

Senate Transportation Committee

Kat Bourque 271-3093

SB 25, relative to small claims resulting from accidents due to activities of the department of transportation.

Hearing Date: January 10, 2017

Time Opened: 1:47 PM

Time Closed: 1:59 PM

Members of the Committee Present: Senators Birdsell, Gannon, Ward, Watters and McGilvray

Members of the Committee Absent: None

Bill Analysis: This bill raises the amount the commissioner of transportation may pay to one person for small claims resulting from accidents due to activities of the department of transportation. This bill was requested by the secretary of state.

Sponsors:
Sen. D'Allesandro

Who supports the bill: Paula Penny (Secretary of State's Office)

Who opposes the bill: Marie Mullen (Department of Transportation)

Who is neutral on the bill: No one

Summary of testimony presented in support:

Senator D'Allesandro

Prime Sponsor

- Senator D'Allesandro introduced the bill as the prime sponsor of the legislation.
- This bill was a request of the Secretary of State. This bill is made gender neutral by adding "his or her" in a number of places throughout the bill (lines 3, 4, and 9) and changes the amount referenced in current law from \$600 to \$2,000. The amount of small claims has increased over the years and this is why there is an increase reflected in this legislation.
- Senator D'Allesandro concluded that other individuals present would be happy to speak to the bill.

Paula Penny

Secretary of State's Office

- Ms. Penny stated that this bill's request is to bring the dollar amount brought before small claims to a more modern-day amount.
- When individuals have claims with the state resulting from traffic incidents, for example,

the Secretary of State's office provides support to the Board of Claims.

- Many of these claims happen with DOT and different incidences that happen on the road. One common example is when individuals drive over wet paint with their cars. If they feel as though the state is at fault, they will bring the claim forward.
- The Board of Claims meets four times per year. Ms. Penny stated that the process through the Department of Transportation may, therefore, be quicker than the Board of Claims process.
- There are more and more of claims of this nature being brought forward today. The Office thought it would be a good idea at this time to up the dollar amount so that such claims could be handled more evenly between DOT and the Board of Claims.
- Senator Watters asked if individuals still have the option to go to the Board of Claims. Ms. Penny explained that she believes if individuals are not satisfied with the outcome with DOT, they are still able to come before the Board as an option.
- Senator Birdsell asked if Ms. Penny knew how many claims have gone over \$600. Ms. Penny explained that any claims awarded by the Board are paid by other funds which are appropriated by the treasurer. There is not a specific fund. She believes that there are maybe 100 claims per year, and 80 percent are transportation related. She stated that she is unaware of how many go above \$600.

Summary of testimony presented in opposition :

Marie Mullen

Director of Finance, DOT

- DOT is in opposition to this bill. Ms. Mullen stated that the Department does not have the resources to deal with an increased number of claims. The Department would need to be given additional resources, whether this be as a temporary hire, etc.
- Over the last 3 years, there have (respectively) been 115, 81, and 49 claims over \$600.
- She gave additional statistics on the total number of claims before the Board over the last several years.
- Ms. Mullen stated that this legislation would double the number of claims being brought before the Department.
- The Department's budget is \$5,000 per year for these claims.
- The Department reimbursed \$3,126.00 in 2014, \$6,904.00 in 2015, and \$2,985.00 in 2016.
- The Department received information that the Board of Claims heard 32 cases in 2014 and reimbursed over \$10,000. Those are paid with general funds.
- Ms. Mullen explained that there would need to be an increase in the highway funds within the Department in order for them to reimburse the potential claims coming forward.
- She noted that the Department had 35 claimants over the last three years who reduced their claims below \$600 so they did not have to go to the Board of Claims.
- Senator Watters asked to confirm that the Board of Claims can adjudicate up to \$5,000. Ms. Mullen stated that this was correct.
- Senator McGilvray asked if the money paid out by the Department and the Board of Claims comes from the same fund. Ms. Mullen explained that no, the claims from the Board of Claims come out of the General Fund.
- Senator Birdsell asked if someone comes with a claim in excess of \$1,500, do they have the option of going back to the Board of Claims and obtaining the balance. Ms. Mullen explained that this was not an option, as there is a clause stating the individual settled

for the amount they settled for.

Neutral Information Presented: N/A

Future Action: Pending

KAB
Date Hearing Report completed: January 12, 2017