifies a federal regulatory agency and individuals subject to the danger. Eliminating criminal liability under this bill is as simple as picking up a phone and telling a federal regulatory agency about the danger.

***There is no such thing as knowing negligence; it's called a crime.***

*This legislation is supported by the ACORN8; AFL-CIO; American Federation of State, County and Municipal Employees; Arizona Consumers Council; Brown Center for Public Policy; Center for Auto Safety; Center for Effective Government; Center for Progressive Reform; Center for Science in the Public Interest; Chicago Consumer Coalition; Coalition for Sensible Safeguards; ConnPIRG; Consumer Action; Consumer Assistance Council, Inc.; Consumer Federation of America; Consumer Federation of the SE.; Consumers Union; Corporate Accountability International; Economic Policy Institute; Federal Ethics Center; Friends of the Earth; Government Accountability Project; Greenpeace; Institute for Agriculture and Trade Policy; International Brotherhood of Teamsters; Kids In Danger; National Center for Health Research; National Consumers League; National Council for Occupational Safety and Health; National Employment Law Project; National Women's Health Network; Network for Environmental & Economic Responsibility of United Church of Christ; Oregon Consumer League; Protect All Children's Environment; Public Citizen; Safe Climate Campaign; SafeWork Washington; Sciencecorps; The Safety Institute; Union of Concerned Scientists; U.S. PIRG; Virginia Citizens Consumer Council; Whistleblower Support Fund*