



# John Nygren

WISCONSIN STATE REPRESENTATIVE ★ 89<sup>TH</sup> ASSEMBLY DISTRICT

FOR IMMEDIATE RELEASE

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## *Automobile Insurance Gets Worse in Conference Committee Budget*

*Rural Drivers from Northeast Wisconsin to Subsidize Milwaukee*

Madison... Representative John Nygren (R-Marinette) issued the following statement regarding the changes to automobile insurance included in the Conference Committee budget bill that passed the Senate yesterday:

“In the Conference Committee budget the changes to automobile insurance went from bad to worse. Not only did they include the highest mandatory minimums in the nation and mandate that drivers have to pay higher premiums, they also included a hidden line that will force good drivers to subsidize higher risk drivers. In the Conference Committee bill, insurance providers will be banned from taking into consideration where an individual lives when they set premiums. In effect, this will force rural drivers from Oconto, Marinette, and Brown Counties to pay higher premiums to subsidize urban areas like Milwaukee where vehicle theft and collision are more prevalent.

If this provision passes, Wisconsin would be the only state in the nation to have a complete ban on the use of territorial ratings. A similar change was recently defeated in Connecticut and Michigan because of the added cost it would force on drivers. Under the changes in the original budget proposed by the Governor, insurance rates were expected to go up 33 to 43 percent for drivers in Wisconsin. With the Conference Committee addition, rates will go up even more and these added costs will disproportionately fall on rural drivers with clean driving records.

Current automobile insurance requirements in Wisconsin are sufficient to cover over 90 percent of all auto collision claims and without mandating automobile insurance, the percent of uninsured drivers in Wisconsin is in line with the national average. By increasing the cost of auto insurance the percentage of uninsured will surely rise.”

The Conference Committee budget is expected to be voted on in the Assembly this evening. No amendments can be offered to it. If it passes the Assembly, it moves to the Governor for signing.

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