

New Hampshire Youth Development Center Claims Administration and Settlement Fund

John T. Broderick, Jr.
Administrator

Diane Nicolosi
Assistant Administrator

April 16, 2025

Kelly A. Ayotte, Governor
State of New Hampshire
State House
107 North Main Street
Concord, NH 03301

Sherman Packard, Speaker
New Hampshire House of Representatives
State House, Room 311
107 North Main Street
Concord, NH 03301

Sharon Carson, President
New Hampshire Senate
State House, Room 302
107 North Main Street
Concord, NH 03301

Ken Weyler, Chairman
And Members of the New Hampshire Joint
Legislative Fiscal Committee
State House, Room 102
107 North Main Street
Concord, NH 03301

Re: 2025 Quarter One Report for the YDC Claims Administration and Settlement Fund

Dear Governor Ayotte, President Carson, Speaker Packard, Chairman Weyler and Members of the New Hampshire Joint Legislative Fiscal Committee:

This is our ninth Quarterly Report since we began operations in January 2023. The first three months of that first year (2023 Q1) we received just 38 claims. Two years later, 261 claims were filed in a single quarter. This is the trend. In Quarter Four of 2024, for instance, we received 198 new claims. As of the close of 2025 Q1, 808 claims are pending out of a total of 1,135 filed claims. I expect another busy quarter before the June 30, 2025 deadline for filing claims arrives.

As the Claims Administrator of the administrative process, I can report that the sincere intent of the legislature has been realized: to provide a confidential, trauma-informed, and victim-centered process as an alternative to litigation for resolving claims for sexual, physical and other abuse against children by some staff at YDC facilities over decades. The Legislature should be rightly proud of what it created. The administrative process is working and hopefully will be continued. It affords many who were abused as children by the state to have a dignified and confidential process to secure closure from inflicted abuse and trauma, and also affords closure for the state on past history.

The YDC Settlement statute created the dedicated, non-lapsing Fund in 2022 until 2032, with \$100 million of initial appropriations. Amendments in 2024 anticipated appropriations of \$75 million each fiscal year. To date, the Legislature has appropriated a total of \$160 million and has not yet determined to provide the full \$75 million for FY25. Whether additional monies anticipated from the beginning will be forthcoming for FY26 and FY27 also is currently uncertain as the legislative budget process is ongoing, as of the date of this 2025 Q1 Quarterly Report.

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The majority of the new claims received this reporting quarter were filed by the law firm of Nixon Peabody, and almost all migrated from the Superior Court. That is not surprising, because at the time the Legislature amended the Settlement Fund statute in June 2024, Nixon Peabody committed in writing to recommend to the vast majority of its clients that they “stay” their Superior Court actions and file in the administrative process. Consistent with that agreement, along with the reality of the upcoming June 30th deadline for filing claims, we expect to receive many more claims from Nixon Peabody and others before this current 2025 Quarter 2 ends. At that point we will know the total universe of claims and can better assess any needed process/claims resolution adjustments. The Legislature permitted two and a half years for filing claims, and we are prepared to handle the expected volume. At a minimum I believe we will need to build and implement a trauma-informed mediation option to accelerate claim dispositions.

During 2025 Q1 we issued 52 awards following resolution proceedings. Almost 100% of those awards were accepted by claimants. Over 80% of those awards were payable over time (mostly between 3-10 years) and most large awards were payable over 7 to 10 years. At this point virtually all counsel have agreed to accept their legal fees over a period up to 3 years. Both the yearly payouts to claimants and their counsel have been beneficial to preserving the Fund balance for state budgeting in current and future years. The trauma-informed, victim-centered administrative process the Legislature designed is paying dividends for state finances, while – and importantly – squarely addressing state responsibility owed to survivors of abuse. I am proud to lead it and especially proud of my staff and their uncompromising commitment to its success.

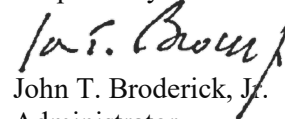
The Attorney General’s Office (AGO) continues to settle claims directly with claimants, and as Claims Administrator I review them as required by the Settlement Fund statute. The pace of direct settlement has slowed and yet we are hopeful that any impediments will be discussed and addressed by all stakeholders. On occasion the AGO reaches a direct settlement with a claimant *on some but not all* settlement terms and then, by mutual consent of both parties, I have determined the open issues through a final decision. The payments for those settlements also come from the Fund. I am hopeful that the pace of direct settlements, with or without my involvement, continue at an accelerated pace in the future.

For FY25, the Fund received an appropriation of \$60 million. Expecting \$75 million, claims administration asked the Legislature for an additional \$15 million so we can continue to hold hearings and issue awards, and keep open the pathway for direct resolution through the AGO as anticipated by the statute. We remain hopeful we will receive it. If not, we will do all we are able, in consultation with the AGO, until appropriated funds are exhausted.

We remain committed to the important work of the Settlement Fund and, seeing no realistic alternative nor any proposed by others, I have asked the Legislature to fund it fully in the next two fiscal years.

After you have had an opportunity to review the enclosed Quarterly Report, if you have any questions or concerns I would be more than happy to meet with you at your convenience.

Respectfully submitted,



John T. Broderick, Jr.
Administrator

New Hampshire Youth Development Center
Claims Administration and Settlement Fund

CC: Michael Kane, Legislative Budget Assistant
John M. Formella, Attorney General
Laura J. Raymond, Assistant Attorney General, Attorney General’s Office
Thomas Kaempfer, Deputy Director of Administration, Attorney General’s Office