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For more information contact:

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## Trial Lawyer Budget Provisions will Hurt Tourism Blow to Industry Poised to Help Wisconsin Emerge from this Recession

Madison – (May 19, 2009) The Wisconsin Tourism Federation calls on the Legislature to remove provisions buried in Gov. Doyle's budget that will increase litigation risks and costs for Wisconsin's Tourism Industry.

Three budget provisions called for by the trial lawyers will mean more lawsuits targeting virtually any organization or person with money or insurance. Before a single lawsuit is filed, these provisions will significantly increase insurance rates and limit available coverage for some.

"These provisions, if enacted, will affect not just the Dells, but will impact the entire tourism industry," said Tom Diehl, Federation member and President, Tommy Bartlett, Inc. In a May 19 letter to the all legislators (attached), Diehl emphasized that "this includes water parks, both indoor and outdoor, ski hills, the Circus World Museum, the EAA in Oshkosh, Summer Fest, Door County businesses, the Green Bay Packers Hall of Fame, the Big Top Chautauqua in Bayfield, and every other major tourism attraction in the state."

The Wisconsin Department of Tourism reported that in 2008 Wisconsin travelers spent over \$13 billion, creating 310,330 jobs and over \$2 billion in revenue for state and local government.

"With families staying closer to home to save money, this is the worst time to handicap the tourism industry with rising costs," said Julia Hertel from the Wisconsin Association of Convention and Visitors Bureaus. "As we prepare for the summer tourism season, the things Wisconsin is known for will be impacted," said Hertel. "From big attractions to boat rentals, campgrounds and cottages, insurance costs will be driven up."

The so-called "joint and several" provision can require someone as little as one percent at fault to pay for 100 percent of damages. Such an unfair advantage for trial lawyers is not seen anywhere else in the Midwest. It advantages the few at the expense of many.

"This provision that decouples liability from fault makes tourist attractions particularly vulnerable to crippling suits," said Chet Gerlach, Association of Wisconsin Tourism Attractions. "For example, with three million visitors a year, the Wisconsin Dells' attractions are bound to see more suits, with higher settlements, as well as escalating insurance costs."

"Times are tough," said Gerlach. "These liability provisions make it tougher for an industry Wisconsin counts on."

<sup>1</sup> The Economic Impact of Expenditures by Travelers in Wisconsin, Calendar Year 2008, Wisconsin Department of Tourism. <u>http://industry.travelwisconsin.com/</u>.

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World-Class Entertainment For Over 50 Years! May 19, 2009

## Re: Contributory Negligence Provisions in the Budget

Dear Senator/Representative:

On behalf of the tourism industry, I am writing to express my strong opposition to the joint and several liability, jury instructions, and combined fault provisions inserted in the budget bill (Assembly Bill 75).

If enacted, these three provisions will have a severe impact on the tourism industry at a time when it can least afford it. The provisions will drive up insurance rates, which in turn will lead to higher costs for consumers. Some in the tourism industry will simply not be able to obtain insurance, forcing them out of business. The most troubling aspect is that these provisions will place Wisconsin well outside of the mainstream when compared with surrounding states and the rest of the nation. Wisconsin's tourism industry will be at a competitive disadvantage.

As you are well aware, the Wisconsin Dells is one of the state's most popular vacation destinations. The Dells attracts tourists not only from Wisconsin, but throughout the Midwest and beyond. These provisions, if enacted, will affect not just the Dells, but will impact the entire tourism industry. This includes water parks, both indoor and outdoor, ski hills, the Circus World Museum, the EAA in Oshkosh, Summer Fest, Door County businesses, the Green Bay Packers Hall of Fame, the Big Top Chautauqua in Bayfield, and every other major tourism attraction in the state.

As in any business, the tourism industry is exposed to significant liability costs. With three million people visiting attractions in the Wisconsin Dells each year, accidents unfortunately are bound to happen. By simply allowing a person to enter our premises, we would be considered at least one percent at fault. This means that if a person is injured at one of our attractions, and the injury is caused by another visitor who has no insurance or assets, we would be held liable for 100 percent of the damages.

On behalf of the tourism industry, I respectfully request that you do not pass the contributory negligence provisions. At the very least, please remove these provisions from the budget and allow the full legislature to debate the merits.

Sincerely,

Tom Diehl