



February 7, 2016

Testimony in opposition to HB 2104

Submitted by Aaron Mays on behalf of Allstate Insurance

Thank you, Chairman Vickrey and members of the committee. Allstate Insurance is opposed to HB 2104.

I would like to begin by stating that Allstate rarely offers minimum coverage to policy holders. Most minimum coverage policies are sold on the internet and are usually purchased by people who simply cannot afford better auto insurance. The minimum limits proposed in HB 2104 would make Kansas have the highest minimum liability limits in the nation (tied with AK & ME). Which would presumably lead to some of the highest minimum auto insurance premiums in the nation.

As most of you know, an increase in the minimum liability coverage limits will increase premiums. Although these increases would likely seem negligible to most drivers, low income households may see these premiums as unaffordable. Any premium increases whatsoever will cause some people to drop their insurance altogether and continue to drive their vehicles without insurance.

While it may seem to be within insurance companies' financial interests to raise the limits, Allstate would much rather work with under-insured motorists than uninsured motorists. We believe that any increase in the number of uninsured motorists would be harmful to everyone on the road and the insurance companies that represent them.

Thank you for allowing me to testify today. I would be happy to stand for questions at the appropriate time.