
From:**Subject:**

RE: Delegation Request: Addressing Systemic Insurance Offloading and Municipal Fiscal Sustainability - Proposal to LMLGA for Legislative Reform of the BC Insurance Act

Dear City Clerk,

I am writing to formally request to appear as a delegation before the Richmond City Council at the earliest available opportunity.

Topic of Discussion:

The systemic "offloading" of private insurance liabilities onto the provincial Persons with Disabilities (PWD) income assistance system, and the resulting fiscal and operational pressure this places on the City of Richmond.

Action Requested:

I am seeking Council's sponsorship of a formal resolution to the Lower Mainland Local Government Association (LMLGA), urging the Province of British Columbia to amend the Insurance Act to include a mandatory 15x Bad-Faith Damage Multiplier.

Background:

When major private insurance conglomerates issue bad-faith blanket denials for Long-Term Disability (LTD) claims, they weaponize financial exhaustion against residents. This practice forces vulnerable individuals onto the provincial PWD system, creating an indirect "hidden cost" that Richmond must absorb through increased demand for community-funded food security programs, housing outreach, and expanded recreational access. As provincial funding gaps widen, the City is increasingly forced to act as a coordinator to mitigate these social failures, stretching our municipal staff resources and infrastructure.

To address this, my proposed 15x Multiplier for bad-faith claims would be codified as a mandatory statutory penalty, bypassing common-law "windfall" defenses through the following legal mechanisms:

Tranche A (5x to the Victim): Structured as non-taxable statutory personal injury restitution. By codifying this as a direct restitutionary award rather than discretionary punitive damages, the legislature ensures the victim is made whole for economic loss and non-pecuniary trauma without triggering income-tax liabilities or claw-backs by provincial benefit programs.

Tranche B (5x to Support PWD): Distributed via a Legislatively Mandated Special Purpose Account. Under the Financial Administration Act, this tranche would be earmarked exclusively for the direct support of PWD recipients. This mechanism creates a dedicated funding stream to enhance accessibility and disability-related programming, effectively insulating the provincial social safety net from corporate deficit-shifting.