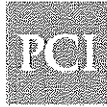




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STATEMENT

PROPERTY CASUALTY INSURERS ASSOCIATION OF AMERICA (PCI)

S.B. No. 932 – AN ACT ESTABLISHING A STATUTORY CAUSE OF ACTION FOR INJURY TO PERSON OR PROPERTY BASED ON NEGLIGENT INFLICTION OF EMOTIONAL DISTRESS

JUDICIARY COMMITTEE

March 6, 2017

The Property Casualty Insurers Association of America (PCI) appreciates the opportunity to comment on S.B. 932, an act establishing a statutory cause of action for injury to person or property based on negligent infliction of emotional distress. Our comments are provided on behalf of the member companies of PCI, a national property casualty trade association with nearly 1,000 member companies. PCI member companies provide 32 percent of Connecticut's property/casualty insurance coverage.

PCI opposes this bill because it is unnecessary and will likely expand and potentially conflict with current case law in this regard. Common law in Connecticut already allows plaintiffs to sue for negligent infliction of emotional distress. By creating a statutory cause of action, however, this bill may result in changes to or conflicts with current case law, thereby resulting in unnecessary uncertainty and additional litigation to interpret the statute. Uncertainty relative to statutory interpretation, increased litigation and potentially increased verdicts can all have an impact on insurance premiums.

This bill is also objectionable because it includes costs and attorneys' fees as part of recoverable damages for negligent infliction of emotional distress claims. Attorneys' fees are not generally included for negligence cases and should not be included for this claim. Providing for the recovery of attorneys' fees may result in a significant increase in the filing of these claims because the plaintiff would no longer be responsible for his or her own attorneys' fees. This is contrary to the general rule against the recovery of attorneys' fees and there is no reason that recovery of attorneys' fees should be provided for in conjunction with this cause of action.

Accordingly, for all of the foregoing reasons, PCI urges your Committee not to favorably advance SB 932.

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