

Michigan Chamber and Insurance Institute Comment on House Passage of No-Fault Related Bill; Urge Senators to Reject It

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The following statement was issued today by Wendy Block, Director of Health Policy and Human Resources for the Michigan Chamber of Commerce, and Peter Kuhnmuensch, Executive Director of the Insurance Institute of Michigan, in response to recent passage of legislation in the State House to make it easier for personal injury attorneys to sue for non-economic damages under the state's no-fault automobile insurance system (HB 4301, Rep. Condino).

Statement from Wendy Block:

"Michigan employers and employees cannot afford the 15 to 43 percent increase in automobile insurance premiums that would be passed on to policyholders if HB 4301 is signed into law."

"When Michigan's no-fault law was enacted, the Legislature established very generous benefits in exchange for strict limits on the right to sue an at-fault party for non-economic damages, or pain and suffering awards. The affordability of automobile insurance relies upon this delicately balanced trade-off."

"Legislators had two choices when voting for this bill: they could support policyholders and reasonable insurance rates, or support more lawsuits and profits for personal injury attorneys. Unfortunately, the entire House Democratic Caucus chose to support personal injury attorneys over policyholders. We hope the Senate, when considering this legislation, will wisely choose policyholders."

Statement from Peter Kuhnmuensch:

"We are concerned about the impact of House Bill 4301 on our policyholders."

"This measure would destroy the fundamental concept of no-fault, which balances comprehensive and immediate benefits in exchange for limits on costly personal injury lawsuits."

The Michigan Chamber of Commerce is a statewide business organization which represents approximately 7,000 employers, trade associations and local chambers of commerce. The Michigan Chamber was established in 1959 to be an advocate for Michigan's job providers in the legislative, political and legal process.

The Insurance Institute of Michigan (IIM) is a government affairs and public information association proud to represent more than 90 property/casualty insurance companies and related organizations operating in Michigan.

SOURCE: Michigan Chamber of Commerce

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