

Senate Judiciary Committee

Sonja Caldwell 271-2117

SB 558, relative to the appointment of the youth development center claims administrator.

Hearing Date: February 12, 2026

Members of the Committee Present: Senators Gannon, Abbas, Carson, Altschiller and Reardon

Members of the Committee Absent : None

Bill Analysis: This bill transfers the position of YDC claims administrator from the executive branch to the judicial branch. The bill also removes changes to the claims process made in 2025, 141 (HB 2) relative to payment of attorney's fees in settlements involving periodic payments, the time period for acceptance of the administrator's decision, and reporting requirements.

Sponsors:

Sen. Altschiller

Sen. Rosenwald

Sen. Watters

Sen. Long

Sen. Perkins Kwoka

Rep. Ebel

Who supports the bill: Mark Knights (Nixon Peabody), Joelle Wiggin (Nixon Peabody), Johnnie Plaisted, Chuck Miles, Jeff Merrill, Cindy Nickerson, David Dokken, Anna Goulet Zimmerman, Michaila Oliveira, Samanth Heuring, David, Sen. Rosenwald, Timothy Doyon

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented in support:

Sen. Altschiller

- Sen. Altschiller stated that this bill addresses a profound injustice that occurred last year during the budget process.
- She said this is not a partisan issue; this is about NH keeping a promise to the most vulnerable people our state has ever harmed.
- In 2022, faced with hundreds of lawsuits from survivors of horrific abuse at the Youth Development Center (YDC), the legislature created a confidential, trauma informed, administrative claims process. This system protected both the state and the survivors.

- For the state, it avoided years of expensive trials and the risk of enormous jury verdicts, like the \$38 million David Meehan won.
- For survivors, it created a safe alternative to public trials.
- The cornerstone of this process was an independent administrator appointed by the Supreme Court and removable only for good cause. This person was supposed to be someone who worked for neither side, and someone survivors could trust.
- Last June, in an 11th hour amendment passed without a hearing or notice to survivors, the legislature changed the system. The independent administrator appointed by the Supreme Court was eliminated and changed to a political appointee serving at the pleasure of the Governor. Additionally, the Attorney General, representing the defendant, the state, was given veto power over any award. This means that the state that committed these crimes now gets to choose, judge, and reject any verdict it doesn't like.
- Former Chief Justice John Broderick served as the administrator for two years. He listened to more than 1,000 survivors describe what happened to them and he wrote about how the change made last year was unjust. He asked in what world the defendant gets to choose the judge in their case and gets to reject any jury verdict with which it disagrees.
- This is a betrayal. Nearly 1,000 survivors migrated their cases from superior court to the administrative process based on the promise of neutrality and independence. They trusted the system the legislature had created. After they abandoned their right to a jury trial, the rules were changed.
- Under the current system, survivors have three options: they can go before a political appointee knowing the AG can veto any award; they can reject inadequate offers and go to trial but then they face years of delay and public trauma; or they can give up entirely, which many will. The state knows this and benefits from that choice.
- David Meehan was strong enough to endure a public trial, and a jury awarded him \$38 million, which a judge reduced to \$475,000 based on the state liability cap. Sen. Altschiller questioned what chance other survivors have in the politicized system we have created.
- Last year while zeroing out funding for abuse survivors, the legislature approved tens of millions of dollars for a pension plan for group two retirees.
- The LBA conducted an audit and found the fund was operating in compliance. Average payouts were \$543,000. These are not frivolous claims. The abuse was described as sadistic and perverse.
- This bill restores the system as it was designed. It returns the administrator position back to the judicial branch. It requires the Supreme Court appointment with input from both sides. It removes the Governor's ability to fire the

administrator at will. It eliminates the AG's veto power over awards. It restores good cause as the standard for removal. It undoes the changes made last June and returns to the bipartisan compromise that protected both the state and survivors.

Mark Knights

- Mr. Knights said he was a partner from the law firm of Nixon Peabody and together with his cocounsel Rus Rilee, they represent the majority of abuse survivors of YDC.
- They support the bill. He echoed Sen. Altschiller's observation that this is not a partisan issue.
- The concerns addressed by the bill involve structural neutrality, independence of decision making, and claimant confidence in the settlement fund. Those matters are fundamental to any credible dispute resolution network.
- He stated he is not here to advocate for larger awards or to change the guidelines of the settlement fund. He said he was here on behalf of clients. Many are not here because they want to preserve their anonymity. They are ashamed, embarrassed, and traumatized.
- The core issue that this bill addresses is claimant confidence. Administrative claims resolution systems like the settlement fund rise or fall based on whether participants can be confident in the outcomes. Claimants have to believe the decisions are made by neutral decision makers.
- The settlement fund was created in 2022 as an alternative dispute resolution mechanism to help resolve the hundreds of superior court cases that had been filed. This depended on a trustworthy framework.
- He participated collaboratively with the AG's office to create a settlement fund that survivors would find credible and trustworthy.
- Key features of the fund were that the administrator would be an independent individual who resided in the judicial branch and was appointed by the Supreme Court, who could only be removed for good cause, and that the administrator's decisions would be final.
- Survivors elected to participate, putting their court cases on hold, because they found that structure trustworthy. The process was later modified. Those changes undermined the stability and perceived neutrality that was essential to the success of the settlement fund.
- Administrative claims resolution systems derive legitimacy from the independence of the decision maker. A kangaroo court is a court that is not fair because the decision maker is someone who has a stake in the outcome. When decisions are subject to discretionary rejection by the defendant, participants

