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Senate action awaited on insurance bill

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Legislation which would enable consumers to sue insurance companies that refuse to pay on legitimate claims has passed the Assembly and awaits action by the Senate.

"Last month's passage of our bill by the New York State Assembly represents only a partial victory for New Yorkers," said Assemblyman Daniel Feldman. "The bill is before the Senate Rules Committee chaired by Majority Leader Joseph Bruno. The fate of this bill is in his hands."

Feldman, who fought to have the bill passed in the Assembly for 16 years, and Sen. John DeFrancisco who continues the fight in the Senate joined Martin Goldstein, president of Citizens Against Unfair Insurance Practices, and other insurance victims from across the state at a rally held outside the Capitol last week asking for Senate support.

We're doing our best to see this gets to the Senate floor," said DeFrancisco, R- Syracuse.

But Bruno's office was evasive. In fact, a spokesperson referred calls to Majority Leader Dean Skelos who was described as being in a position to be more helpful. Skelos' office, however, referred calls to sponsor DeFrancisco, "who will he able to tell what the likelihood would be." DeFrancisco's office said the senator hasn't heard any word yet."

DeFrancisco has been joined by six other Republican sponsors, including Senate Insurance Committee Chair Guy L Velella, who was also present at the rally. "This is a bill whose time has come," Velella, R- Bronx, told the small crowd. "Every year we wait, the crowd will get bigger, and, there will be more victims."

Goldstein believes the bill has had such a hard time in the Senate because of intense lobbying by insurance companies. "Ninety-two insurance lobbyists have allowed this to happen," said Goldstein.

Citizen Action of New York agrees, noting that Bruno, the Senate Republican Campaign- Committee and the NY Republican State committee, received a total of

\$174,317 from 25 insurance companies, according to data taken from Board of Election filings.

Whatever the reason members from both the Assembly and Senate agree the current law needs change. "The current system allows unethical insurers to stonewall consumers by refusing to pay off legitimate claims. For insurance companies, the worst that can happen is that the court will eventually order them to pay the insured, which is what they should have done in the first place," said Feldman, D-Brooklyn.

Meanwhile, the insured would have spent thousands of dollars in attorneys' fees.

The legislation, which passed the Assembly by a vote of 131-13, would allow consumers to collect legal fees and actual and punitive

damages in cases where insurance companies refuse to pay a legitimate claim on a casualty, property or auto insurance policy.

"I urge the Senate to finally act and provide consumers with an effective way to fight this kind of abuse. Otherwise, tens, maybe hundreds of thousands of New Yorkers who will eventually undergo this painful experience during a time of crisis, will figure out who to blame," said Feldman.