

# Voter Revolt Chief Faces Irate Insurance Industry

By ROBERT REINHOLD  
Special to The New York Times

SANTA MONICA, Calif., Dec. 3 — Harvey Rosenfield is still fighting his war.

Almost a month after he won passage of a ballot proposal to roll back automobile insurance rates in California, he is rallying supporters to fend off court challenges mounted by the industry.

"These guys are arrogant outlaws," he says of the insurance companies, which have also cut back on writing automobile insurance in California, as they warned they would do if the measure passed. "They are trying to win by coercion and intimidation what they could not win at the ballot box. Well, there's a new sheriff in town and you've got to obey the law. Read our lips. We won. You guys lost."

It was typical of the verbal swagger that has made the 36-year-old Mr. Rosenfield the despised nemesis of the insurance industry and something of a consumer folk hero to others. Working from a crude, barnlike office in an alley here, with only \$2.3 million to spend, he engineered a voter revolt that overcame a \$60 million onslaught by the industry.

Round-faced, 5 feet 6 inches tall, he is an unlikely slayer of dragons who lives in a \$550 a month rent-controlled apart-

ment here with his "struggling actress" girlfriend, Georgia Bragg, drives a 1986 Toyota Celica convertible ("my lifelong dream") and complains about the couple's \$3,000 annual premium. But Mr. Rosenfield, an expatriate lawyer from Randolph, Mass., casts a long shadow over California today.

The measure he helped persuade California voters to approve rolls back rates for automobile, homeowner and most other casualty insurance to 20 percent below their level of a year ago and imposes tight state regulation on the industry in the nation's largest market. Although the industry says it cannot operate under those restrictions and is fighting the movement on several fronts, top California politicians are courting Mr. Rosenfield and his followers.

When it opens its new session on Monday, the Legislature in Sacramento, which for years did little about the insurance matter, will see two dozen or so bills introduced to deal with Mr. Rosenfield's measure. (He dismisses this as "huffing and puffing by born-again consumer advocates.")

And on Wednesday the California Supreme Court is expected to announce whether it will hear the industry's constitutional challenge to the ballot question and, in the meantime, extend a stay imposed on putting it into effect.

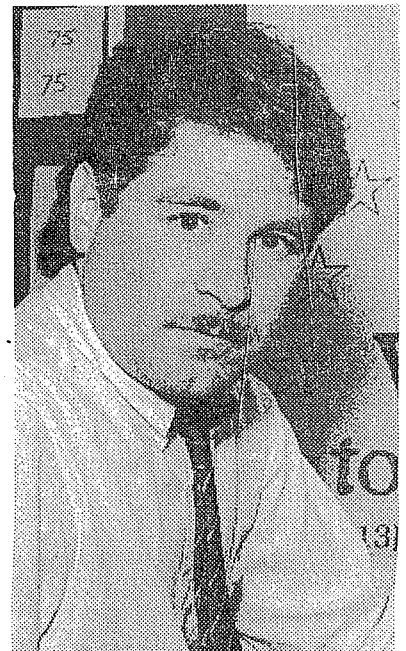
As all agree, including Mr. Rosenfield, it was the endorsement of Ralph Nader that won the day. Mr. Rosenfield worked for the consumer advocate's Congress Watch in Washington before coming to California eight years ago to work on a variety of consumer issues. Until last month he was not taken very seriously by lawmakers, who saw him as an unbending zealot.

"He's not willing to compromise — it's either his way or not at all," said State Senator Herschel Rosenthal, a Democrat from West Los Angeles. A Senate staff aide said Mr. Rosenfield was often "nonsensical" at hearings.

But when he grabbed the issue of rising insurance rates two years ago, Mr. Rosenfield tapped into a deep vein of public anger. His organization, Access to Justice, gathered 577,000 signatures statewide to put his measure on the ballot.

The insurance industry painted him as an irresponsible buffoon not to be trusted to revamp the industry. One insurance spokesman called him "Pee Wee Harvey." No one calls Mr. Rosenfield Pee Wee anymore.

The industry concedes the tactic may have backfired. "There was no way we could attack Nader, so we went after Harvey, criticizing him as an irresponsible Santa Monica activist who doesn't know the insurance industry and who wrote a poor initiative," said Manuel Valencia, a spokesman for the industry's campaign for no-fault insurance. "We may have given him a lot more publicity than we should have."



The New York Times/Bart Bartholomew  
Harvey Rosenfield

To California consumers, he is a hero; to industry, he is a despised nemesis.

Although few politicians supported his measure, many are rallying to Mr. Rosenfield's cause now.

"All of a sudden legislators whose doors were slammed in our face put me first on the schedule," he said, with an mischievous grin. "I am a little embarrassed by this degree of attention."

Embarrassed or not, Mr. Rosenfield has taken every opportunity to lash the enemy with his sharp tongue. Examples:

"These insurance companies in California have been like thieves, ripping the people off for years. And now that we've arrested them, they're resisting arrest."

"These companies are a lot like drug addicts. They've been addicted to the excess of profits they've been able to gouge and Proposition 103 is making them go cold turkey and they don't like it."

"If a bully has been stealing your lunch money for 10 years and you get together with friends and take your money back, that's just a little refund justice."

The insurers appreciate none of this. "Harvey has his song and dance and he's very good at it," said Edward Levy, general manager of the Association of California Insurance Companies. "He has obviously sold a lot of patent medicine. It's a great palliative, but it doesn't cure real ills."

Mr. Rosenfield chortles. "These poor guys," he said, "They're so afraid. They created me. They made me something I'm really not."