



NEW YORK STATE SENATOR

Charles J. Fuschillo Jr.

Senator Fuschillo Supports Tougher Penalties for Those Who Commit Auto Insurance Fraud

CHARLES J. FUSCHILLO JR. April 20, 2011

| ISSUE: **INSURANCE FRAUD**

Bill Setting Tough Penalties for Staging Car Accidents Approved by Senate

Senator Charles J. Fuschillo, Jr. (R-Merrick) announced that the New York State Senate passed legislation he supports to increase penalties for criminals who commit insurance fraud. The legislation (S1685) would create felony charges for criminals who deliberately cause vehicle collisions in order to profit from the insurance claims.

“These types of deliberate car crashes are endangering people’s safety, raising costs for insurance companies, and forcing all of us to pay higher premiums. Creating felony charges gives law enforcement a stronger tool to prosecute criminals who seek to profit by intentionally putting others in harm’s way,” said Senator Fuschillo.

The legislation creates a new crime of staging a motor vehicle accident. Criminals could be convicted of a class B, C, or D felony depending on their prior history, specifics of the staged incident, or whether the collision resulted in injury or death.

The legislation was prompted by the death of Alice Ross, a 71-year-old grandmother who was killed as a result of a staged auto accident. Women and senior citizens are the most frequent targets of these types of schemes because they are less likely to be confrontational after an accident, making it easier for criminals to engage in this type of activity.

In addition to the public safety risks, this type of fraud forces law-abiding consumers to pay higher insurance premiums. Estimates are that no-fault insurance fraud costs insurance companies and their policyholders approximately \$1 billion each year.

The legislation has been sent to the Assembly.

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