



NEW YORK CITY LAW DEPARTMENT
OFFICE OF THE CORPORATION COUNSEL

Michael A. Cardozo, *Corporation Counsel*

Press Release

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For Immediate Release

**IN SPEECH TO CITIZENS BUDGET COMMISSION,
CORPORATION COUNSEL MICHAEL A. CARDOZO
ADDRESSES KEY NEW YORK CITY LEGAL ISSUES
INVOLVING BILLIONS OF DOLLARS
AND MUCH-NEEDED REFORM INITIATIVES**

***AFFIRMATIVE LITIGATION ACTIONS, DEFENSE AGAINST TAX SUITS AND STATE TORT REFORM EFFORTS
ALL DISCUSSED AS WAYS TO PROTECT THE CITY'S ECONOMIC HEALTH***

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New York, Sept. 22, 2011 – In a major speech to the Citizens Budget Commission this morning, Corporation Counsel Michael A. Cardozo discussed legal and financial issues affecting New York City and outlined key legal initiatives critical to the City's continued economic health, including highlighting glaring fixes needed to reform state tort laws.

The Corporation Counsel discussed suits brought by the New York City Law Department to enhance the City's revenue. For example, the Law Department collected \$125 million for the City in the past fiscal year by enforcing the City's contractual and statutory rights. Cardozo discussed specific cases, including the \$104 million verdict, now on appeal, won against Exxon-Mobil for allowing the gasoline additive MTBE to seep into the groundwater in Queens and suits brought to enforce city tax laws on cigarettes. Cardozo also described the Law Department's defense of the City's \$16.8 billion real estate tax base. Last year, the Law Department defended against tax claims seeking approximately \$300 million in refunds.

During his address, the Corporation Counsel also detailed the huge price the City pays for state tort laws that urgently need reform. He called on those in attendance, as well as elected officials and policymakers, to join the City in advocating for needed statutory changes. The City paid out \$561 million in suits in the past fiscal year. The Corporation Counsel noted, "In a time of financial crisis and budgetary cuts, \$561 million is not just a huge number – it represents an unacceptable tradeoff in favor of individual plaintiffs at the expense of providing needed services to New Yorkers."

Corporation Counsel Cardozo highlighted State tort laws that too often compensate plaintiffs for far more than the amount of the injury suffered:

- The requirement that the City pay damages even when the plaintiff's actions were the primary cause of the accident.
- Unlimited awards for pain and suffering that result in multi-million dollar verdicts.
- Unfair joint and several liability rules that hold the City responsible even when another defendant was primarily responsible.
- Anachronistic laws awarding an unheard of 9-percent interest on judgments.

Changing these laws would relieve municipalities across the state from a tort albatross that is in effect an unfunded State mandate, the Corp Counsel stressed.

In sum, Cardozo said, "We will continue our efforts both to collect money that is owed to the City, and resist efforts to make the City pay for unjustified claims."

A copy of the Corporation Counsel's speech, along with all related charts, can be viewed [here](#).

Alternatively, you can also go to the New York City Law Department's Web Site, www.nyc.gov/law, under "In the News," then the "Public Addresses / "Speeches" section.

The New York City Law Department is one of the oldest, largest and most dynamic law offices in the world, ranking among the top largest law offices in New York City and one of the largest public law offices in the country. Tracing its roots back to the 1600's, the Department has an active caseload of 90,000 matters and transactions in 17 legal divisions. The Corporation Counsel heads the Law Department and acts as legal counsel for the Mayor, elected officials, the City and all its agencies. The Department's 650 attorneys represent the City on a vast array of civil litigation, legislative and legal issues and in the criminal prosecution of juveniles. For more information, please visit www.nyc.gov/law.

The Citizens Budget Commission is a nonpartisan, nonprofit, civic organization devoted to improving the finances and services of New York City and New York State governments. For more info, please visit www.cbcny.org.

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