

Bankruptcy law protects GM, Chrysler, but not accident victims

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By Brad Woodard / 11 News

HOUSTON -- There are still millions of GM and Chrysler vehicles on the road, but a lot has changed for the people behind the wheel of those cars and trucks. That's because those companies are no longer liable if death or injury happens in an accident.

The two companies represent 38 percent of the market share, but they account for nearly half of all claims filed against auto makers in recent years.

In 2006, just a few months shy of their 25th anniversary, Jimsey and Mike Walton were driving their 2002 GMC Yukon, when they had to swerve to avoid a car moving into their lane on a Texas highway.

They lost control of the Yukon and the vehicle rolled three times.

"I lost my husband and my two children lost their dad. I suffered severe injuries that will follow me the rest of my life," said Jimsey Walton.

Not only was its roof crushed, but the seatbelts didn't help them.

"The Waltons were belted, but the seatbelts didn't protect them. They were partially ejected," said Mike Lowenberg, who is the Walton's attorney.

Jimsey's husband suffered severe head trauma and died at the scene. Jimsey survived, but lost three inches of bone in her right leg and had to undergo 10 surgeries over the last two and a half years.

"I think they [General Motors] should be held accountable for what happened to our family," said Walton.

Walton filed a lawsuit against the company last year claiming her Yukon was defective, but that was before GM filed for bankruptcy.

"As it stands right now, the bankruptcy laws prevent a party from suing a company that's in bankruptcy, and the claims against them on file from going forward," Lowenberg said.

Walton's claim is one among thousands. As the law stands now, they have no legal recourse.

A report released Tuesday by a Safety and Research Strategies took a look at the impact of the Chrysler and General Motors bankruptcies. Based on data collected over recent

years, it predicts more than 3,400 Americans will be injured or killed by defective GM and Chrysler cars in the first year after bankruptcy.