

ATTACHMENT 2

Date: 6-23-75

The Senate Committee on Banks and Insurance
held its hearing in Room 109 , State House, Concord, N. H.

Bill No. SB92 Title: to permit the establishment of mandatory risk sharing
plans covering all forms of liability insurance

Members of committee present:

Those appearing in favor:

Name and Address

Representing

See Attached

Those appearing in opposition:

Name and Address

Representing

See Attached

Report:

Ought to Pass X
Postponed Hearing

Inexpedient to Legislate
Continued Hearing

March 7, 1975

BANKS AND INSURANCE

There was a hearing in Room 109 at 10:25 AM on the following bill:

SB92 - to permit the establishment of mandatory risk sharing plans covering all forms of liability insurance.

Committee Members Present: Senator Andrew W. Poulsen, Chairman
 Senator Louis E. Bergeron, Vice Chairman
 Senator Richard F. Ferdinando
 Senator Robert F. Preston
 Senator D. Alan Rock

Sponsor: Senator Louis E. Bergeron

Senator Poulsen: We will open the hearing on Senate Bill 92 and call upon the sponsor of the Bill, Senator Bergeron.

Senator Bergeron: This bill was introduced primarily to deal with the problem of medical malpractice insurance that we are now experiencing. It was written at the suggestion of the Insurance Commissioner and I would now like to defer to him.

Senator Poulsen: Thank you, Senator Bergeron. Commissioner Whaland?

Commissioner Frank E. Whaland (Insurance Commissioner of New Hampshire): Mr. Chairman and Members of the Committee, my name is Frank Whaland and I am the Insurance Commissioner of New Hampshire. In 1971 the Legislature gave us 404-C:1 which gave us the authority to establish plans to provide insurance coverage for any risks in this state which are equitably entitled to but otherwise unable to obtain. Although this law covers other areas, it has been used primarily in the field of automobile insurance. However, the area of medical malpractice insurance is becoming acute. There are two major companies who write this insurance. St. Paul - about 50% and the Hartford - about 30%. Other companies are withdrawing from the state or refusing to renew policies. With the passage of Senate Bill 92, the wording in 404-C:1 will merely be changed to add the words "other liability" to the original law.

Senator Poulsen: Any questions from the Committee?

Senator Ferdinando: What companies would participate? What would the makeup of this plan be?

Com. Whaland: Well, first we would have to have a hearing. We would probably ask the industry to submit a plan. There are three ways they could probably go - do it similar to a group risk, do it as joint underwriters (which I would favor), or do it with front companies and a pool.

Senator Poulsen: Does anyone else care to speak in favor of the bill?

Dr. Smith: Mr. Chairman and Members of the Committee, my name is Theodore Smith and I am Vice President of the New Hampshire Medical Society. I would like to speak in favor of the bill. In New Hampshire we are having increasing problems with a doctor's medical malpractice insurance being dropped as the result of a single claim. There is one physician here in Concord who has been practicing for 20 years, last year he had one claim made against him and there was a settlement and then the insurance company dropped him. Now the only place that he can get insurance is from Lloyd's of London. You must realize that this bill is really just a stopgap measure. This is a problem that is effecting the whole country. However, we do have good doctors in New Hampshire and we need more. Our annual premiums are lower than those in Michigan. However, doctors in New Hampshire don't make as much annually as those in Michigan.

Senator Poulsen: What limits would you suggest on this?

Dr. Smith: Well, the insurance companies have graded doctors according to the field they are in on a scale of 1 to 5, with the 5 being your highest risk doctors. There are the doctors that are doing high risk surgery - cardio-vascular etc. Well, in the grade 5 you have no way of knowing what a jury will award. The highest thus far in New Hampshire was \$400,000. However, in some areas the awards have gone as high as four million.

Senator Poulsen: How would you feel about something similar to the "Top Brass" kind of insurance?

Dr. Smith: Well, it doesn't really matter the way the insurance is designed. Now we usually have a basic policy and then a type of umbrella coverage. But even with this, and it is not cheap, you can have only one settlement and then they will drop you. What we need is the continued availability of adequate coverage.

Senator Poulsen: Any questions from the Committee?

Senator Bergeron: Has it been your experience that physicians are settling or paying out to settle a claim and then that it's being held against the MD.

