



Insurance Institute of Michigan

June 7, 2011

Dear Members of the Senate Transportation Committee:

The Insurance Institute of Michigan strongly opposes legislation that would repeal the state's motorcycle helmet law. Senate Bill 291 would repeal the state's mandatory motorcycle helmet law, resulting in an estimated 30 additional fatalities each year, along with 127 incapacitating injuries, and \$129 million in added economic costs to Michigan citizens, according to an analysis by the Office of Highway Safety Planning.

We just have to look to the experience of other states to find out what will occur if we repeal the mandatory helmet law. The National Highway Traffic Safety Administration found that in the three years after Florida's repeal of its mandatory helmet law in 2000, 933 motorcyclists were killed, an 81 percent increase. Another study found that fatalities grew by more than 58 percent in Kentucky and 108 percent in Louisiana after those states struck down mandatory helmet laws.

Opponents of the mandatory helmet law believe that it infringes upon individual freedom of choice and the right to privacy. They argue that individuals who do not wear helmets harm mainly themselves. However, that is really not the case. The consequences of that person's decision not to wear a helmet is borne by all of society through higher insurance premiums, lost productivity and increased health care costs.

According to a study by the University of Michigan trauma center, hospitalized unhelmeted motorcyclists had average care costs of \$37,310, which is 20% higher than helmeted motorcyclists, and were 6% less likely to have insurance.

Motorcycle crashes also account for a disproportionate share of money paid out of the Michigan Catastrophic Claims Association (MCCA), a fund which is supported by a surcharge on every auto insurance policy in this state. Although motorcyclists represent 2 percent of the assessments paid into the MCCA, they account for 5 percent of all claims paid out.

Since its inception in 1978, MCCA has reimbursed member insurance companies more than \$421 million for 885 motorcycle injury claims exceeding the threshold. If the mandatory helmet law is repealed, serious injuries to motorcyclists will rise. Since Michigan's no-fault law allows lifetime benefits for all "reasonable and necessary" medical costs, the number of claims and the amount paid by the MCCA to reimburse insurance companies will increase, causing all policyholders in Michigan to pay more.

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Also, motorcyclists are not required to carry medical coverage for themselves while operating a motorcycle. If they are injured in a crash with a motor vehicle, the insurance on the motor vehicle picks up the tab for the motorcyclists' injuries up to the catastrophic threshold of \$480,000.

Aren't 30 lives worth saving? We ask for your support in voting against any attempt to repeal the mandatory helmet law in Michigan.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter A. Kuhnmuench". The signature is fluid and cursive, with a large loop at the end.

Peter A. Kuhnmuench
Executive Director