

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ALBANY

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NEW YORK INSURANCE ASSOCIATION, INC.,
AMERICAN TRANSIT INSURANCE COMPANY,
EVEREADY INSURANCE COMPANY, GREATER NEW
YORK MUTUAL INSURANCE COMPANY, KINGSTONE
INSURANCE COMPANY, MERCHANTS INSURANCE
GROUP and UTICA MUTUAL INSURANCE COMPANY,

**AFFIDAVIT OF
RICHARD L. HUNTER**

Index No. 264-10

Plaintiffs,

-against-

STATE OF NEW YORK, ANDREW M. CUOMO, Governor of
the State of New York, BENJAMIN M. LAWSKY,
Superintendent of the New York State
Department of Financial Services, and ROBERT
L. MEGNA, as Director of Budget,

Defendants.

THE NEW YORK HEALTH PLAN ASSOCIATION, INC.;
AETNA HEALTH INC.; AETNA HEALTH INSURANCE COMPANY
OF NEW YORK; CDPHP UNIVERSAL BENEFITS, INC.;
CAPITAL DISTRICT PHYSICIANS' HEALTH PLAN, INC.;
HEALTH NET OF NEW YORK, INC.; HEALTH NET
INSURANCE OF NEW YORK, INC.; HEALTHNOW NEW YORK
INC.; INDEPENDENT HEALTH ASSOCIATION, INC.;
INDEPENDENT HEALTH BENEFITS CORPORATION; MVP
HEALTH PLAN, INC.; MVP HEALTH INSURANCE COMPANY;
MVP HEALTH SERVICES CORP.; PREFERRED ASSURANCE
COMPANY; OXFORD HEALTH INSURANCE, INC.; OXFORD
HEALTH PLANS (NY), INC.; UNITEDHEALTHCARE
INSURANCE COMPANY OF NEW YORK; and UNITEDHEALTHCARE
OF NEW YORK, INC.,

Intervenor-Plaintiffs,

-against-

STATE OF NEW YORK, ANDREW M. CUOMO, in his
official capacity as Governor of the State of
New York, BENJAMIN M. LAWSKY, in his official
capacity as Superintendent of the New York
State Department of Financial Services, and
ROBERT L. MEGNA, in his official capacity as
Budget Director of the State of New York,

Defendants.

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STATE OF NEW YORK)

COUNTY OF ALBANY)

RICHARD L. HUNTER, being duly sworn, deposes and says:

1. I have been employed by the New York State Division of Criminal Justice Services ("DCJS") since 1974. Since 2005, I have held the position of Criminal Justice Program Representative 3. As a Criminal Justice Program Representative 3, my responsibilities include the management of grant contracts between the state and various government and not-for-profit entities.

2. With the assistance of the New York State Insurance Department, DCJS has initiated the Traffic and Criminal Software Project ("TRACS").

3. The purpose of TRACS is to enhance the ability of the members of the New York City Police Department ("NYPD") to collect data regarding motor vehicle accidents and violations of the Vehicle and Traffic Law and to immediately transmit such data to the New York State Department of Motor Vehicles.

4. Through the deployment of in-car computer equipment, TRACS will allow members of the NYPD to electronically prepare

accident reports and traffic tickets and electronically transmit the completed forms to the Department of Motor Vehicles.

5. The Department of Motor Vehicles will add the New York City data to the statewide database already established, which will continue to be available to all insurance carriers.

6. DCJS has already provided the NYPD with in-car computer equipment and begun testing of the electronic upload of traffic ticket and accident report data to the Department of Motor Vehicles. The staged NYPD-wide implementation of TRACS is expected in the near future.

7. TRACS was initiated in response to numerous complaints to the Insurance Department from insurers about the inordinate delays incurred in obtaining access to the information contained in New York City Police accident reports and traffic tickets.

8. Delays in obtaining information contained in accident reports has resulted in insurance companies incurring excessive costs in the payment of fraudulent claims since the insurance companies have been forced to rely on copies of outdated paper accident reports submitted by the claimants. Such reports have been easily altered by the claimants and submitted in support of fraudulent claims.

9. Delays in obtaining information contained in traffic tickets has also resulted in the issuance of motor vehicle policies to high risk drivers without knowledge of the applicant's driving record. This has resulted in the filing of a high number of claims related to accidents in which such high risk drivers were involved.

10. For fiscal years 2008-09 through 2011-12, TRACS was financed through a sub-allocation from the budget of the Insurance Department (now the Department of Financial Services).

11. TRACS has a potentially substantial impact on the overall costs and availability of insurance in New York State since it will result in the reduction of costs incurred by insurers (which costs have resulted in the payment of increased premiums by all insureds) for two reasons. First, timely access to unalterable information concerning motor vehicle accidents will reduce the number of fraudulent claims paid. Second, timely access to the complete driving record of all applicants

for automobile insurance will allow the insurance companies to ascertain each applicant's risk before issuing a policy.

Richard L. Hunter
RICHARD L. HUNTER

Sworn to before me this
13th day of August, 2013

Lisa Marie Coppolo
NOTARY PUBLIC

LISA MARIE COPPOLO
Notary Public, State of New York
No. 02C05076818
Qualified in Schenectady County
Commission Expires April 28, 2015