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**State Budget Increases Auto Insurance Rates on Wisconsin Families**

**MADISON, WI, Feb. 17th** – A provision buried deep in the Governor’s state budget proposal will drastically increase automobile insurance rates for Wisconsin consumers, according to Andy Franken, President of the Wisconsin Insurance Alliance (WIA).

Franken cited a series of policy items in the Governor’s budget that would force Wisconsin families to pay over 33% more for auto insurance they don’t need. “As a result of the increased costs, the number of uninsured drivers on state roads will increase dramatically and that’s bad for all motorists,” Franken said.

The Governor’s budget increases mandatory auto insurance limits 300% and would establish Wisconsin as the state with the highest mandated insurance limits in the nation. Only four states require limits greater than Wisconsin’s current limits.

“Responsible low and middle-income families paying the current minimum auto insurance levels would see their costs rise 33% to 43%. High income families who already choose higher coverage levels would be less affected, but would still see premium increases,” said Franken. The largest dollar increases would fall on families in the Milwaukee area. Families in rural areas, especially in western Wisconsin, would see the highest percentage increase in their auto premiums.

“These auto insurance mandates have nothing to do with Wisconsin’s state budget or fiscal crisis and should be debated publicly as separate legislation on its merits,” Franken said. Despite recession, deficit and massive layoffs across the Wisconsin, Governor Doyle unfortunately wants to force Wisconsin families to pay hundreds of dollars more for car insurance they can’t afford or simply don’t need.

Wisconsinites currently pay some of the lowest automobile insurance rates in the country. According to the Auto Insurance Report’s PAIN index, Wisconsin families pay the 3<sup>rd</sup> lowest rates as a percentage of household income. Franken also cited that when combining the out-of-pocket expense for auto and homeowners insurance as a percentage of median household income for a family of four, Wisconsin residents enjoy the lowest Personal Insurance Burden (PIB) in the country.