

Resolution No. 11-0409

RESOLUTION OPPOSING THE GOVERNOR'S PROPOSED CHANGES TO INSURANCE LAWS AND 2009 SENATE BILL 20

WHEREAS, Governor Jim Doyle's 2009 Executive Budget Bill (2009 Assembly Bill 75) contains several anti-tort reform proposals including, but not limited to:

- Changing comparative negligence laws to force a defendant to pay one hundred percent of the damages when they have as little as one percent of liability;
- Forcing individuals, companies, and local governments to pay for higher levels of insurance by increasing mandatory minimum auto liability insurance limits;
- Changing the definition of an "uninsured motorist" insurance claims when no contact was made between the insured's car and another car, thereby increasing the risk of fraudulent claims;
- Allowing "stacking" of coverage for "underinsured motorists" such that the coverage limits for an accident are not limited to the policy relating to the particular vehicle involved in the accident;
- Forcing excess or umbrella insurers to offer to cover certain claims when the coverage was not requested by the insured; and

WHEREAS, the aforementioned anti-tort reform proposals would significantly increase the cost of providing insurance in Wisconsin; and

WHEREAS, Iowa County currently procures its liability insurance through Wisconsin County Mutual Insurance Corporation (WCMIC); and

WHEREAS, WCMIC is a county owned and operated mutual insurance company created for the purpose of providing long-term stability in insurance coverage and insurance costs for counties; and

WHEREAS, as a mutual insurance company, WCMIC's increased cost of providing insurance resulting from the anti tort reform proposals would be borne by counties and their taxpayers directly in the form of increased insurance premiums; and

WHEREAS, 2009 Senate Bill 20 is currently pending before the Senate Labor, Election and Urban Affairs Committee; and

WHEREAS, Senate Bill 20 would have a dramatic financial impact on counties by changing employment discrimination laws as follows:

- Allowing claimants to collect unlimited punitive damages against counties contrary to current state and federal law;
- Forcing counties to pay a punitive 10% surcharge to the court system in addition to unlimited damages;
- Forcing counties to litigate issues of compensatory and punitive damages years after the initial discrimination complaint was filed.
- Creating an irrational and inefficient complaint process where both parties have an incentive to litigate claims to the fullest extent possible; and

WHEREAS, Iowa County faces significant budgetary challenges related to the provision of critical state and county services at a time when state and federal financial support for such services is decreasing and the burden be placed on Iowa County taxpayers is growing; and

WHEREAS, adding new costs for counties and forcing counties to increase their tax levies during our current economic downturn would be devastating to property taxpayers who can ill afford increased taxes or increased insurance costs;

NOW, THEREFORE, BE IT RESOLVED, that the Iowa County Board of Supervisors hereby opposes the Governor's proposed changes to insurance laws included in his 2009 Executive Budget and the proposed changes to employment discrimination laws in 2009 Senate Bill 20 and strongly encourages its senators and representatives in the Wisconsin State Legislature to reject the Governor's proposals and Senate Bill 20.

Respectfully submitted by the Iowa County Administrative Services
Committee

Dated this 21st day of April, 2009.