



# WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

## *Senate Bill 149*

June 30, 2015

*Joint Testimony from Rep. Spiros and Sen. Lasee*

Good afternoon and thank you Mr. Chairman and members of the Senate Committee on Insurance, Housing and Trade, for allowing us to have the opportunity to talk to you today regarding Senate Bill 149 (SB 149), a bill that would change the statutes of limitation on claims involving property damage and on claims arising from a motor vehicle accident. This is a very simple bill that seeks to update an obsolete requirement in state statutes.

Under current law, the time limit for initiating a civil action on a contract or obligation, including an insurance policy is generally six years after the cause of the action accrues. This bill would change the limit to three years in cases involving a motor vehicle insurance policy. This would include a liability for loss or damage resulting from a car accident. This bill would also change the time limit for initiating a civil action to two years in those cases in which death is caused.

Wisconsin is one of nine other states that have a time limit of six years or more in filing a claim. Over 33 states have limits of three years or less. This bill seeks to bring Wisconsin's limit for motor-vehicle property damage claims to three years, and will also reduce the time a lawsuit can be filed for wrongful death claims from three years to two years. Making these changes will ensure that evidence related to a moto-vehicle claim will still be available and that the claim will be processed in a timely manner. These limits vary from state to state and by changing these to the proposed time limits indicated will bring us more in line with the majority of states.

I have had discussions with many attorneys I know on both sides of the bar, and those in states where the statute of limitations is even less than what I am proposing, all feel like they have ample time to investigate a potential cause of action. The key is knowing the statutes and if an attorney chooses, they can file a lawsuit to protect the statute. Having been involved in claims for many years, I do not know of any property damage cases which would come close to a 2 year limit. In regard to wrongful death claims, the majority are usually able to be investigated and action taken within 1 year of those accidents occurring.

There is no doubt that shorter statute of limitations enhance the legal process, and have the goal of bringing to closure claims in a timely manner. Like I mentioned earlier, statute of limitations are imposed to ensure a fair resolution for all parties, and according to DMV.org, an independent organization assisting millions of drivers, setting a reasonably short time deadline for a lawsuit is smart. The bill in front of you imposes 3 years for property damage and 2 years from wrongful death, ample time to complete an investigation and work on settlement well in advance of reaching the statute of limitations. This bill only applies to auto type accidents.

Thank you again for allowing me the opportunity to testify in support of this bill, and we would welcome any questions.