Dr. Smith: Settlements have been made. In one jury trial there was a request for \$500,000 and the settlement was made at \$25,000. This persons insurance will not be renewed. And the settlement was quietly arranged by the doctor and his insurance company. And this MD was board certified.

Senator Bergeron: No, Dr. Smith you misunderstand me. I am talking about a doctor who did nothing, and had a claim made against him. Both he and the insurance company would agree to make this nuisance payment just to get the thing settled and then the insurance company would cancel his policy.

Com. Whaland: Yes this has happened. However, worse than this. Most service personnel supplement their incomes by working in civilian hospitals. In Portsmouth, we had a Navy doctor who wanted to work in the emergency room of the Portsmouth hospital. This was common practice and had been going on for years. However, he was unable to obtain medical malpractice insurance just for this few weekend's worth of work and therefore, couldn't or wouldn't practice. I received a letter from him to the effect that he liked New Hampshire and had once hoped to set-up a practice here when he was out of the Navy. However, he wasn't going to come to New Hampshire now.

Senator Poulsen: Any more questions from the Committee?

Senator Rock: Dr. Smith can you tell us the reasons that the companies are giving for not writing new insurance or not renewing previously insured policy holders?

Dr. Smith: Well, I do have empathy for the insurance companies. They are in business for the profit and many of them also have to report to their stockholders. There is no profit in malpractice insurance. Many things are changing - inflation, awards are ever increasing, and the changing social mores. The insurance companies have no idea what the costs will be. You must realize that more legislation than just this bill is needed, that this is affecting the whole country.

Senator Rock: What about new physicians? What do they do?

Dr. Smith: Well, it all depends on what risk class they belong to ---- if they are in 1 or 2, they probably won't have that much trouble getting insurance, although it will be expensive. However, they aren't the doctors on the new frontiers of medicine --- they aren't in the areas where they could kill you or cure you - they are in the nice safe areas.

Senator Poulsen: Does anyone else wish to testify?

Dr. Shaw: Mr. Chairman and Members of the Committee, my name is Paul Shaw and I am the legislative chairman of the New Hampshire Association of Family Physicians and the New Hampshire Medical Society. I would like to speak in favor of this bill. I guess I should be grateful to the insurance companies. In most cases if you have a claim made against you, and you lose, you will be dropped. I've been practicing 27 years and had one claim made against me. It was settled in my favor and I still have my insurance. However, it should be fixed so that if you have a good track record, and are a new person in a high risk group, you should be able to get some insurance. In Concord now, we are attracting a group of new young MD's with expertise ---- those in the kidney dialysis, ~~neuro~~-neurosurgery, and vascular surgery - all very high risk areas ---- some of them cannot get insurance. If we are going to have a good medical community, we must have doctors other than those who will be family physicians in the lower risk groups. The doctors who are really knowledgeable and have studied the longest are the ones who need the protecti

Dr. Shaw: (continued) Now, you are going to hear that this is the only way that the public has of getting the bad guys out of medicine. This isn't really true and in the past it has been a very ineffective method of doing this. We are in the process now of setting up a Peer Review Board fashioned after Federal Law. This will have the effect of being a policing board so that standards of quality are judged by their peers. We will also be able to judge hospital admissions and treatment. We feel that this will be much more effective. In fact, many times we in the medical profession often realized that we had a drunk or an ineffective doctor practicing and every-time we tried to do something about it, the public would raise such a hue and cry for him that we couldn't do anything. However, now times are changing.

Senator Poulsen: How much does the fact of a suit make? Whether it is won or lost?

Dr. Shaw: It really depends on the doctor's standing in the community. In California last year, a group of orthopedic surgeons figured out the yearly cost of their malpractice insurance per patient, and now they add it on to each bill as part of their overhead. Each bill lists an additional fee of \$7.00 to cover the cost of medical malpractice insurance. We haven't gotten quite that far in New Hampshire.

Sen. Poulsen: Does anyone else wish to speak in favor of this bill?

