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MAYOR MICHAEL R. BLOOMBERG SIGNS TORT REFORM LEGISLATION

REMARKS BY MAYOR BLOOMBERG AT A PUBLIC HEARING ON LOCAL LAW

"The last bill before me is Introductory Number 193, sponsored at my request by Council Members Liu, Addabbo, Reyna, Stewart, Gerson, Moskowitz, Gonzalez, Sears and the Public Advocate Gotbaum. This legislation transfers liability from the City to the owners of real property for the owners' failure to maintain sidewalks adjacent to their property in a reasonably safe condition. However, the provisions of this bill imposing liability on the owners of the real property would not apply to one-, two- or three- family homes that are owner occupied and used exclusively for residential purposes.

"New York City has 12,750 miles of sidewalks. Laid end to end they would stretch halfway around the world. It would cost the City billions of dollars to hire sidewalk repair crews to repair all sidewalk defects and keep the sidewalks perfectly free of defects. Under current law, property owners are required to keep their sidewalks in good repair and free of snow and ice. However, if they fail to comply with this statutory duty and someone is injured as a result, they don't get sued, the City does. This legislation transfers liability for sidewalk accidents from the City to the property owners who already have the duty to keep the sidewalks in good repair.

"In the past three years, the City has paid over \$189 million in judgments as a result of actions brought for damages caused by sidewalk defects and falls on snow and ice. Such suits are the most common type of litigation brought against the City. For over twenty years the City has been trying to change this law, today we are finally successful. This legislation will save the City up to \$40 million a year and help us weather our fiscal crisis. I would like to thank Corporation Counsel, Michael Cardozo, and the City Council, for their leadership on this historic piece of legislation. This bill will not only save the City millions of dollars but will also encourage property owners to keep the sidewalks in good repair, which will mean safer sidewalks and fewer injuries.

"Part of what makes the City an inviting target for tort lawyers is the fact that the City has 'deep pockets'— it has the ability to satisfy the judgments obtained against it. Much of the opposition to tort reform can be attributed to a concern that others may not have such 'deep pockets.' The City should not be liable for another person's negligence. However, to assure that our citizens who are injured as a result of defective sidewalks will in fact be appropriately compensated, I am also signing another bill that is before me today, Introductory Number 522, sponsored at my request by Council Members Liu, Gonzalez, Reyna and Sears.

"This bill will require property owners, other than the City, certain governmental entities and owners of one-, two-or three family homes, to have a policy of personal injury and property damage liability insurance to cover their liability for sidewalk accidents. The City will not be liable for the failure of an owner to maintain such insurance.

"Most property owners already have liability insurance. On the slim chance that a property is not covered by insurance, this bill also authorizes the City Comptroller, after consultation with the Corporation Counsel, to make payments for uncompensated medical expenses to persons who are injured in sidewalk accidents and who obtained a judgment against a property owner, but were unable to collect on the judgment because the property owner had no liability insurance and other assets. These payments for

uncompensated medical expenses would be made in the discretion of the Comptroller, but would be subject to limits with respect to any particular judgment or any particular fiscal year. In this way, Introductory Numbers 193 and 522 strike a reasonable and compassionate balance between the principle that the City should not be liable for the wrongs of another and the principle that persons injured by the wrongs of another should receive compensation. I hope that the passage of both bills will serve as a catalyst for tort reform in Albany."

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