

TO:	The Honorable Members of the PA Senate Judiciary Committee
FROM:	Megan Martin, Vice President & General Counsel
DATE:	October 1, 2024
RE:	Support S.B. 1300 – Statutory Cap Reform for Catastrophic Cases

On behalf of the PA Chamber, I urge you to support S.B. 1300, P.N. 1845, which the committee is scheduled to consider today, October 1, 2024. As you know, we represent approximately 10,000 businesses of all sizes and sectors across the Commonwealth. We are their voice, and we would like to give you our thoughts on the bill.

The General Assembly, more than 40 years ago, passed legislation limiting the types of claims and the amounts of money individuals could recover from lawsuits against state and local governments. These caps allow for responsible fiscal planning and stewardship of taxpayer funds, while also permitting reasonable recovery.

Unfortunately, given litigation pending today in our state Supreme Court, there is a significant risk the caps will be raised to an excessive level or eliminated altogether, which would have devastating financial impacts on our state and local governments. The financial impacts on Pennsylvania's taxpayers, local communities, and transit systems could be ruinous when faced with the crippling financial burden of paying "nuclear" verdicts with scarce taxpayer-provided resources. Every taxpayer and every business – large and small – will suffer.

We support Senate Bill 1300, which will increase the statutory caps for catastrophic cases. The Legislative Budget and Finance Committee recently reported that only 1% of the claims brought against local and state agencies are not fully satisfied under the current statutory caps. Senate Bill 1300 addresses those cases – it substantially increases the current limits for recovery in the most serious of cases.

We urge you to support Senate Bill 1300.

Please contact Megan Martin at <u>mmartin@pachamber.org</u> or 717-343-4171 with questions or to discuss. Thank you.