understand that the process itself is an empty promise. That perception affects claimant confidence and participation.

- In the months since the change to the settlement fund structure, a number of survivors have left the fund and returned to court because they couldn't have confidence that determinations would be made by a neutral fact finder and would carry finality.
- Jury members are truly neutral with no stake in the outcome. To be effective, the settlement fund has to replicate that kind of neutrality.
- Additional withdrawals are likely.
- He is not aware of any comparable frameworks where the decision maker is appointed by the defendant and can reject that decision.
- The prevailing structure in all similar funds is that the decisions are made by an administrator whose independence and decision-making finality are insulated from the defendant. Those are features of the fund that the AG's office originally proposed. Those were the features of this fund up until the changes that were made last year.
- This bill restores those features that define adjudicative legitimacy: structural independence of the decision maker, and finality of the administrator's decisions. Those two changes will promote predictability, confidence, and participation in the fund.
- The bill also contains provisions on attorney fees, and he said they take no position on that aspect of the bill. He added that if that provision were removed from the bill entirely, they would still support the bill.
- The neutrality and independence of the decision maker present a distinct structural issue that affects claimants directly and that is their concern.
- Neutral administration, administrative independence, and finality of decisions are institutional principles. They are not partisan principles, and they should not be political principles.
- Confidence in neutral decision-making is fundamental to the legitimacy and effectiveness of the settlement fund.

Sen. Abbas brought up the language regarding attorneys' fees on page two, line 18. He said his understanding was that prior to the change in the law last year, the attorney could receive their fees all up front while the victim's award might have been structured installments over five years. Sen. Abbas asked if Attorney Knights said that he would not be opposed to the committee amending that language out of the bill and leaving it as it currently is where the attorney would take their fees over time if the victim's award is also structured payments over a certain time period.

Mr. Knights said that was correct. If it were removed, they still support the bill.

Sen. Abbas asked him in how many of those structured settlement payments were the legal fees paid up front, prior to the change in law, in his experience.

Mr. Knights said he could not speak on behalf of other firms, but they agreed to take their fees over time. Initially some were paying upfront but then Administrator Broderick approached them and asked if they would take their fees over time and they agreed. He was not certain of the exact percentage of awards where that was the case. He reiterated that he was fine with the law as it currently stands with respect to attorneys' fees.

Joelle Wiggin

- Ms. Wiggin spoke in support of the bill and said she has been a victim specialist for twenty years. For the last several years she has worked with victims of abuse at YDC and other state-run facilities.
- These were vulnerable children when abused. She has provided support to them as they worked through this civil process.
- Entering this civil process was often the first time the victim dared to share details of what they suffered. Disclosure is a process for these individuals. These are experiences they buried for decades.
- The settlement fund created a meaningful, trauma-informed, victim-centered alternative to trial. Survivors were given a structured, respectful forum to be heard. Survivors were given time to fully tell their stories. They were not minimized or challenged. For many victims, this was the first time someone in authority believed them. The process provided predictability and victims understood the steps.
- Predictability is critically important to victims whose abuse stemmed from chaos, betrayal, and a loss of control. It reduced the traumatization and revictimization. The environment was far less adversarial than traditional litigation. Victims did not have to endure cross examinations.
- Many were able to resolve cases far sooner than if they went to trial.
- Healing can't fully begin when stuck in prolonged uncertainty.
- Survivors felt heard, validated and respected. They had a sense that the state finally recognized what happened to them.
- Since the amendment last year, she has witnessed apprehension, frustration, and fear. For many survivors this change that happened without consulting them felt like another betrayal. They felt misled. They fear they will no longer receive a fair and neutral resolution. Trust has been damaged.
- She urged the committee to restore the settlement fund as it was originally structured by placing the administrator under the judicial branch and restoring the trauma-informed process that was working. The previous structure did more than resolve claims, it created accountability and fostered healing.

Sen. Abbas asked about the legal fees provision in the bill and asked if she would still support the bill if that piece was removed.