Martin Gross: Mr. Chairman and Members of the Committee, my name is Martin Gross and I represent the American Insurance Association which includes at least 3 of the companies who presently write malpractice insurance in New Hampshire. The Association would heartily endorse the fact that there are definite problems in this area. However, they would be most likely to cooperate in a joint under-writing agency. You must realize that this is just a start. It is similar to the application of a band-aid for a skin tumor. The problem with malpractice insurance is the law on tort. An insurance company must spread the risk and the risk in this case is unmanageable. Physicians are now exposed to malpractice judgments which has expanded the statute of limitations from two years to six years. We also need to control the risk and the frequency of the filing of claims. Perhaps I should explain a little about the procedure in New Hampshire - at least from the point of view of the Hartford - which is one of the company's that I represent. First, every claim goes to the Jurisprudence Committee. This is a real help in the State of New Hampshire. This is a group of good doctors who meet to review claims that have been made against doctors. There is a problem of malpractice or negligence. The Committee will determine if it there was a mistake (negligence) and the insurance company will settle the claim. The judgments in these cases are usually reasonable. Bad claims can be settled out of court. If there is no negligence, and the Committee advises that they be defended, the insurance company will usually do so. Also usually the M.D. involved and the N. H. Jurisprudence Committee usually agree. Now, the Hartford has a policy of no buy out settlements. I hope that if this bill is enacted, that this Committee would give consideration to that area beyond what companies have to write it. There should be an addition to this bill ---- a study committee should be formed to study the whole area of medical insurance.

Senator Poulsen: Questions from the Committee?

Senator Bergeron: The company must get concurrence from the doctor before settling claim.

M. Gross: In the companies that I represent, yes.

Sen. Bergeron: Do you have any information about the amount of the premiums, the cost of settlements, and the number of claims in New Hampshire?

M. Gross: I can get that information to you.

Sen. Preston: Doctors are now being forced to practice defensive surgery. They will not do some surgery because of the possibility of litigation. This economic impact is being felt by the patients, and also they are not doing as much as they could.

M. Gross: This is part of the problem - this inability to manage the risk.

Sen. Poulsen: Does anyone else wish to speak?

S. McKeag: Mr. Chairman and Members of the Committee, my name is Sandy McKeag and I represent the National Grange Insurance Company. They are in favor of this bill to some degree. I would have to agree with the remarks of the previous speakers. However, many suggestions as to the answer to this problem have been made nationally. We all agree that the problem exists nationwide - no one has come up with a totally agreeable solution to the problem yet. However, there are a few problems with SB92. For one thing, because you have no control over companies outside the state, this bill will only affect those companies who's headquarters are in New Hampshire. Very few, if any, write malpractice insurance. Therefore, you would be forcing companies with no prior experience in this area to write this insurance --- to take the assigned risk and become a seed facility. We are not set up to do this. Most companies in New Hampshire write automobile insurance - so you would find the cost of your automobile insurance going up or at least not being competitive with those companies outside N.H. - because they would be subsidizing the medical malpractice insurance. Soon they would have very little automobile insurance business - their stockholders would be unhappy and the company would probably be in a position of writing nothing but med. malpractice insurance until they soon went out of business. A comprehensive legislative scheme in this area is needed. If this bill is passed, it might cause more problems than it would solve.

Sen. Bergeron: What would you do then?

S. McKeag: Perhaps we need no-fault mal-practice. This is being discussed in principle. I don't really have any alternative proposals. We have no experience from other states. This bill should be left to future administrative regulations. You may find that there are other alternatives that are more feasible.

PLEASE NOTE THE SIGN IN SHEET FOR THOSE WHO AGREED WITH THE PREVIOUS SPEAKERS.

ADJOURNED 11:35 AM

Sen. McLaughlin moved HB 172 be recommitted to the committee on Public Institutions.

Adopted.

COMMITTEE REPORTS

SB 92, to permit the establishment of mandatory risk sharing plans covering all forms of liability insurance. Ought to pass. Sen. Bergeron for the Committee on Banks and Insurance.

Sen. BERGERON: Mr. President, this bill was requested by the insurance department permitting them to establish mandatory risk sharing plans for all forms of liability insurance. This bill would add the words "other liabilities" to the original statute. The immediate problem that we are facing is in the medical malpractice field. The committee unanimously recommended ought to pass.

Adopted. Ordered to third reading.

HB 321, clarifying the existing language in certain sections of RSA 387 relative to investments of savings banks. Ought to pass. Sen. Poulsen for the Committee on Banks and Insurance.

