



OFFICE OF THE GOVERNOR

NEWS RELEASE

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MEDIA ADVISORY Governor's Weekly Radio Message Addresses Auto Insurance Reform as Top Priority

Gov. Christie Whitman provides a weekly radio message to radio stations throughout the state. Each week, the message focuses on a different concern or event of interest to New Jerseyans.

This week the Governor focuses on her continued commitment to pursue meaningful auto insurance reform. The reform plan must guarantee lower rates, enable every good driver to afford car insurance, minimize shifting costs to health care, and avoid encouraging additional lawsuits. The Governor said that bringing the cost of auto insurance down is her top priority and that the most significant auto insurance reform legislation in a quarter century is within our grasp.

Attached is the text of the message.

The radio message can be accessed by calling the Governor's actuality line at 609-292-3249. It will be available today, beginning at 4 P.M., and will run through the weekend.

Governor's Weekly Radio Message
March 27, 1998

Two months ago, I told you that the New Jersey Legislature had agreed to pass meaningful auto insurance reform by March 30th of this year.

It appears that the Legislature will not meet Monday's deadline. While I am disappointed, I know they have been working very hard. And - despite the full-court press by the trial lawyers and insurance companies to block real reform - I believe we are getting close to a solution that serves your interests, not the special interests.

Why is this so urgent? Because for too many years, you have been told that lower car insurance bills were just around the corner - that help was on the way. But help never came. All that came were higher and higher bills.

New Jersey enacted a verbal threshold. And still your costs increased. Our state got rid of the JUA, and still your costs increased. We enacted a slew of reforms last year, and New Jersey drivers still pay the highest car insurance rates in the nation.

I've heard how frustrated you are. One recent letter to me argued, "There is no reason for the insurance to be so expensive." Another citizen complained, "This is a mess." And a 17-year-old claimed, "I honestly don't think that you will reduce the car insurance. I just have the feeling that nothing will change."

Enough excuses. Enough tinkering around the edges of reform. Enough promises. You deserve better.

I have made clear what I believe real auto insurance reform must include.

First and foremost, it must guarantee lower rates - not just predict lower rates or promise lower rates but guarantee them.

Second, real reform must enable every good driver to afford car insurance, no matter where you live.

Third, real reform must minimize shifting costs to health insurance. We can't solve a car insurance crisis by creating a health insurance nightmare.

And finally, I have also insisted that this reform not encourage additional lawsuits. It would be misguided for us to shift the problem from the pocket to the docket and force citizens to sue just to pay their hospital bills after an accident.

As you may know, a special joint committee of the Assembly and Senate has been diligently working on a solution, and I have offered all the resources of my office to get it done.

But as hard as we are working, so too are the special interests, who like things just the way they are.

I invite you to take action to make sure that we take action. Keep letting us know, the executive and legislative branches, that you expect nothing short of real reform in auto insurance - no cost shifts, no added lawsuits, and guaranteed savings across the state. The interests of consumers must come first.

The most significant car insurance reform legislation in a quarter-century is within our grasp. We must achieve it. And I'm confident that we will.

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