



Legislation Text

File #: Res 1611-2000, **Version:** *

Res. No. 1611

Resolution calling upon the New York State Insurance Department to withdraw their proposed regulations on auto insurance and redraft the regulations with input from medical professionals, medical billing companies and consumer advocates.

By Council Members DiBrienza, Carrion, Malave-Dilan, Henry and Quinn; also Council Members Koslowitz, Leffler, Linares, O'Donovan and Povman

Whereas, The State Insurance Department has proposed to adopt new auto insurance rules which would weaken the rights of the consumer; and

Whereas, The proposed regulations would take effect on November 1st 2000, shortening the deadline for notifying the proper no fault auto insurance carrier of an accident in writing, from 90 days to 30 days; and

Whereas, Failure to notify the auto insurance carrier of an accident would result in a loss of benefits entitled to the consumer under their insurance policy; and

Whereas, The shortened deadline fails to provide an adequate period of time for those who may not be able to locate the appropriate insurance carrier; and

Whereas, The proposed deadline may adversely affect those claimants whose injuries may not be immediately apparent after an automobile accident; and

Whereas, The State Insurance Department's failure to hold a public hearing on the proposed regulations, coupled with a short written public comment period, provided little time for meaningful discussion on the regulations; and

Whereas, The New York State Assembly, the Public Advocate and the New York Public Interest Research Group have raised concerns that the auto insurance industry has seen large profits, by consistently charging higher and higher premiums; and

Whereas, Recently, the Supreme Court of New York County overturned a similar set of rules on procedural grounds. In that ruling, the Court warned that the rules appeared to violate the legislative intent of New York State's Insurance Law and placed consumers at a severe, unfair disadvantage in obtaining their rightful benefits; and

Whereas, Instead of rushing to adopt these proposed regulations, the State Insurance Department should focus its efforts on those insurance carriers and claimants who perpetrate fraud; now, therefore, be it

Resolved, The Council of the City of New York calls upon the New York State Insurance Department to withdraw their proposed regulations and redraft new regulations with input from medical professionals, medical billing companies and consumer advocates.

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