



West News

Legislators Called on to Enact Calif. Ins. Policyholder Bill of Rights

August 4, 2000

Representatives of California's leading consumer protection organizations and a representative of the Northridge earthquake victims' association, Community Assisting Recovery (CARE), challenged legislators yesterday to enact a series of policyholder protections that will prevent the abuses similar to what happened during the Northridge insurance scandal. Those recently exposed abuses eventually led to the resignation of Commissioner Chuck Quackenbush.

The groups gathered in Sacramento to unveil the "California Insurance Policyholder Bill of Rights," which proposes such reforms as:

- making Department of Insurance examinations of insurance companies public
- providing policyholders with an extended period of time to file an insurance claim
- expanding the legal protections for consumers mistreated by their insurer
- establishing a voluntary membership organization to protect and defend the common interests of policyholders
- banning insurance industry contributions to the Insurance Commissioner.

Senator Martha Escutia (D-Montebello) agreed to introduce legislation based on the principles of the Policyholder Bill of Rights. Earlier in the year, Sen. Escutia held committee hearings on insurance company bad faith. The hearings identified many of the problems addressed in this proposal.

Consumer organizations with representatives signing the Policyholder Bill of Rights include: The Foundation for Taxpayer and Consumer Rights, Consumers Union, CARE, Consumer Federation of California, California Public Interest Research Group (CalPIRG), Consumer Action, Center for Public Interest Law, Neighbor to Neighbor, United Policyholders, Congress of California Seniors and California Reinvestment Committee. A full copy of the Policyholder Bill of Rights is available at www.consumerwatchdog.org.

Find this article at:

<http://www.insurancejournal.com/news/west/2000/08/04/12079.htm>

© 2007 Wells Publishing, Inc. [Reprint Information](#) | [Home Search](#) | [Contact Us](#)