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February 7, 2017

The Honorable Jene Vickrey
Chairman, House Insurance Committee
Room 276-W, State Capitol Building
300 SW 10th Street
Topeka, Kansas 66612

Re: Letter in Opposition to HB 2104 – February 7, 2017 Hearing

Dear Chairman Vickrey and Committee Members:

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty trade association in the country, with 1,400 regional and local mutual insurance member companies serving more than 135 million auto, home, and business policyholders and writing in excess of \$196 billion in annual premiums. More than 200,000 people are employed by NAMIC member companies. In Kansas, we have 184 member companies, including 12 domiciled companies, which underwrite 53% of the state's insurance.

NAMIC writes to oppose HB 2104. We join in the excellent testimony of others on the cost burden the bill will impose on consumers. Plain and simple, increasing the cost of insurance will reduce the number of insured drivers and increase the number of accidents for which working families must look to their own uninsured motorist coverage for protection.

In addition, NAMIC wants to stress that last year the legislature achieved a general consensus when it passed HB 2446, which increased the property damage minimum from \$10,000 to \$25,000 while leaving unchanged the bodily injury limits. In that bill, lawmakers also approved language that added the following to the insurance code:

“(j) Commencing with the 2026 legislative interim period, and at least every 10 years thereafter, subject to authorization by the legislative coordinating council, a legislative interim study committee shall study the issue of whether the minimum limits of liability in subsection (e) should be adjusted.”

We ask what the purpose of this provision is if one year after it was passed, there now is an effort to double the bodily injury minimums? We also want to point out that going to the well for more immediately after achieving an accord on an issue is not an incentive for parties on differing sides of an issue to negotiate and cooperate.

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NAMIC appreciates your attention to this issue. If you have any questions or comments, please do not hesitate to contact me. In the meantime, I remain,

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Johnston". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark Johnston
Director of State Affairs – Midwest Region