

*Government Employees Insurance Company v. Arly Barros Et Al. (AC 40643)*

The plaintiff, an insurance company, brought this action against the defendant seeking to recover uninsured motorist benefits which they had paid to an insured party who had suffered personal injuries as a result of a motor vehicle collision caused by the alleged negligence of the defendant. The defendant raised a special defense, claiming that the statute of limitations had expired and therefore the plaintiff was barred from bringing this claim against the defendant. The defendant claimed that the statute of limitations applicable to the underlying negligence claim had expired. The trial court concluded that the statute of limitations did not preclude the plaintiff from bringing their claim forward. The court rendered judgement in favor of the plaintiff. The defendant appealed.

The issue presented to the Appellate Court in this appeal is whether the plaintiff's equitable subrogation action is subject to the same statute of limitations applicable to the underlying negligence claim. The Appellate Court determined that the statute of limitations did not apply in the present case. The Appellate Court upheld the decision of the trial court. In reaching this determination, the Court reasoned that the plaintiff's claim sounded entirely in equity and therefore the claim was not subject to the statute of limitations applicable to the underlying negligence claim. The Court further noted that the purpose of an equitable subrogation claim is to prevent injustice. The Court stated that "equitable subrogation prevents a tortfeasor from being 'unjustly enriched by virtue of having its debt paid by the insurance company of a party who had the foresight to obtain insurance coverage, and thus to escape all liability for its wrongdoing, simply because the insurance company was not permitted to participate in a suit against the tortfeasor in order to recover the money that it had paid to its insured but which was properly payable by the tortfeasor.'" *Westchester Fire Ins. Co. v. Allstate*

Ins. Co., *supra*, 372–73. The Court further reasoned that because such a claim arises in equity, the statute of limitations does not need to be strictly applied. The Court found that a court may provide a remedy for the injured party even if the applicable statute of limitations has expired. Such a decision is within the discretion of a trial court in order to provide just remedies for an injured party.

At the appellate level, the defendant brought the special defense pursuant to the doctrine of laches, arguing that the plaintiff's claim was precluded. The Court declined to address whether the plaintiff was precluded from bringing this claim forward under the doctrine of laches. The Court determined that because the defendants failed to bring this issue at the trial court level, they are precluded from now bringing it at the appellate level. The Court thus determined that they could not rule on this issue as it involved questions of fact rather than questions of law.

The Appellate Court therefore found that the trial court acted properly in denying the defendant's special defense regarding the expiration of the statute of limitations. The Court affirmed the decision of the trial court.