

City of Philadelphia



Council of the City of Philadelphia
Office of the Chief Clerk
Room 402, City Hall
Philadelphia

(Resolution No. 040445)

RESOLUTION

Urging Philadelphia Mayor John F. Street to appoint an Insurance Public Advocate.

WHEREAS, After decades of virtual non-regulation of the insurance industry, insurance is either excessively priced or unaffordable for large numbers of people and is offered with many restrictions and anti-consumer practices that undermine its purpose of ameliorating risks of policyholders; and

WHEREAS, Automobile insurance rates in Philadelphia remain the highest in the state and the second highest in the country with residents paying an average of \$3666 per year in auto insurance. This disparity exists despite the city removing over 25,000 unregistered and uninsured vehicles from its streets, a 25% reduction in stolen cars, 70% of its residents choosing the limited tort option, and a reduction in both the bodily injury loss ratio and the property damage loss ratio; and

WHEREAS, Mayor Street and the Pennsylvania State Insurance Commissioner announced a significant rate reduction for 70% of the City's drivers in September 2004, but there has yet to be little evidence of this reduction; and

WHEREAS, Thousands of Philadelphia's men, women and children lack health insurance; and

WHEREAS, A strong and independent Insurance Public Advocate is essential to protect the public interest of all policy holders and to address these and other long-standing insurance problems largely resulting from a history of weak industry oversight; and

WHEREAS, Last November voters overwhelmingly approved an amendment to the Philadelphia Home Rule Charter creating the Office of the Insurance Public Advocate, and that The Mayor, with the advice and consent of a majority of all the members of the Council, shall appoint the Insurance Public Advocate; now therefore

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RESOLUTION NO. 040445 continued

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That Council urge Philadelphia Mayor John F. Street to appoint an Insurance Public Advocate.

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RESOLUTION NO. 040445 continued

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RESOLUTION NO. 040445 continued

CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the twenty-ninth of April, 2004.

Anna C. Verna
PRESIDENT OF THE COUNCIL

Patricia Rafferty
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember DiCicco

Sponsored by: Councilmember DiCicco, Council President Verna,
Councilmembers Blackwell, Goode, Kenney, Tasco, Ramos,
Nutter, Miller, Krajewski, Reynolds Brown and Cohen