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Insurance reform bill in jeopardy

It passes In Assembly, but Senate Majority Leader Joseph Bruno has the power to stall the measure

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ALBANY -- A reform bill that would allow victims of insurance companies to sue them has passed the state assembly and is supported by at least half the senate, but its future in the upper house is by no means assured

Reason: In the leadership-controlled environment of legislative politics, nothing gets to the senate floor for a vote unless Senate Majority leader Joseph Bruno says

so. And Bruno, who got $23,000 in contributions from the insurance lobby, hasn't said so.

Currently, if an insurance company refuses to pay a legitimate claim stalls for ages and causes the customer to spend a fortune in legal fees, the most the insurer will have to pay is the amount of the claim.

A bill spearheaded by Democratic Assemblyman Daniel Feldman of Brooklyn would allow consumers to recover attorney fees and other expenses if they can prove the insurance company acted in bad faith.

The bill which passed the Assembly by a vote of 131 to 13, has the support of virtually the entire Democratic contingent in the Senate and has six Republican sponsors: Guy J. Velella of the Bronx, John A DeFrancisco of Syracuse, John J. Marchi of Staten Island, Jess J. Present of Jamestown, Caesar Trunzo of long Island and Carl Marcellino of long Island. The measure also has the support of several other Republicans, including the backing of at least 35 of the 61 senators, said Martin Goldstein, president of Citizens Against Unfair Insurance Practices.

"That bill would pass the senate floor in a heartbeat," Goldstein said "There is no question about it."

Bruno hasn't decided what to do with a bill opposed by the insurance industry. "The bill is under review,." said spokesman John McArdle.

Citizens Action of New York said Tuesday that Bruno and two Republican campaign committees have reached $174,317 in campaign contributions from the insurance industry, according to Board of Elections filings. Filings show that between January 1995 and January 1997, Bruno's campaign received $23,000 from insurance companies, while the state Republican Committees accepted $59,967 and the senate Republican Campaign committees received $91,350.

'Are insurance industry political contributions Keeping this pro-consumer legislation bottled up in the Senate?" asked Richard Kirsch, executive director of Citizen Action. "This is one more example of why we need to end the financing of elections by private interests who want favors from the legislature and governor."

McArdle said the suggestion that campaign donations from the insurance industry could have any impact on the bill is "preposterous."

At a rally Tuesday sponsored by Citizens Against Unfair insurance Practices, DeFrancisco promised a full court press to get the bill approved this legislative session.