Sen. POULSEN: Mr. President, this bill is a housekeeping bill. It brings up to date the wording of the list of investments that banks may make and banking mechanics.

Adopted. Ordered to third reading.

HB 320, changing certain terms used in various sections of RSA 386 relative to guaranty savings banks. Ought to pass. Sen. Poulsen for the Committee on Banks and Insurance.

Sen. POULSEN: Mr. President, this bill is a housekeeping bill for the guaranty savings banks of which there are five in the state of New Hampshire. This brings their regulations in line with those of the other savings banks.

Adopted. Ordered to third reading.

HB 224, limiting employment of school board members by school districts and supervisory unions. Ought to pass with amendment. Sen. Sanborn for the committee on Education.

Sen. SANBORN: Mr. President, this was done at the request of the Department of Education to clarify the language. This bill and the amendment prevents an employee of a school district from being a school board member. If they were allowed to be a member of the school board, they would be in a position to establish their own salary. No one appeared in opposition.

Amendment to HB 224

Amend the bill by striking out all after the enacting clause and inserting in place thereof the following:

1 School District Officers; Eligibility. Amend RSA 197:16 (supp), as amended, by striking out said section and inserting in place thereof the following:

197:16 Eligibility. No person shall be eligible to any school district office unless he is a voter in the district. No person holding office as a member of a school board shall at the same time act as a district treasurer or auditor. No person employed by the district on a salaried basis may be a member of the school board in said district; neither shall any person who is employed on a salaried basis by the supervisory union be a school board member in any district in its supervisory union. Salaried positions shall include but are not limited to the following: teacher, custodian, administrator, secretary, school bus driver (if paid by the district), school lunch worker and teacher's aide.

2 Transition. RSA 197:16, as inserted by section 1 of this act, shall not apply to any school board member currently employed in violation of said section until the end of his current term as such board member.

3 Effective Date. This act shall take effect sixty days after its passage.

Amendment adopted. Ordered to third reading.

Sen. S. Smith moved HB 224 be made a Special Order of business for Tuesday next at 1:01.

Sen. S. SMITH: Mr. President, we would like to have the amendment adopted.

SB 104, establishing an educational program. Ought to pass with amendment.

Sen. S. SMITH: Mr. President, the development of educational programs at technical colleges is an important appropriation. The amount of the fund will be appropriated at the end of the biennial period. This fund establishes this fund biennially.

Sen. PROVOST: Mr. President, this bill is taken away from the committee.

Sen. S. SMITH: Mr. President, we can not appropriate the fund.

Discussion. Sen. P. Ought to pass. Wednesday next at 3:00.

SB 96, legalizing the use of the word "Commissioner" for the Commissioner of the State.

Sen. PRESTON: Mr. President, selectmen of East Kingston are to hold the special meetings of the town.

Sen. BOSSIE: Mr. President, this bill in the legislature.

Sen. PRESTON: Mr. President, March 11, 1952, August 11, 1952, zoning ordinances have been passed.

Sen. BRADLEY: Mr. President, attempting to cure by the legislature.

Sen. PRESTON: Mr. President, B. problem in researching the bill. Adopted. Ordered to third reading.

HB 62, relative to the use of the word "Commissioner" for the Commissioner of the State. Ought to pass. Sen. Poulsen for the committee on Education.

Sen. POULSEN: Mr. President, once and from then on. report much simpler and clearer. Adopted. Ordered to third reading.

HB 242, relative to the vacancy of an elective office. Ought to pass. Committee on Executive and Administrative Services.

Sen. POULSEN: Mr. President, precinct.

SCR 6, memorializing the secretary of transportation to expedite the planning and construction of I-93 in New Hampshire. Public Works.

SCR 14, establishing an interim study committee to investigate the fee structure for registration of automobiles. Transportation.

SB 26, to provide for the design and contract plans for the reconstruction of Pontook Dam on the Androscoggin River in Dummer. Public Works.

SB 196, authorizing the modification or termination of the Amherst-Milford area school plan. Education.

SB 160, permitting amendments to zoning ordinances proposed by petition to be acted upon at a special meeting in addition to the annual meeting. Municipal and County Government.

SB 173, relative to optional election of planning board members in towns. Municipal and County Government.

SB 176, relative to eligibility for federal funds under the federal Housing and Community Development Act of 1974. Municipal and County Government.