Ms. Wiggin said she would defer to Mr. Knights' comments as she doesn't get legal fees. She's a victim specialist.

Johnnie Plaisted

- Mr. Plaisted spoke in support of the bill.
- He told the committee he was 13 when he got placed into YDC. He said he was abused by people who were supposed to protect him.
- He said it was so bad that he escaped and was AWOL for three years. He couldn't go to school or do things other normal children did.
- He described the change to the settlement process as a slap in the face and feels like people are lying.
- He said he grew up in the town he ran to, got his driver's license and a job and paid taxes. The state tried to make him look like a bad person. The state destroyed him. He witnessed others being abused.
- The settlement fund was going in the right direction. He wasn't going to have to speak out in public against the people who did this to him. He filed his claim and told his story. He said two of the people mentioned in his statement are in jail now for a crime committed against another child.
- He said he shouldn't have to be here fighting for his and others' rights because someone had the power to change the settlement fund structure.
- He felt not believed as a child and now feels the same as an adult. He said the committee has the power to change this back.
- No amount of money is going to pay the debt of what the state did to him.
- He told the committee that he bought a house at 19, has paid it off, and raised his family there.
- He has watched certain YDC staff members say on television that this abuse didn't happen. He said they are lying about it now.
- By speaking out publicly now, his children will know the trauma he went through and how much of an affect it had on him.
- He concluded by saying that he is a survivor and will survive no matter what the outcome of this bill is, however, the victims deserve what is right.

Chuck Miles

- Mr. Miles said that speaking about the abuse that he endured for eight years, starting when he was in the fifth grade, was very difficult, overwhelming, and

painful. The abuse only ended when he aged out of the system and was thrown out into society.

- He said he was told he was going to be accountable and that there were consequences for his actions. He asked where the consequence was for the State of NH for what was done.
- When choosing to participate in settlement fund, he was hesitant and skeptical.
- He described the physical and mental abuse he suffered at the Anna Philbrick Center, being bounced from one group home to another, and the isolation and restrictions he faced whenever he was allowed to return to regular schools.
- Mr. Miles said he is a successful businessman who traveled to NH from Florida to testify today.
- With regard to the changes made to the settlement fund structure, he asked how a victim could trust a system where the defendant, the State of NH, is the decider, in light of the abuse they endured.
- He noted that Attorney General Formella was instrumental in designing the settlement fund process. Audits showed that the settlement fund was working as it should.
- He said the fund stopped working when the State of NH defunded it in a late hour decision.
- Victims weren't consulted about the change.
- All of these cases, if litigated in court, would implode the state of NH.
- He thought John Broderick was the perfect person for the administrator position and could parse out those who might have been in it for money. The fund was set up as a fair, neutral process. John Broderick had no stake in the process other than providing closure for victims. John Broderick understood the impact that abuse endured as a child had on a victim and that they carry it through adulthood. John Broderick was a beacon of hope to him and others. He had the knowledge and experience for the position.
- He asked if the committee thought it was fair to let the defendant control the fund with the authority to veto cases. He thinks this change made to the settlement fund structure is a stall tactic and, in the meantime, victims are benched with little or no hope. The state's actions are unfair to all of the victims.
- He said the State of NH is a beautiful state, but this incident is a mar on the state. The state should make right the wrongs that were done. He said he is asking for the state to be accountable for its actions; he is not looking to bankrupt the state with a large claim.

Anna Goulet Zimmerman

- Ms. Zimmerman said she was an attorney in Manchester, NH and her law firm also represents some of the victims who have claims through the YDC fund.
- She said she hears a lot of the things said by the two gentlemen who spoke prior to her from her clients. She said it is hard to know these victims and not be moved by their stories.
- Most of her clients elected to go through the settlement fund because of privacy, and because of what it offered in terms of security and dignity.
- She spoke of one of her first clients who went through the settlement fund. It was one of the early cases and when it resolved, it gave that person great closure. She said that claim was resolved with just the Attorney General. They didn't need the administrator. They only needed the administrator to approve the resolution. She said she was bringing up this case because that individual has since died of cancer. It makes her think of her current clients who are in limbo and don't know what will happen to them. They are stuck. They would have to withdraw from the fund before they could file claims in court. These people don't know what is happening with the fund. They don't know if they should withdraw and move to the courts knowing they will be at the back of the line. They entered the fund relying on the process that was put in place by this legislature.
- She said her main reason for testifying is because nothing is happening and she doesn't know how to fix that under the current system. She noted that no one is being appointed. There is no fund administrator. She feels like she is revictimizing them because she can't give them any information about what is happening. They feel abandoned. After doing their part, now they are stuck. It is not fair.
- She asked the committee to fix this.
- She told Sen. Abbas that she has no problem having the attorney fee provision stay as it is over time. They agreed in the beginning to have their fees over time. She said she understands why there is some resistance to that from those who may be retired before the end of a payout done over time. If leaving the fees as they currently are allows the process to get back on track, they are fine with that.

