



# WISCONSIN CIVIL JUSTICE COUNCIL, INC.

*Promoting Fairness and Equity in Wisconsin's Civil Justice System*

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For More Information Call:

Bill Smith: (608) 255-6083

Bob Fassbender: (608) 258-9506

## **Major Policy Provisions Buried in Budget will Hurt Wisconsin Businesses**

### *Business Groups Unite to Fight Liability Trap*

"Wisconsin can't promote quality jobs and lawsuit abuse at the same time," said Bill G. Smith, State Director of the National Federation of Independent Business – Wisconsin. "The liability trap hidden in the state budget will hurt those businesses, particularly small businesses, which we need to create jobs."

Smith is President of the Wisconsin Civil Justice Council, Inc. (WCJC) which formed earlier this year to oppose laws that profit personal injury lawyers at the expense of Wisconsin jobs. In the weeks since the Governor introduced his budget, WCJC has grown to include 17 statewide associations representing employers from healthcare to construction.

WCJC's top priority is to have the Legislature remove provisions buried in the 1,743-page budget relating to "joint and several liability," which would force a person or business found to be as little as one percent responsible to pay up to 100 percent of the damages.

"This provision is patently unfair and puts Wisconsin in virtually last place in the country for litigation climate," said Jim Hough, a spokesman for the WCJC. Wisconsin changed its laws in 1995 to allow full recovery of damages from anyone found at least 51 percent at fault.

"Requiring a person or business to be at least 51 percent at fault before holding them 100 percent responsible for damages is hardly unfair to an injured party," said Hough, noting that the 1995 legislation had public hearings and the full deliberation of elected officials. These reforms passed by wide margins, with bi-partisan support.

"Making sweeping changes to the joint and several liability laws in the massive budget bill is outrageously unfair to Wisconsin businesses, and those consumers that ultimately pay," said Tom Howells, President of Wisconsin Motor Carriers Association. "This proposal will mean that our members and many other businesses will be looked at as a 'deep pocket' just because they carry adequate insurance. This is not about fairness; it is about creating a trial lawyer bonanza."

"The Council's membership is as diverse as Wisconsin's economy," said Mary Ann Gerard, Wisconsin Automobile & Truck Dealers Association, Inc. "We employ people throughout Wisconsin and none of us can afford higher litigation costs in this economy."

The joint and several liability provision in the Governor's budget undoes a fair compromise and would leave Wisconsin with the most unfair law in the United States. In fact, most of the Midwestern states Wisconsin competes with enacted reforms doing away with the type of liability hidden in the Governor's budget.

"This provision is a boon for personal injury lawyers at the expense of everyone else," said Ed Lump of the Wisconsin Restaurant Association. "Anyone with any assets could be sued and wiped out financially under this provision – not just businesses."