SB 185, relative to the closing of schools on Memorial Day and Veterans Day. Education.

SB 189, relative to information required to be maintained and updated by the supervisors of the checklist. Statutory Revision.

SB 210, relative to notice on hearings on approval of subdivision plans. Municipal and County Government.

SB 233, establishing a study commission on the rights of children. Executive, Departments and Administration.

SB 236, relative to emergency expenditures under the municipal budget law. Municipal and County Government.

SB 238, relative to payment to certain town clerks for services to unincorporated places during elections and making an appropriation therefor. Statutory Revision.

SB 253, permitting the use of computerized ballot casting and counting devices for elections with the approval of the ballot law commission. Statutory Revision.

SB 220, making an appropriation for the current use advisory board. Appropriations.

SB 163, relative to uniformity of parole eligibility requirements for prisoners sentenced prior to the effective date of the criminal code. Judiciary.

SB 171, providing for the licensing of an estetician by the Board of Cosmetology. Health and Welfare.

SB 187, relative to the taking of fisher cats. Fish and Game.

SB 180, designating the haddock as the state fish of New Hampshire. Fish and Game.

SB 229, establishing a committee to study bicycles and the development of state highway system for the simultaneous and compatible operation of motor vehicles and bicycles. Transportation.

SB 232, providing for motorcycle learner's permits. Transportation.

SB 239, establishing a committee to study administration, navigation and transportation on state waterways. Transportation.

SB 124, authorizing the New Hampshire state port authority to appoint additional harbor personnel. Appropriations.

SB 88, permitting cities and towns to set their own fee schedules for dog licenses. Municipal and County Government.

Rep. French moved that the list of Senate Bills introduced be printed in the journal.

Adopted.

The Speaker called for the special orders.

SB 92, to permit the establishment of mandatory risk sharing plans covering all forms of liability insurance. Ought to pass with amendment. Rep. Shirley Clark for Banks and Insurance.

Bill allows insurance commissioner to set up some way of spreading risk over all insurance companies licensed to write liability insurance in New Hampshire. Since very few companies write medical malpractice insurance the cost for claims pushes up the premiums. Spreading the cost over other insurance companies helps keep the cost of malpractice policies down.

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AMENDMENT

Amend the bill by striking out section 2 and inserting in place thereof the following:

2 Persons Required to Participate. Amend RSA 404-C:3 (supp), as inserted by 1971, 488:1, by striking out said section and inserting in place thereof the following:

404-C:3 Persons Required to Participate. Each plan shall require participation by all insurers licensed in this state to write the kinds of insurance covered by the specific plan and all agents licensed to represent such insurers for the kinds of business covered by the specific plan, except that the commissioner may exclude classes of persons for administrative convenience or because it is not equitable or practicable to require them to participate on the plan.

3 Effective Dat. This act shall take effect sixty days after its passage.

Rep. Shirley Clark explained the committee amendment.

Amendment adopted.

Rep. Hess offered an amendment and spoke to her amendment.

AMENDMENT

Amend the title of the bill by striking out same and inserting in place thereof the following:

AN ACT

to permit the establishment of mandatory risk sharing plans covering all forms of liability insurance and establishing a commission to study the medical injury reparations system.

Amend the bill by striking out section 3 and inserting in place thereof the following:

3 Commission to Study the Medical Reparations System.

I. A commission to study the medical injury reparations system is hereby established, consisting of the following members: the commissioner of health and welfare, the insurance commissioner and no more than eight other members to be appointed as follows: two who are members of the medical profession, to be appointed by the New Hampshire Medical Society; two who are members of the legal profession, to be appointed by the New Hampshire Supreme Court; two who are representatives of a risk sharing plan for medical malpractice insurance, if such a plan is established under section 1 of this act, to be appointed by the management of said plan; and two representatives of the general public, unaffiliated with the insurance or health care industries or the emdical or legal professions, to be appointed by the governor. The commissioner of health and welfare shall be the chairman of the commission.

II. The commission shall review all existing laws and practices relating to reparations for medical injury and shall recommend such changes as may be necessary to provide prompt, equitable compensation to those sustaining medical injury, to discourage groundless claims, to reduce the cost of providing just compensation and such other changes which the commission considers will improve the efficiency if the medical injury reparations system.

