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Testimony

Lauren Townsend, Citizens for Consumer Justice

Public Hearing Topic: HB 1190

The Subcommittee on Courts of the Judiciary Committee

**House of Representatives
Commonwealth of Pennsylvania
Harrisburg**

December 4, 1997

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Good morning. My name is Lauren Townsend. I am the Executive Director of Citizens for Consumer Justice, a statewide pro-consumer organization. I'd like to thank Representative Maitland, Karen Dalton and the Subcommittee on Courts of the House Judiciary Committee for inviting me to speak at this public hearing today.

Before I tell you the Citizens for Consumer Justice position on HB 1190, I'd like to tell you a bit more about my organization.

CCJ was begun this past summer with the goal of preserving, and in some cases winning back, the justice system for consumers. This includes working on related worker, safety and environmental accountability issues including HMO accountability and workers' compensation non retaliation. CCJ is also concerned with the pervasive publicity and misstatements emanating from some which include telling stories and giving statistics which do not represent the truth, ultimately putting the legal justice system in ill-repute.

In an effort to tell the truth about our courtrooms, pass pro-consumer legislation and combat insurance-fueled anti-consumer campaigns, Citizens for Consumer Justice is forming a statewide coalition which includes: AFSCME District Council 47, the Communications Workers of America - District 13, DES Action, Hysterectomy Educational Resources & Services Foundation, Jewish Labor Committee, Pennsylvania AFL-CIO, Pennsylvania Consumer Action Network, Pennsylvania Public Interest Research Group, Pennsylvania State Council of Senior

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Citizens, Peoples' Medical Society, and the Philadelphia South Jersey District Council of UNITE and more.

With the millions of dollars spent by the insurance industry on anti-consumer measures, someone or some organization must wage the battle to protect average citizens. That's why CCJ was formed and why we are here today.

First, I'd like to thank Representative Maitland and his co-sponsors for introducing this important piece of legislation, HB 1190. I'm sure that everyone here is quite familiar with the purpose of the legislation, so allow me to go straight to the crux of the bill.

I am safely driving my car down the highway in close proximity to Representative Maitland who is also driving along in his car safely, and suddenly I become dreadfully ill ...through no side effect of any drug nor through eating anything to which I know I am allergic, I have a heart attack and die...meanwhile, my car swerves and bashes in to Representative Maitland's.

The outcome.. I'm dead and through no negligence on my part, Representative Maitland and his car are a disaster. Something has to be done to make the Representative and his vehicle healthy and sound. We both have full insurance. BUT, the way the law is stated now concerning unforeseeable emergencies or illnesses and compensation is that, because I didn't act negligently and it was a sudden illness which befell me, my insurance company is not bound by Pennsylvania law to compensate Representative Maitland for the damage I and my sudden illness did to his person and his car. The translation is no negligence, no compensation.

Citizens for Consumer Justice believes that this is unfair to consumers, particularly given the kind of "trust" and "faith" the insurance industry would like us as consumers to have in their commitment to be our friend and good guy when things get tough. Cases like this one

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happen extremely infrequently. Therefore, why shouldn't insurance companies treat these very rare auto accidents like unpredictable "acts of god"? With all the profits made from insurance premiums from consumers who never have anything happen to them at all, one would think that in such a rare case like the one I outlined, the insurance industry would be happy to provide compensation.

Citizens for Consumer Justice supports HB 1190, a pro-active measure that will help a little in improving the quality of life and peace of mind of Pennsylvanians. And CCJ again thanks Representative Maitland and his co-sponsors for their leadership and initiative.