



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Testimony of the Connecticut Insurance Department

Before
The Insurance and Real Estate Committee

February 1, 2011

HB 5440--An Act Appointing a Deputy Insurance Commissioner to Promote the Insurance Industry in Connecticut

The Connecticut Insurance Department would like to offer the following comments on HB 5440—An Act Appointing a Deputy Insurance Commissioner to Promote the Insurance Industry in Connecticut

The Department's charge is to regulate Connecticut's domestic insurance industry. This charge is carried out by various divisions and includes monitoring the financial condition of the industry, reviewing forms and rate filings, undertaking market conduct exams and investigating fraud complaints, among other duties and responsibilities.

The Connecticut Insurance Department's mission statement is as follows:

The mission of the Connecticut Insurance Department is to serve consumers in a professional and timely manner by providing assistance and information to the public and to policy makers, by regulating the insurance industry in a fair and efficient manner which promotes a competitive and financially sound insurance market for consumers, and by enforcing the insurance laws to ensure that consumers are treated fairly and are protected from unfair practices.

While the goals of HB 5440 are laudable, there could be a potential conflict of interest to have the state's insurance regulatory agency also be charged with promoting the same industry it regulates. The function may be better placed within the Department of Economic and Community Development.

Finally, during a time when the state is facing unprecedented budget deficits, adding additional staff may not be viable at this time.

Thank you for allowing the Department the opportunity to offer comments to this bill. As always, we are available to answer any questions the Committee has.