III. On or before January 1, 1977, the commission, in cooperation and consultation with appropriate state and federal agencies, the medical and legal professions, the insurance industry and representatives of the general public, shall prepare and submit its report and recommendations to the governor, the president of the senate and the speaker of the house of representatives.

4 Effective Date. This act shall take effect sixty days after its passage.

Rep. Shirley Clark spoke in favor of the amendment.

Amendment adopted.

Rep. Buckman offered an amendment and spoke to his amendment.

Reps. Shirley Clark, A. C. Jones and Hess spoke against the amendment.

Amendment lost.

Ordered to third reading.

SB 33, relative to specific responsibilities of the division of mental health of the department of health and welfare. Majority: Ought to pass. Rep. Eugene Daniell for Health and Welfare. Minority: Inexpedient to legislate. (Reps. Howard, Roma Spaulding, Wilson, Osgood, Sullivan, Gabrielle, Gagnon and Reardon)

COMMITTEE OF CONFERENCE REPORTS

SB 92, to permit the establishment of mandatory risk sharing plans covering all forms of liability insurance and establishing a commission to study the medical injury reparations system.

The committee of conference to which was referred Senate Bill 92, An Act to permit the establishment of mandatory risk sharing plans covering all forms of liability insurance and establishing a commission to study the medical injury reparations system, having considered the same report the same with the following recommendation:

That the Senate recede from its position of nonconcurrence with the House amendment, and concur with the House amendment, and

That the Senate and House adopt the following new amendment to the bill as amended by the House, and pass the bill as so amended.

Amend section 3 of the bill by striking out paragraph I and inserting in place thereof the following:

I. A commission to study the medical injury reparations system is hereby established, consisting of the following members: the commissioner of health and welfare, the insurance commissioner and no more than thirteen other members to be appointed as follows: two who are members of the medical profession, to be appointed by the New Hampshire Medical Society; two who are members of the legal profession, to be appointed by the New Hampshire Supreme Court; two who are representatives of a risk sharing plan for medical malpractice insurance, if such a plan is established under section 1 of this act, to be appointed by the management of said plan; two senators, to be appointed by the president of the senate; three members of the house of representatives, to be appointed by the speaker of the house; and two representatives of the general public, unaffiliated with the insurance or health care industries or the medical or legal professions, to be appointed by the governor. The commissioner of health and welfare shall be the chairman of the commission.

- Senator Louis E. Bergeron, Dist. 6
- Senator Andrew W. Poulsen, Dist. 2
- Senator Stephen W. Smith, Dist. 3
- Conferees on the Part of the Senate
- Representative Shirley M. Clark, Strafford Dist. 4
- Representative Judith Ann Hess, Merrimack Dist. 6
- Representative Catherine G. Lamy, Hillsborough Dist. 35
- Representative Robert E. Plourde, Merrimack Dist. 7
- Conferees on the Part of the House

Sen. Bergeron moved the adoption of the report.
Adopted.

SB 74, relative to changes in timber harvesting laws.

The committee of conference to which was referred SB 74,4. 'An Act relative to changes in timber harvesting laws', having considered the same report the same with the following recommendations:

That the Senate recede from its position of nonconcurrence with the House amendment, and

That the House recede from its position of adopting its amendment, and

That the Senate and House each pass the bill as passed by the Senate.

- Conferees on the part of the Senate
- Senator D. Alan Rock, Dist. 12
- Senator Andrew W. Poulsen, Dist. 2
- Senator Eileen Foley, Dist. 24
- Conferees on the part of the House
- Rep. Bruce C. Townsend, Graf. 14
- Rep. Virginia W. Turner, Ches. 11
- Rep. Richard L. Bradley, Graf. 5
- Rep. Richard F. Niebling, Rock. 13

Sen. Rock moved the adoption of the report.
Adopted.

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Sen. ROCK: That is what this bill says. The amendment says he cannot be employed in an area wherein the crime was committed. If he was stealing a car I think that would preclude him from working for the Highway Department.

