

Judiciary Committee

JOINT FAVORABLE REPORT

Bill No.: HB-5235

AN ACT CONCERNING THE CONTENT OF REPORTS FROM THE OFFICE OF

Title: THE CLAIMS COMMISSIONER TO THE GENERAL ASSEMBLY.

Vote Date: 4/4/2022

Vote Action: Joint Favorable Substitute

PH Date: 3/4/2022

File No.: 545

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Judiciary Committee

REASONS FOR BILL:

H.B. 5235 will encourage quick settlements and discourage unnecessary delays which lead to court backlogs and subsequently lead to a delay in the defendant's compensation. This bill will ensure that the injured or harmed party is brought to financial justice. This bill will promote earlier settlements and reduce the court backlog that has only increased due to the pandemic. This original bill language was heard at a public hearing & elicited the support & opposition in this report. Consequently, the substitute language stripped the underlying bill.

SUBSTITUTE LANGUAGE:

The substitute language for this bill would require the Office of the Claims Commissioner to report to the General Assembly annually with the total number of new claims filed, disposed of, dismissed, denied, and the description of each payment of a just claim with the name of the claimant, amount paid to the claimant, the reasoning behind it, and the total number of claimants who were authorized to sue the state. The additional reporting requirements to the General Assembly from the Office of the Claims Commissioner will supplement the OCC's annual report. This information will determine if the changes made to the processes have resulted in more efficient, streamlined, and transparent operations for both claimant and the Office of the Claims Commissioner.

RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

NATURE AND SOURCES OF SUPPORT:

Connecticut Trial Lawyers Association supports the original bill because the reformation of the prejudgment interest calculation law will reduce a party's incentive to delay settlement and will help ensure that an injured or harmed party receives full and complete compensation and is made whole.

SOURCES THAT PROVIDE NO OPINION:

Judicial Branch of the External Affairs Division takes no stance on the policies furthered by the original bill but suggest it would be helpful to define the term "date of the cause of action" indicating that it could mean the date the case is filed in Superior Court or the date the cause of action accrued.

NATURE AND SOURCES OF OPPOSITION:

The following individuals oppose the bill because it will unfairly inflate judgements, increase litigation costs, and impact insurance premiums for consumers and businesses. This bill will provide a significant financial reward for delay in bringing a lawsuit, and the claimant can hold off on filing their claim or other delays can happen out of the control of the defendant, ultimately increasing the amount of money they will be awarded. Prejudgment interest statutes are punitive in nature and are meant to harm the defendants instead of making the plaintiff whole again. This bill will maximize the amount of award payments, not expedite the fair settlement of claims. They believe that it would provide yet another hurdle to providing care for patients in Connecticut:

American Property Casualty Insurance Association; Connecticut Chapter of the American College of Surgeons Professional Association Inc.; Connecticut Society of Eye Physicians; Connecticut ENT Society, Connecticut Dermatology Society; Connecticut Urology Society; General Counsel of the Insurance Association of Connecticut, Brook Foley; Joyce A. Lagnese and Jonathan A. Kocienda of DanaherLanganese, PC; Deputy General Counsel of Griffin Hospital, Nancy Marini; Stamford Health; CEO of the Connecticut Society of Certified Public Accountants, Bonnie Stewart; Connecticut Hospital Association; and Legislative Affairs Representative of Farmers Insurance, Jaynine Warner.

Reported by: Molly Lukiwsky

Date: 4/11/2022