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Representative Jene Vickrey
Chairman House Committee on Insurance
State Capitol Building
300 SW 10th Ave. Room 276-W
Topeka, KS 66612

Re: Farmers Insurance's opposition to House Bill 2104

Mr. Chairman and Committee Members:

Farmers Insurance insures approximately 7.4 percent of the automobiles in the state. We offer insurance products through some 240 appointed producers and have a workforce of over 2000 in the state.

We oppose House Bill 2104. While the vast majority of our policyholders choose to purchase coverage which exceeds the current minimum liability limits, we believe House Bill 2104 will have an unintended consequence of increasing the number of uninsured drivers in Kansas. The cost of requiring higher minimum liability limits will likely impact those who can least afford it including low-income, high risk and youthful drivers. When confronted with the choice of paying higher premiums, they may forego purchasing insurance altogether.

In addition to the increased liability limits, HB 2104 also precludes the offset of underinsured motorist coverage by the amount the injured party received from the owner or operator of the other motor vehicle or any third party. This will have an adverse impact on the cost of uninsured motorist coverage, making it more expensive to purchase.

Very few states require drivers to purchase automobile insurance with bodily injury or death liability limits which exceed 25/50. The current minimum automobile insurance liability limits in Kansas are in line with most states and should remain the same.

We urge you to oppose House Bill 2104.

Thank you for the opportunity to provide this information to the committee.

A handwritten signature in black ink, appearing to read "Brandon Koch", written in a cursive style.

Brandon Koch