



STATE OF CONNECTICUT
INSURANCE DEPARTMENT

6280

Testimony of the Connecticut Insurance Department

**Before the
Insurance and Real Estate Committee**

February 17th, 2009

House Bill 6280—An Act Extending the Sunset Date for Personal Lines Risk Insurance Rate Filings to 2011.

The Connecticut Insurance Department supports the passage of House Bill 6280—An Act Extending the Sunset Date for Personal Lines Risk Insurance Rate Filings to 2011.

Since the establishment of the flex rating law the department has received 62 homeowner rate filings, 15 of which were filed using flex filing rules. 147 automobile rate filings were received during this same time period, 60 of which were filed under the flex rating provisions. The majority of the filings for both home and auto were for rate increases.

Since implementing the flex rating law in 2006, average statewide changes for homeowner and auto rates have been less than 2.5% and 1.0% respectively.

Connecticut's personal lines markets are very competitive. This is evidenced by the number of companies writing business in this state which today stands at well over 100 companies.

In addition, the automobile assigned risk market continues to decline. In 1988, there were 194,000 cars written in the plan (out of 1.3 million registered vehicle population) and today there are now less than 1,500 cars out of approximately 2 million registered vehicles.

The Connecticut Insurance Department supports House Bill 6280 and would be happy to provide additional information to the Committee as it considers extending the sunset date to 2011.