

Frequently Asked Questions Joint and Several Liability

✓ How will reform affect the compensation victims receive?

Reform of the joint and several liability law would likely result in victims receiving less compensation. Under the proposed changes, if a defendant is found at fault, they may not be held fully responsible for compensating the victim. This could leave victims under-compensated, particularly when one party cannot pay their share, shifting the financial burden to the victim.

✓ Why should businesses be responsible for covering the full cost if they're only partially at fault?

Joint and several liability is designed to ensure that victims are fully compensated for their losses. Anyone paying under the existing joint and several liability system is responsible not only for acting negligently or recklessly but also for causing harm. If one party can't pay its share, the victim still receives the full amount from other responsible parties. While this can sometimes mean a business pays more than its share, the alternative is that injured victims in our community are left without the compensation they need to recover.

✓ Isn't the current system unfair to businesses?

The current system prioritizes ensuring victims are taken care of when they are injured. While businesses might prefer to pay less, anyone paying under the existing joint and several liability system is responsible not only for acting negligently or recklessly but also for causing harm. Joint and several liability provides a safety net for victims who might otherwise be left without help. Large insurance companies, not small businesses, are often the biggest beneficiaries of these proposed reforms and it is important to prioritize the rights of those who have been harmed over corporate profits.

✓ Won't reform lower insurance premiums and benefit customers?

While supporters of reform claim that it will lower insurance premiums, there is no guarantee that businesses or customers will see these savings. Insurance companies often benefit the most from reforms like this, as they can lower their payouts without offering significant relief to the public. This system benefits big businesses and insurers, not the people who are injured or harmed by negligence.

✓ What solutions could help address businesses' rising liquor liability insurance rates?

Several solutions could alleviate the financial strain on businesses while ensuring public safety including:

- Mandatory server training** - requiring alcohol server training can improve safety and accountability, allowing businesses to qualify for lower insurance premiums by reducing liability risks.
- Tiered premium rates** - a tiered premium structure would align rates with the risk level of each establishment, ensuring that lower-risk businesses pay less while higher-risk ones contribute more, encouraging safer practices.
- Stronger DUI laws** - enhancing DUI laws through stricter enforcement and penalties can reduce alcohol-related incidents, leading to fewer claims and lower insurance rates for businesses.

✓ How does this reform impact access to justice for average people?

Reform of joint and several liability would likely make it harder for the average person to seek justice. By making it more difficult to hold all responsible parties fully accountable, the reform places an extra burden on victims who are already facing physical, emotional, and financial challenges.