Sen. Abbas asked if their fees were taken over time or with an upfront lump payment with the cases where the award was in the form of structured payments over time.

Ms. Zimmerman said if the client's settlement was paid over years then their fees were paid over years. She said there were a few cases in the beginning where the award payments were not structured out over time so in those cases they got paid their full fees up front.

Sen. Altschiler asked if hiring an administrator who would come from the executive branch vs. the judicial branch that could involve itself in the process and veto any award would cause hesitation from her clients to continue with this process.

Ms. Zimmerman stated that it raises a lot of anxiety and concern about if the person will be fair, neutral and impartial.

Samantha Heuring

- Ms. Heuring is an attorney representing claimants before the YDC fund and is speaking in support of the bill.
- Like others, she wants to get the process moving for her clients who are struggling with the trauma associated with the lack of action after coming forward.
- She echoed the concerns that we need an impartial, fair, and neutral administrator so the process can resume functioning.
- With respect to the provision in the bill regarding attorney fees, she said she would be perfectly fine with taking her fees over the same duration as her clients if that part of the law were to stand as it is now.

Sen. Carson asked if she or any other attorneys had reached out to the Governor asking when she is going to nominate an administrator. She noted that a nominee would go through a public hearing in front of the Executive Council.

Ms. Heuring said he had not reached out herself but could not speak for other attorneys. She did say that the Attorney General's Office and claimants' counsel have a meeting scheduled for next week to discuss names that would then be submitted to the governor.

Sen. Abbas asked if her legal fees were paid up front or over the course of a structured settlement for settlements that were structured over time.

Ms. Heuring said initially, when she worked for Shaheen and Gordon, there were some cases where settlements were paid over a duration and attorneys' fees were paid up front. She said they realized around the same time that Administrator Broderick did, that that would be a real problem for the amount of money in the fund. Shaheen and Gordon offered to start taking fees over time to try to alleviate that burden. She also noted that she is now a solo practitioner.

Sen. Abbas asked if any of her colleagues were opposed to taking their fees over time. He explained that he was asking these questions because he understood that one of the major problems of the fund was that there were structured settlements over the course of a time period and legal fees were being paid up front though it was the intent that they be taken over the same structured time period as the settlement.

Ms. Heuring said some others were resistant to taking the fees over time. She added that for four to six months prior to the legislative amendment that passed, all firms that she was aware of were taking fees over time.

Sen. Altschiller said the crux of this bill was about where the administrator comes from. She asked if that was why she was present today to advocate for an impartial administrator and not a political appointee.

Ms. Heuring said yes. She said the administrator needs to be someone who is impartial, fair, and neutral, with final, binding decision-making authority. The decision needs to be final and binding and not subject to a veto by the party who is, effectively, the defendant.

David

- David brought up that an agreement was made when the settlement fund was established. He asked if the committee members would want someone who was unbiased and neutral if they had a dispute with someone.
- He spoke about how this change has affected trust and asked committee to do the right thing.
- He said his only objective is to heal from the trauma of what happened.
- He talked about how the original agreement was reached after extensive discussion and public hearings. It went through the legislative process. He questioned how the state could change this agreement.
- He feels as though the YDC victims aren't afforded the same standards that other assault victims are, and it feels like they were thrown away.
- He told the committee that its decision affects thousands of people.
- He acknowledged that no one knows if all of the claimants are telling the truth, but we need a fair way to determine these claims.
- He said it is common sense that someone without any vested interest is necessary to resolve disputes.
- The way the settlement currently stands will not work. Impartiality and neutrality are essential.

Jeff Merrill

- Mr. Merrill said he started out in the Philbrick Center.
- When what happened at YDC first came about, a friend of his reached out to him and mentioned the letters he used to write to that friend when he was in the YDC system. The friend had saved the letters and suggested that he come forward regarding his past and the abuse he endured.
- He initially did not want to do that; he wanted to bury it.

- Eventually, he reached out to attorney Rus Rilee and told him his story and for the first time he found someone who cared.
- He said he also went AWOL from the Anna Philbrick Center. He described the treatment he endured as inhumane. He said it was not from every staff member, however there were certain ones who were physically and mentally abusive.
- The state should be accountable for what happened.
- He ended up there because he had no family, not because he had committed a crime.
- When he first came forward there was no settlement fund. He didn't want to ever have to speak publicly about this. When the settlement fund was created it allowed an option to avoid court.
- The change that has been made is unfair, doesn't make sense, and should be illegal.
- He asked the committee to do the right thing.

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Date Hearing Report completed: February 16, 2026