

determined by a court, then that right should also include a reasonable interest on the amount they receive from some point in time. You just decided the point in time should be 120 days from the time the original lawsuit is filed. It might be three, four, five years later before that lawsuit is finally settled, or settlement is made. Under this provision, under this bill you would then have interest accrued on that amount. Maybe the amount awarded was \$50,000, and maybe it took two or three years to get it settled or litigated. You would then receive interest on that for that period of time. Now does it make sense and what are some of the reasons for it? Quite frankly one of the reasons is to force insurance companies to deal a little more fairly, at least in the opinion of some of us, with the other side, with the injured party. How does it do that? Well, remember insurance companies, when they have litigation like this, they set aside pots of money to cover it. During that time that money is set aside certainly they are earning interest on it. They are receiving income on it, and if they can stall a case long enough they can almost pay for the entire case with the interest alone. Let's just use a simple example. You take \$50,000 and set it aside, and then you delay a case through one thing or another for three years. You've almost recovered the entire amount, for the insurance company, without ever having put up any money because they earned the interest off of it. So, yes, we think one of the things it would do is help to hasten legitimate settlement of lawsuits and get the things not delayed so long. But there is a second reason. We think it is just basically fair and simple honesty. If somebody has money coming we all know that money has a time value. There isn't anybody today that would deny that money has a time value. Whether that amount is a 9 percent, or 14 percent, or 10 percent, I guess is up to the collective judgment of this body. But it does have some value. We think that that should be included as part of the thing that is involved in litigation, just like it is in 23 other states today. So I would urge you to advance the bill. I would urge you to do something else. Make your judgment yourself on this one. You, I know that there are a dozen or 15 bills every year where we have two warring sides whether it is the business community pitted against the labor community, whether it is the doctors versus the chiropractors or whoever, where it is two big powerful groups and they're kind of warring against each other for their vested interest rights. That's fine. That's the way the system works, but I would say on this