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February 28, 2007

RE: Statement of the Property Casualty Insurance Association of America (PCI) in opposition to HB5619 (Comm) An Act Requiring Election of the Insurance Commissioner

Dear Senator Slossberg, Representative Caruso and Members of the Committee:

The Property Casualty Insurers Association of America (PCI) is a national property and casualty company trade association that represents over 1000 member companies. 252 PCI member companies provide almost 58% of Connecticut personal auto insurance coverage.

PCI members work closely with regulators across the country both appointed and regulated. However, before a state moves towards an elected commissioner PCI believes it needs to consider several factors that show an appointive system is preferable. Studies have shown that states where an insurance commissioner is elected:

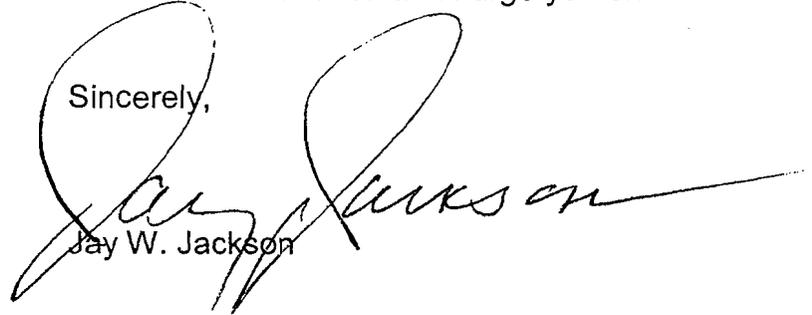
- Have a higher budget relative to revenues generated;
- Have slightly less premium volume per department staff member;
- Have a higher growth in staffing;
- Pay commissioners higher salaries; and
- Are run less efficiently than states with appointed commissioners.

While 12 states elect their commissioners there is no demonstrable need which has been shown to justify the election of an insurance commissioner in Connecticut. There has been no impropriety in the insurance department as there was in other state departments under the former administration. Why aren't we including commissioners of those departments as well? Why aren't we also calling for election of judges? The answer is obvious. We don't want our judges having to collect money from the attorneys who appear before them. We want them above politics. The same is true in the insurance department. The commissioner is full time and he or she should not have to spend part of the time attending political rallies' and hosting fundraising parties to fund their campaigns.

There is enough to do to supervise the solvency of insurance companies and to insure that insurance is both available and affordable and that consumers are treated equitably. To do all this properly requires the commissioner and the department to perform a delicate balancing act. This they have done and are doing.

Let us not take the chance that an elected insurance commissioner would want to restructure the department in an effort to please certain members of the public to the detriment of others. There is no need for HB5619 and I urge you on behalf of PCI to reject this proposal.

Sincerely,



Jay W. Jackson

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