



**Risk and
Insurance
Management
Society, Inc.**

L.A. RIMS NEWS

Los Angeles Chapter

The Newsletter for Risk and Insurance Management Professionals January 2003

PRESIDENT'S MESSAGE

Happy New Year!

Hope you enjoyed our Holiday Dinner Dance and Installation. Thank you for your attendance and support. Michelle Darringer and her staff deserve many thanks for organizing this wonderful event. Good food, good music, good company...you can't beat that. Also, thanks to Michelle and Rae Knapp, for coordinating the terrific raffle prizes.

For 2003, our chapter is creating a new scholarship program that will be open to college students and will require the recipients to make a presentation at a luncheon meeting. We are also looking at new occasional venues for our luncheon meetings. The golf tournament date has already been set for June 2nd. The committee for the 2004 Western Regional Conference is already in full swing. And, our board has also committed to providing funds to the Spencer Foundation. The list is still growing and needs your input too.

Despite the economy, my goal is to keep the window of opportunity open for those in the field of risk management and insurance through education, communication and support. Help me keep this window open for you this year.

Wishing you the best for 2003!

Kathy Merkovsky
President, RIMS L.A. Chapter
(Yes, I'm back again)

CHAPTER CLIPS

LOS ANGELES RIMS JOINS EFFORT TO CURB ABUSIVE CLASS ACTION LAWSUITS

Recently, the Los Angeles Chapter of RIMS joined with the U.S. and California Chambers of Commerce, to advocate for support of the Class Action Fairness Act (S. 1712/H.R. 2341). The House version of this legislation passed this past March.

S. 1712 is a moderate tort reform bill that respects the institutional accountability that Class Actions ensure, while seeking to curb the frivolous abuses of this legal remedy that have intensified in recent years. The problem being that these suits often provide little or no benefit to plaintiffs, and when filed in plaintiff friendly state courts, can cost businesses and consumers billions of dollars annually-regardless of their merits.

Specifically, the legislation will move the largest multi-state Class Actions to Federal Court, as opposed to the few, remote, plaintiff friendly jurisdictions in which the majority of these cases are presently filed (places like Madison County, Illinois). In addition, S. 1712 establishes a series of protections for plaintiff class members, called a "Plaintiff's Bill of Rights," which will protect them from the confusing legal language and unfair settlements-such as those that provide only coupons to Class members.

The Class Action Fairness Act is a procedural reform that does not hinder anyone's ability to file a lawsuit, but ensures that the system will be fairer and more representative of the noble purpose for which it was established.

To learn how you can help this grassroots advocacy effort in California, please contact Todd Stenhouse, at toddsten@pacbell.net, or by phone at (916) 737-9331. For more information on the Class Action Reform effort nationally, please visit www.litigationfairness.org.

CHAPTER CLIPS CONTINUED

RIMS HOLIDAY PARTY

This years RIMS holiday party held on Wednesday, December 11th at the Jonathan Club downtown was a success. We had an attendance of over 120 people.

The evening began with a cocktail reception and music with welcoming remarks from the Los Angeles Chapter President, Kathy Merkovsky. After welcoming all the members and friends a gourmet dinner followed. After dinner Kathy introduced the 2003 Board of Directors and acknowledgment of the Past Chapter Presidents. Kathy presented Richard Welch, recently retired, City of Los Angeles Risk Manager with the RIMS Star Award for his achievements and services with RIMS and its community.

Then, what everyone was waiting for after dinner and dessert had been served, the raffle!. The grand prize winner of a weekend retreat in Big Bear was won by Jeanette Moniz-Dalgado, Mattel. The helicopter tour of LA with a champagne brunch was won by Diane Kooken, Marsh. The dinner cruise was won by Lindy Hardman, Zurich. The sunset horseback dinner ride was won by Todd Marumoto, Mattel.

The evening concluded with the enjoyable sounds of Leroy and the Do Got Band. Complimentary photos were taken by photographer, Paul Pinner, sponsored by ACE USA and taken home by guests in attendance.

Again, we would like to thank everyone for joining us in this event and for their generous contributions making this a successful holiday dinner and installation event. Until next year!!!

