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Voice of the People: Illinois House Bill 3360 cause for alarm

Jan 16, 2021

Illinois lawmakers fast tracked a bill that forces defendants to pay prejudgment interest in a lawsuit or arbitration claim whenever monetary damages are awarded. Prejudgment interest refers to additional money courts award for interest back to the injury date. Why be alarmed?

1. HB3360 is not necessary. Illinois courts can already award prejudgment interest.
2. Awarding prejudgment interest back to the date of injury, charges interest fees on economic damages before the plaintiff receives or acquires charges for services.
3. HB3360 assesses prejudgment interest on expenses often paid by third parties such as health insurers or workers' compensation carriers.
4. HB3360 sets the interest rate at 9 percent, significantly higher than the federal reserve rate. In fact, interest payment on the top 10 Illinois verdicts in 2019 is projected to explode from \$51 million to almost \$96 million if HB3360 becomes law.
5. Illinois citizens and policyholders are reeling from the effects of the COVID-19 pandemic. Requiring prejudgment interest on court awarded damages makes economic rebound more difficult.

Insurance companies are contractually obligated to defend policyholders when losses occur. There are times when loss settlements require court intervention. Proposals such as HB3360 punish individuals and small businesses that have insurance over accusers looking for big verdicts.

We urge residents to consider the unfairness HB3360 brings to our state's legal system and urge Gov. Pritzker to veto the bill.

Kevin J. Martin

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