

Statement

Insurance Association of Connecticut

Judiciary Committee

March 14, 2006

SB 598, An Act Adopting The Connecticut Uniform Mediation Act

The Insurance Association of Connecticut is opposed to SB 598, An Act Adopting the Connecticut Uniform Mediation Act.

Mediation is used to reduce docket pressure on the judiciary and to provide a forum that is less formal and less confrontational than court. SB 598 undermines these important functions and creates an ill-defined institution.

There is a strong public policy favoring contractual provisions permitting mediation as a dispute resolution mechanism. Central to that policy is granting the authority to parties to dictate the parameters and the mediators. SB 598 undermines that policy by vesting virtually unlimited discretion in the mediator. The powers of the mediators should be limited to those agreed upon by the parties and the arbitration agreement.

SB 598 curtails the parties' right to contract and dictate in contract the terms of binding mediation. Therefore, the Insurance Association of Connecticut urges your rejection of SB 598.