

## **MAYOR'S COLUMN**

This past week the Village learned we were successful in two protracted legal actions relating to the dismissal of police officers several years ago. In fact, during the oral argument of the motion to dismiss the second Federal lawsuit, the judge expressed his belief that the first lawsuit had no merit as well.

The legal victories are good news for the Village but not without consequences. With victory came large expenditures of staff and elected officials time and thousands of dollars in legal fees.

These two cases are just examples of some of the hidden costs in financing local government and frustrate all of us who want to see tax dollars produce tangible benefits.

Local governments are favored targets of lawsuits of all varieties because municipalities are perceived as having deep pockets and thus often the only viable defendant. The situation is exacerbated in New York because of a myriad of State laws that serve to amplify the exposure local governments face and increase the incentive to commence frivolous lawsuits against municipalities.

One major source of expense to local governments and thus property tax payers is the jury trial system for civil actions against municipalities.

Litigation costs in jury trials are much higher than in bench trials. Studies have proven that juries render larger damage awards than judges. Moreover, just the prospect of a large jury award serves as an incentive to sue local governments, even if the perceived likelihood of success on the merits is quite small.

As an illustration, after bus accidents in New York City, police officers are sent to the scene not only to aid victims but to ensure that passersby do not jump on board and claim to be involved.

In addition, while private defendants are allowed to offset the amount of any damage awards a plaintiff receives from collateral sources such as insurance, current New York State law allows plaintiffs to double collect from municipal defendants. As a result, many plaintiffs who sue local government receive more compensation than is needed to make them whole, a windfall forbidden in the private sector. Studies have shown that the compensation which local governments must pay frequently exceeds actual damages, pain and suffering. Also, many juries often erroneously view local government as being a source of limitless resources and award large monetary settlements. In other instances, local governments are sued because they may be the only potential source of money even if only nominally related to the cause of the action.

As a result of all this, municipalities incur higher insurance premiums and escalating legal costs to defend meritless lawsuits, all directly paid for by the local taxpayers.

Interestingly, cases brought against the State of New York are adjudicated by the State Court of Claims which does not adjudicate cases via a jury. Consequently, the State is subject to neither excessive jury awards nor the expense of litigating jury trials.

Bottom line, these hidden costs of running local governments must be corrected. It is a waste of taxpayers' dollars and staff and elected officials time and contributes nothing of value to local government.

At present, approximately 50 legislators are working as a bipartisan group to correct some of these unfunded mandates and I urge you to contact those in office to help remedy the situation.

Realistically, reform in the near future looks dim as Assembly Speaker, Sheldon Silver, has heretofore refused to support tort reform. In addition to his legislative job, the Speaker is employed by Weitz and Luxembourg, a large personal injury law firm.

New York's existing tort system should be amended to compensate plaintiffs more accurately for the actual damages they incur.

Relief from this mandate would save Bronxville thousands of dollars annually without any dollar loss to New York State.