Here is the complete list of the winners in the raffle:

The winners of the various baskets of wine, Italian pasta and dipping, wok & sushi, martini, popcorn & movies, Beer, Fondue and sandwich/waffle makers were Janis Pate, AIG, Ruth Lindstrom, Jacobs Engineering, Luis Mos, Todd Shenholsem, Lois McCullough, Vincent Ross, Malmquist, Fields & Camastra, Nurit Sheehan, Arthur J. Gallagher, Kirsten Dial, Fox, Diane Good, Pinkertons, Kurt Leisure, The Cheesecake Factory.

Gift certificates for Nordstrom, Burke Williams Day Spa, Best Buy, Starbucks, Macys, Cheesecake Factory went to Jim Bukowski, Aon, Brian Gausman, Aneta Dubow, Desi Gomez, John Hurwitz, Aon, Doug Judson, Millennium Corporate Solutions, and Christopher Bagnaschi, Wood Smith, Henning & Berman

Disneyland tickets went to Barbara Hester, Lein on Me.

The collectible Barbies were won by Tim Thalman, Aon, Linda Saxton, Aon, and Rosy Ku, Castle & Cooke, Inc. Gift Candles were provided to each guest with an engraved memorabilia of RIMS 2002 charm.

RIMS L.A. CHAPTER WOULD LIKE TO THANK OUR SPONSORS FOR THE 2002 HOLIDAY PARTY

ACE, USA
AIG
AON
ARTHUR J. GALLAGHER
LOCKTON
MARSH, INC.
NEAR NORTH
WILLIS
ZURICH

LEGISLATIVE UPDATES

RULING ON WORKERS COMPENSATION DEDUCTIBLE POLICIES

On December 18, 2002, the California Board of Equalization voted unanimously to reject the Department of Insurance's plan to collect taxes on workers' compensation deductibles dating back to 1997 and going forward. This decision is good news for California companies who have (or had) workers' compensation deductible policies, since the estimate of the retroactive assessments was about \$200 million.

LEGISLATIVE UPDATES CONTINUED

PREVIEW OF RIMS' 2003 LEGISLATIVE GOALS

A few of the legislative interests of the Risk and Insurance Management Society for 2003 will be:

- **Class Action Lawsuit Reform**
Interstate class-action lawsuits should be moved to federal court
The plaintiff should be required to demonstrate material injury, in order to participate in a class-action lawsuit
Administrative remedies should be given first consideration before a lawsuit
- **Optional Federal Insurance Charter**
Insurance should be a cost-effective, quality product that is easily obtainable
A federal presence in the insurance industry should not intensify the regulatory burden U.S. businesses
Insurance regulation and products should reflect the technology and sophistication of the new millennium and the global market
The National Association of Insurance Commissioners (NAIC) should take a consultative role in the creation of an optional federal charter

RIMS will be working with other business lobbying groups to advance its legislative agenda in the 108th Congress. The issue of Class Action Lawsuit Reform is expected to be very contentious and heavily debated. It is expected that the Republicans will be very receptive to passing some sort of tort reform and the Democrats are expected to be very defensive in the tort-reform battles (as was demonstrated during the terrorism insurance debate).

As the New Year begins, we encourage you to participate in the legislative process and share some of the details of RIMS' positions with your Government Affairs Department. The more members involved, the more effective we can be in the legislative process.

JOB OPPORTUNITIES

COLLEGE STUDENTS WANTED

The Port of Los Angeles will have two part-time positions (for college students only) available in the Risk Management Division. The candidates must be carrying at least 6 units. Preferred major(s) would be Risk Management, Finance, or Safety Engineering; will also consider other majors.

The position entails communicating with the Port's clients and brokers, tracking insurance, writing letters, updating databases, file maintenance, and general office duties. Familiarity with Word, Excel, Access, and the internet is desirable.

Here's your chance to earn extra money, expand your risk management knowledge, apply your computer skills to business needs, and gain valuable and marketable experience. If interested, please fax your resumes to the Port of Los Angeles, Attn: Kathy Merkovsky at 310.833.8230

CALENDAR OF EVENTS

All monthly meetings are held at the New Otani Hotel, unless otherwise noted

January 15, 2003
Monthly Luncheon

February 19, 2003
Monthly Luncheon

March 19, 2003
Monthly Luncheon

May 21, 2003
Monthly Luncheon

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