Sen. BRADLEY: I rise in opposition to this motion. This bill is not requiring the state to hire a convicted felon. Convicted felons, ex-convicts, would have to apply for and compete for jobs on the same basis as anybody else. It is just that they would not be denied the opportunity to apply for the job solely because of a prior conviction. They would have to satisfy whoever is hiring them that they are qualified and have been rehabilitated. Rehabilitation is really the key to this whole dispute. If you look at prison and our criminal process and criminal justice system, as only inflicting punishment, if you consider that to be the only purpose of having the State Prison up there, and having laws that send people to prison and convict felons, then I guess you would oppose this kind of bill. On the other hand, most people in the penal area consider there is another purpose to the criminal law, and that is rehabilitation. If a person has served his debt to society and can establish to the satisfaction of the prospective employer that indeed he has been rehabilitated, it seems to me that is something we ought to be happy with and should not feel threatened with that. The alternative is to say that we are going to forget about rehabilitation and unless we are going to send everyone away for life, which I don't think any one of us would suggest, that we are going to accept the idea that indeed all criminals will come out and be just as bad as before they went in. It seems to me that we ought to promote the purpose of rehabilitation while someone is in prison. This bill is certainly consistent and supportive of that. My answer to the question of Sen. Rock, that yes, indeed, many people may learn to be better bad-check artists in prison, I did not mean to imply in that answer that everyone would. I think the point I would make now is that if the person has not learned to be a better bad-check artist and indeed has learned to be a master mechanic or whatever, and can establish that to the satisfaction of a prospective employer in the state government, he should be given that opportunity.

Sen. Fennelly moved the previous question.
Adopted.

Division; 10 yeas; 11 nays. Motion to indefinitely postpone lost.
HB 236 adopted. Ordered to third reading.

HOUSE MESSAGES HOUSE REQUESTS CONCURRENCE IN AMENDMENTS

SB 277, restricting the taking of fish in trout waters.
See HOUSE JOURNAL p. 836.
Sen. Preston moved the adoption of the amendment.
Amendment adopted.

SB 266, relative to restrictions on the sales of honey.
See HOUSE JOURNAL p. 834-835.
Sen. McLaughlin moved adoption of the amendment.
Amendment adopted.

SB 163, relative to uniformity of parole eligibility requirements for prisoners sentenced prior to the effective date of the criminal code.
See HOUSE JOURNAL p. 836.
Sen. McLaughlin moved adoption of the amendment.
Amendment adopted.

HOUSE ADOPTS COMMITTEE OF CONFERENCE REPORTS

SB 92, to permit the establishment of mandatory risk sharing plans covering all forms of liability insurance and establishing a commission to study the medical injury reparations system.

SB 74, relative to changes in timber harvesting laws.

SB 92, to permit the est forms of liability insurance a reparations system.

The committee of confe permit the establishment o liability insurance and est reparations system, having c recommendation:

That the Senate recede amendment, and concur with

That the Senate and Ho amended by the House, and

Amend section 3 of the thereof the following:

1. A commission to st established, consisting of th welfare, the insurance comr appointed as follows: two appointed by the New Ham profession, to be appointec representatives of a risk sha is established under section plan; two senators, to be at the house of representative; representatives of the gene industries or the medical o commissioner of health and

Sen. Bergeron moved th
Adopted.

SB 74, relative to chang
The committee of conf changes in timber harvestin the following recommenda
That the Senate reced amendment, and
That the House recede
That the Senate and Ho

Sen. Rock moved the a
Adopted.

CHAPTER 218.

AN ACT TO PERMIT THE ESTABLISHMENT OF MANDATORY RISK SHARING PLANS COVERING ALL FORMS OF LIABILITY INSURANCE AND ESTABLISHING A COMMISSION TO STUDY THE MEDICAL INJURY REPARATIONS SYSTEM.

Be it Enacted by the Senate and House of Representatives in General Court convened:

218:1 Mandatory Risk Sharing Plans; Liability Insurance. Amend RSA 404-C: 1 (supp), as inserted by 1971, 488: 1, by striking out in lines three and four the words "or accident and health insurance" and inserting in place thereof the following (, accident and health insurance or any form of liability insurance) so that said section as amended shall read as follows:

404-C:1 Establishment of Plans. If the commissioner of insurance finds after a hearing that, in any part of this state, automobile insurance, aviation insurance, property insurance, workmen's compensation, accident and health insurance or any form of liability insurance is not readily available in the voluntary market, and that the public interest requires such availability, he may, by regulation, either promulgate plans to provide such insurance coverage for any risks in this state which are equitably entitled to but otherwise unable to obtain such coverage or he may call upon industry to prepare plans for his approval.

