

State Farm customers want Ill. Supreme Court to restore verdict in fraud suit

September 14, 2011

(AP) — Attorneys in a lawsuit want the Illinois Supreme Court to restore a billion-dollar verdict against State Farm, accusing the insurance giant of fraudulently hiding how much it donated to the campaign of a justice who later cast the deciding vote that tossed out the jury award.

The request filed last week by a group of lawyers questions the impartiality in 2005 of Justice Lloyd Karmeier, a southern Illinois Republican elected in 2004 after a tight race that cost the two candidates more than \$9 million, shattering state and national spending records for a judicial seat.

Months before siding with State Farm in the questioned August 2005 ruling, Karmeier refused calls that he stay out of the case despite concerns that the hundreds of thousands of dollars he allegedly got directly from State Farm for his campaign could taint his judgment.

State Farm's lawyers have insisted the company itself gave no money to Karmeier, who last week's filing asserted was recruited by the company to run for the court as a "pro-business candidate" and actually got \$2.5 million to \$4 million in contributions through State Farm.

Much of that money came through a political action committee bankrolled by insurance companies and others who lobby for damage award caps, with Karmeier well aware of State Farm's involvement in his campaign, the plaintiffs' filing said.

Such contributions "created a constitutionally unacceptable risk of bias such that (Karmeier's) participation and vote to reverse the \$1.05 billion judgment deprived (the) petitioners of their due-process rights," according to the petition, which asks the state's Supreme Court to rehear the case without Karmeier.

"In the final analysis, this evidence not only substantiates, but confirms, once and for all, that State Farm deliberately lied to and misled this court, and concealed information from this court in 2005 in an effort to conceal its extraordinary support of Justice Karmeier's campaign and to thwart Justice Karmeier's disqualification," according to the filing.

The case — and questions about 71-year-old Karmeier's impartiality — made its way to the U.S. Supreme Court, which in March 2006 refused to consider the matter.

State Farm Mutual Automobile Insurance Company, based in Bloomington, Ill., had only a one-sentence reaction Wednesday to the push to restore the jury verdict, saying in a statement that "this case was resolved by the Illinois Supreme Court years ago, and (the) plaintiffs' attempt to appeal to the U.S. Supreme Court was rejected."

Messages left with Karmeier's staff were not immediately returned. Joe Tybor, a spokesman for the Illinois Supreme Court, declined comment, saying by email that the high court does not publicly discuss cases before it.

As part of the class-action lawsuit, State Farm customers accused the company of fraud over the use of inferior parts to repair damaged vehicles.

While State Farm appealed the 1999 jury verdict against it, attorneys suing the company unsuccessfully pressed Karmeier to recuse himself, and the state's Supreme Court ruled without explanation that he didn't have to step aside.

Illinois judges rarely step aside from cases involving donors, but critics said this was different — mainly because the case already was pending before the Supreme Court when Karmeier accepted the money.

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