

March 1, 2017

The Honorable Eddie Joe Williams, Chair  
Arkansas Senate - Committee on State Agencies and Governmental Affairs  
**VIA EMAIL:** [EddieJoe.Williams@senate.ar.gov](mailto:EddieJoe.Williams@senate.ar.gov)

Re: Senate Joint Resolution 8 – OPPOSE

Dear Senator Williams:

As a national non-profit that helps disaster victims, individuals and businesses recover prompt and full insurance claim settlements, United Policyholders writes to respectfully register our strong opposition to Senate Joint Resolution 8 – subtitle: “A Constitutional Amendment Limiting Contingency Fees and Awards of Punitive Damage; and Changing the Powers of the General Assembly and the Supreme Court Regarding Rules of Pleading, Practice, and Procedure.” We believe SJR 8 will cause far-reaching economic damage in your state by limiting access to civil justice remedies for Arkansas property owners victimized by insurer misconduct.

An individual or business consumer’s ability to hold an insurance company accountable for failing to meet their indemnification or defense obligations is an essential function of the civil justice system. By leveling the playing field between powerful insurance companies and their customers, the civil justice system also helps maintain the critical balance between insurers’ conflicting obligations to profit-oriented shareholders versus to customers who file claims and drain profits. Those functions will be eviscerated if SJR 8 becomes law.

It is already hard for Arkansas property and business owners to find a good lawyer willing to risk working on a contingent fee basis to take on a well-funded insurer defendant. We should not make it even harder, but that is precisely what SJR 8 would do. By placing arbitrary restrictions on the type of recovery available to victims of unfair insurance practices, SJR 8 will make it even more uneconomic for qualified counsel to undertake to represent small businesses and individuals.

United Policyholders is a 501(c)(3) that informs, helps and speaks for insurance consumers nationwide. UP does not sell insurance or accept funding from insurance companies. At [www.uphelp.org](http://www.uphelp.org), UP offers a variety of resources and tools for making good decisions when buying insurance or navigating a claim.

Thank you for your time and consideration of this very important matter.

Sincerely,



Amy Bach, Esq., Executive Director

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