



Insurance Association of Connecticut

Judiciary Hearing

March 6, 2017

Senate Bill 932 An Act Establishing a Statutory Cause of Action for Injury to Person or Property Based on Negligent Infliction of Emotional Damage.

My name is Dallas Dodge, and I serve as Counsel to the Insurance Association of Connecticut ("IAC"). The IAC strongly opposes **Senate Bill 932 An Act Establishing a Statutory Cause of Action for Injury to Person or Property Based on Negligent Infliction of Emotional Damage.**

The IAC is a state-based trade association whose members include insurers that underwrite property & casualty as well as liability insurance in Connecticut.

Senate Bill 932 would represent an unprecedented expansion of Connecticut's tort liability system, as Connecticut common law has never recognized a right to sue for intentional or negligent infliction of emotional distress resulting from injury to property.

The state Supreme Court has, in fact, advised against recognizing such a cause of action, because doing so "could lead to unlimited liability. There are ample policy concerns for setting limits or administrative boundaries establishing the permissible instances of recovery. There are fears of flooding the courts with 'spurious and fraudulent claims'; problems of proof of the damage suffered; exposing the defendant to an endless number of claims; and economic burdens on industry." (Internal quotation marks omitted) *Clohessy v. Bachelor*, 237 Conn. 31, 50, 675 A.2d 852 (1996).

By increasing both the number of lawsuits filed and the cost of litigation, SB 932 would make Connecticut a more expensive place to do business. Likewise, SB 932 would increase costs for Connecticut's towns and cities at a time when most municipal budgets are already under an enormous amount of strain. Finally, SB 932 could increase the cost of liability insurance, as premiums would need to be adjusted to take into account increased risk.

For the reasons set forth above, we respectfully oppose SB 932. Thank you for your time.