

## MAJ stresses the need for a good faith law

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The [Minnesota Association for Justice](#) is taking advantage of a recent jury verdict in Hennepin County to make its point regarding the need for a good faith law in Minnesota. A push for the law failed in the Legislature this year.

The plaintiff in the case, Charles Dack, lost two young sons in a car accident. When [Progressive Insurance](#) offered only \$5,000 for each son, Dack took the case to a jury, which awarded him \$1.57 million. Settlement negotiations were complicated by the fact that the boys' young parents had never married and each lived with one of their parents. According to the MAJ press release announcing the verdict, Progressive tried to capitalize on the situation by offering to settle for far less than what the family's policy was worth.

"While Dack did not have insurance, he lived with his father who did," said Minneapolis attorney [Cory Whalen](#), who represented Dack. "Jacob and Jonathan lived with their father and grandfather every Friday through Sunday. Under state law, minors are allowed to have more than one residence. Because of this law, Dack was entitled to the \$100,000 coverage that his father paid for. Progressive showed blatant disregard for the family and the law and offered \$5,000 for the life of each child."

The MAJ press release continues: "While Progressive knew the insurance policy limit was \$100,000, it saw an opportunity to not meet its responsibility. The large insurance company may have counted on the fact that Dack, who is young and sometimes unemployed because of health issues, would not push the issue but rather take the money and walk away. Insurers in Minnesota often treat their policy holders in this manner because there is no state law requiring them to act in Good Faith. ... Minnesota is only one of four states without a Good Faith law which would simply require insurance companies to treat consumers fairly."

Whalen and the MAJ assert that Dack's story is just another example of why a good faith law is needed in Minnesota. "Denying, delaying, and defending legitimate claims ties up valuable court time and is unfair to Minnesota consumers. It's time for a Good Faith law in Minnesota," said Whalen.

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