



## Legislation Text

**File #:** Res 0316-2002, **Version:** \*

Res. No. 316

Resolution calling upon the New York State Legislature to pass legislation providing financial relief to motorists who insure their cars and further calling upon the New York State Legislature to create a Brooklyn Insurance Financial Pool to offset high insurance rates evident in the Borough of Brooklyn.

By Council Members Nelson, Clarke, DeBlasio, Dilan, Felder, Fidler, Foster, Reyna, Stewart and Vann

Whereas, The Borough of Brooklyn has the highest automobile insurance premiums of any county in New York State; and  
Whereas, As of May 1, 2002, all Brooklyn drivers who are insured through the New York Automobile Insurance Plan, also known as the assigned risk plan, will see their premiums rise by as much as 30% when the average increase across New York State is just 19%; and  
Whereas, The current average annual automobile insurance premium for a Brooklyn driver with the legally required basic coverage is approximately \$3,900 and for comprehensive coverage could be as high as \$8,000; and  
Whereas, Brooklyn drivers over the age of 35 will be forced to pay even higher insurance premiums; and  
Whereas, The increased rates for drivers in the 400,000-member New York Automobile Insurance Plan were approved by the New York State Insurance Plan; and  
Whereas, As many as 300,000 of the drivers in the New York State Automobile Insurance Plan are in the 5 boroughs; and  
Whereas, The escalating prices of automobile insurance puts all drivers at risk as many people may begin to drive without insurance or illegally insure their cars out-of-state; and  
Whereas, Insurance fraud, insufficient criminal penalties for offenders of insurance fraud and lack of resources for local prosecutors to combat insurance fraud all lead to the rising costs of insurance premiums; and  
Whereas, The time has come for automobile insurance reform in New York State; and  
Whereas, Legislation has been introduced and passed in the New York State Assembly to address this growing problem under A.8654-D; and  
Whereas, This legislation was delivered to the New York State Senate on April 8, 2002 and referred to the Senate Insurance Committee after its passage in the Assembly and has yet to have a hearing or be voted on; and  
Whereas, A comprehensive solution is needed to address this issue instead of just addressing no-fault-fraud or specific underwriting issues; and  
Whereas, Many Brooklyn drivers have good driving records yet are given high premiums because they are in an urban area; and  
Whereas, A Brooklyn insurance pool should be created for drivers who have a verifiable history of excellent driving and who should not be financially penalized; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass legislation providing financial relief to motorists who insure their cars and further calling upon the New York State Legislature to create a Brooklyn Insurance Financial Pool to offset high insurance rates evident in the Borough of Brooklyn.

5/29/02

LS # 643

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