Urge a Veto of House Bill 3360

Background
Introduced by the Illinois Trial Lawyers Association, HB 3360 (Hoffman / Harmon) passed along party-line votes at 2 a.m. the last day of the General Assembly’s Lame Duck Session with little opportunity for input from the business community. The bill would allow for prejudgment interest at 9% in personal injury lawsuits and has been sent to Governor Pritzker. Currently, interest is only applied post-judgement.

Please contact the Governor’s Office and urge a veto of HB 3360, which will:
- Impose one of the harshest and most expensive forms of prejudgment interest in the country;
- Add significant costs onto employers; and
- Have a chilling effect on job growth and investment throughout Illinois at a time when businesses can least afford it.

Untenable Trigger Date
HB 3360 provides that prejudgment interest begins accruing the date an employer is notified of an injury, rather than when a lawsuit is filed, or a settlement is reached. States, such as California, Michigan and Ohio, that allow for prejudgment interest all set a trigger date at the point a lawsuit is filed.

Includes Non-economic Damages and Punitive Damages
Unlike almost every other state that allows for prejudgment interest, HB 3360 imposes interest on “all damages set forth in the judgment,” which not only includes wage and medical expenses, but both non-economic damages, such as pain and suffering awards and punitive damages that were set by the judge and jury based on the facts of the case.

Damages Our Healthcare Sector
HB 3360 could cost hospitals hundreds of millions of dollars a year and endanger safety net hospitals that care for our most vulnerable communities. Further, this legislation would exacerbate healthcare disparities and access to care, and medical professionals leaving Illinois all while we continue to confront the worst public health crisis in generations.

No Basis for a 9% Rate
HB 3360 creates an unreasonable and punitive 9% interest rate that does not reflect the current economy and is quadruple the current rate of inflation. It is tantamount to a windfall for an individual rather than a reflection of the time-value of a person’s losses. Under Illinois law, for contracts damages and liquidated damages, the interest rate is 5% and there is a 6% rate for post judgements against a unit of government. Mortgage rates are under 3% and the 30-year Treasure rate is 1.25%.

Plaintiff Delays
Delays during civil litigation frequently occur due to reasons outside of a defendant’s control. There is no provision addressing delays caused by the plaintiff or their attorneys’ pre-suit or during the litigation. In many cases, plaintiffs may wait the full two years before filing a case, while the pre-judgement interest on any future judgment continues to accumulate.

We Need Comprehensive Tort Reform
Illinois is already one of the worst states for litigation in the country. HB 3360 does nothing to help Illinois businesses and only exacerbates the problem.

This bill has passed both chambers of the Illinois General Assembly and has been sent to Governor Pritzker. We need you to contact the Governor and urge his veto of HB 3360.

Contact the Governor’s Office: 217-782-0244 (Capitol) or 312-814-2121 (Chicago)