

BLOG

The 2020 ballot: What Matters for Insurance?

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With Election Day just around the corner, Risk Strategies is keeping a close eye on several state ballot initiatives unrelated to the presidential election that could have far-reaching implications for several key industries.

Cyberattacks have increased significantly in recent years, putting our personal data at risk. The impacts of climate change, and particularly wildfires, continue to become more destructive. And COVID-19, of course, has affected millions of Americans. The ballot measures we're tracking reflect the changing concerns of voters in response to these conditions.



Transportation & Workers' Compensation

California

[Proposition 22](#) in California has been [dominating headlines](#) all year. This measure is sponsored by rideshare platforms Uber, Lyft, and DoorDash. They are hoping to override California's Assembly Bill 5, which required the platforms to classify their drivers as employees, entitled to benefits and wages, rather than as independent contractors. If Prop 22 passes, these rideshare platforms will be able to reclassify their drivers as contractors and adopt their own tailored wage and labor policies.

Cybersecurity

California

California is also voting on [Proposition 24](#), which would expand the California Consumer Privacy Act (CCPA) of 2018 and create the Private Protection Agency. If passed, consumers would be able to instruct businesses to not share their personal information and remove the grace period wherein businesses can fix violations before facing penalties. Prop 24 aims to increase protections for personal data and more strongly enforce existing laws.

Massachusetts

[Question 1](#) on the Massachusetts ballot proposes that car mechanics have access to data from a car's telematics. Newer cars are equipped with systems that monitor a car's health and can send it back to the manufacturer in real time. This allows smart cars to automatically notify the driver when parts are wearing down and suggest they go in for repairs. Independent mechanics are worried, however, that the telematics will only direct drivers to dealerships for repairs. They are proposing that drivers be allowed to authorize

any mechanic to have access to these diagnostics in a non-proprietary, shared system. Dealerships, however, are concerned that setting up a shared system could potentially expose personal data and attract cyber attackers.

Energy & Climate Change

Alaska

Ballot Measure 1 in Alaska proposes to increase taxes on at least three oil production fields — Alpine, Kuparuk, and Prudhoe Bay. These fields will produce over 400 million barrels of oil in their lifetimes, with an output of 40,000 barrels a day last year. Proponents of the bill believe that Alaskans deserve a share in the huge profits being generated in these fields. The oil companies that operate in these fields strongly oppose the measure and argue that the taxes will restrict productivity and job growth.

California

California has another important proposition on the ballot this year: Proposition 19, the Property Tax Transfers, Exemptions, and Revenue for Wildfire Agencies and Counties Amendment. Prop 19 refers primarily to tax laws, yet also includes a clause that would help combat wildfires in the state if passed. Prop 19 would use 75% of the additional revenue and net savings from the ballot measure to create the California Fire Response Fund (CFRF), which would fund fire suppression efforts and staffing in the state. The other 15% of the revenue would go towards creating the County Revenue Protection Fund (CRPF), which would be used to reimburse counties for revenue lost as a result of the tax changes in Prop 19.

Nevada

Question 6 of the Nevada ballot proposes new language to the state Constitution that would require the state to increase their Renewable Portfolio Standards (RPS) by 50% by 2030 – in other words, acquiring 50% of their electricity from renewable resources. The amendment includes language that defines renewable energy to include solar, wind, geothermal, biomass, and hydroelectric.

Healthcare

Colorado

Proposition 118 would establish a paid family and medical leave program through a payroll tax paid for 50/50 by employers and employees. This would allow for 12 weeks of paid family and medical leave and an additional four weeks for pregnancy or childbirth complications. Under Prop 118 job protection would be provided for employees and they would be entitled to the same pay, benefits and status.

Implications

At Risk Strategies we are being watchful for the indirect as well as direct implications of these measures for our clients. Clients in turn should be aware of the potential shifting values of their customers. The current climate of COVID-19, increased natural disasters and cyber vulnerability are impacting what consumers are demanding from their businesses and their governments. We will work with you to make sure that you are able to meet current and future challenges.

TAGS: