

March 2024

Know Your Limits

Your Monthly Wrap-up of **Business Losses**

Presented by Winters-Oliver Insurance Agency



Liability

Jury Awards \$140 Million after Death from Apartment Complex Fire

A Georgia jury determined an apartment complex landlord must pay \$140 million to the family of a resident who died in a 2017 building fire that also left more than 30 tenants without a home. According to city code enforcement and police records, the apartment complex had been subject to years of complaints regarding crime and substandard conditions before the fire. The plaintiffs also presented evidence that the owner converted the deceased's apartment into a boarding house without the required safety equipment, including sprinklers and fire alarms, to make more money. Additionally, code enforcement records noted there had been over 150 complaints made against the apartment complex since 2017. The attorneys for the apartment complex's insurer said they plan to appeal the verdict.

Liability

Steel Company Reaches \$24.5 Million Settlement in Pollution Lawsuit

A Pittsburgh-based steel company agreed to a multi-million-dollar settlement with environmental organizations Clean Air Council and PennEnvironment and the Allegheny County Health Department after being accused of violating federal clean air laws. The lawsuit alleged the company operated plants without desulfurization controls for more than three months and violated more than 12,000 of its air pollution permits. The plaintiffs brought the suit after a 2018 fire damaged pollution control equipment. The lawsuit stated the company continued to operate plants despite this, resulting in the repeated release of sulfur dioxide. It also cited a separate plant that had repeated breakdowns and released 525,000 pounds of coke oven gas into the air. According to the settlement, which has been sent to a judge for review, the steel company will spend \$19.5 million on equipment upgrades and \$5 million on clean air efforts and programs. The agreement notes that the company has previously spent \$17.5 million on improvements and upgrades to the plant the fire damaged. The company must also close 60 of its worst polluting coke ovens, the plaintiffs said.

Liability

Resort Agrees to Pay \$26 Million to Family of Child Who Suffered Chlorine Chemical Burns

A South Carolina resort settled a federal lawsuit for \$26 million with the family of a child who suffered severe chemical burns after visiting the resort's pool in 2020, attorneys for the family reported. A burn center admitted the child and provided treatment over the course of a week, the attorneys said. According to the lawsuit, the child's family contacted the South Carolina Department of Environmental Control (DHEC), which closed the pool after finding dangerously high chlorine levels. The attorneys also noted the pool's high chlorine levels were both dangerous and illegal. Additionally, the lawsuit stated that the chlorine records the resort provided to DHEC had been falsified for years. Furthermore, a plaintiff's attorney said an investigation revealed a pool attendant logged chlorine level data on days they were not working, including on the date of the plaintiff's injury.

Medical Malpractice

Jury Returns \$38.6 Million Verdict in Medical Malpractice

A Georgia jury returned a \$38.6 million verdict against a university health care system after a 20-year-old died following a heart transplant operation. The verdict came after the individual's mother filed a lawsuit alleging the hospital failed to perform a standard CT scan prior to the 2017 surgery. This scan would have revealed a part of the individual's mechanical heart pump had moved to the back of their chest, the plaintiffs said. Case records showed that after surgeons cut into that moved part, the patient suffered massive blood loss, resulting in multiple organ failure and death. The parties agreed to a confidential post-trial settlement that ended further litigation in the case.