218:2 Persons Required to Participate. Amend RSA 404-C: 3 (supp), as inserted by 1971, 488: 1, by striking out said section and inserting in place thereof the following:

404-C:3 Persons Required to Participate. Each plan shall require participation by all insurers licensed in this state to write the kinds of insurance covered by the specific plan and all agents licensed to represent such insurers for the kinds of business covered by the specific plan, except that the commissioner may exclude classes of persons for administrative convenience or because it is not equitable or practicable to require them to participate in the plan.

218:3 Commission to Study the Medical Reparations System.

I. A commission to study the medical injury reparations system is hereby established, consisting of the following members: the commissioner of health and welfare, the insurance commissioner and no more than thirteen other members to be appointed as follows: two who are members of the medical profession, to be appointed by the New Hampshire Medical Society; two who are members of the legal profession, to be appointed by the New Hampshire Supreme Court; two who are representatives of a risk sharing plan for medical malpractice insurance, if such a plan is established under section 1 of this act, to be appointed by the management of said plan; two senators, to be appointed by the president of the senate; three members of the house of representatives, to be appointed by the speaker of the house; and two representatives of the general public, unaffiliated with the insurance or health care industries or the medical or legal professions, to be appointed by the governor. The commissioner of health and welfare shall be the chairman of the commission.

II. The commission shall review all existing laws and practices relating to reparations for medical injury and shall recommend such changes as may be necessary to provide prompt, equitable compensation to those

sustaining medical injury, to discourage groundless claims, to reduce the cost of providing just compensation and such other changes which the commission considers will improve the efficiency of the medical injury reparations system.

III. On or before January 1, 1977, the commission, in cooperation and consultation with appropriate state and federal agencies, the medical and legal professions, the insurance industry and representatives of the general public, shall prepare and submit its report and recommendations to the governor, the president of the senate and the speaker of the house of representatives.

218:4 Effective Date. This act shall take effect sixty days after its passage.

[Approved June 3, 1975.]

[Effective date August 2, 1975.]

CHAPTER 219.

AN ACT RELATIVE TO EMERGENCY TREATMENT OF CERTAIN PATIENTS AT THE NEW HAMPSHIRE HOSPITAL.

Be it Enacted by the Senate and House of Representatives in General Court convened:

219:1 Emergency Treatment for Certain Patients. Amend RSA 135 by inserting after section 21-a the following new section:

135:21-b Emergency Treatment. A physician licensed in the state or a person acting under his direction may administer a recognized and approved form of medical treatment which said physician reasonably believes will tend to promote the physical or mental health of a patient at the New Hampshire hospital when:

I. The physician reasonably believes that a medical emergency exists; and

II. The patient by reason of mental retardation or mental illness is unable to understand the need for such treatment; and

III. No person who is legally responsible for the patient can be consulted or appointed; and

IV. A reasonable person would consent to the administration of the medical treatment.

219:2 Effective Date. This act shall take effect sixty days after its passage.

[Approved June 3, 1975.]

[Effective date August 2, 1975.]

CHAPTER 220.

AN ACT REVISING LAWS REGULATING THE PRACTICE OF ARCHITECTURE.

Be it Enacted by the Senate and House of Representatives in General Court convened:

220:1 Definition of striking out in line five following (or) so that s

III. The term "pract service or creative work of architectural design, the constant exercise c consultation, investigat supervision of construct ings, wherein the safes

220:2 Board Comp striking out said section

310:4 —Compensat under RSA 310:8, men for each day actually ei imbursed for all actual incurred in carrying out

220:3 Rules of Con by inserting in line two board may promulgate tice of registered archi as follows:

310:7 —Powers an and amend all rules of and laws of this state, performance of its dut The board shall adopt witnesses and compel t tion of books, papers of registration or prac registration. Any mem tions to witnesses app fusing to obey the st against in the same m The board may promi practice of registered a

220:4 Registration by striking out said s

310:12 Preliminar
I. The following pre mum evidence satisfac registration to practice

(a) applicant she have graduated from s

(b) applicant she an accredited school a cluding academic trai shall deem appropriate

(c) in lieu of a accept evidence of a academic training, as deem appropriate.