

February 3, 2014

Senator Randi Becker, Chair
Senate Health Care Committee
Washington State Senate
466 J.A. Cherberg Bldg.
P.O. Box 40466
Olympia, WA 98504-0466

Re: SB 6458: **OPPOSE** [A bill repealing provisions that establish the Office of the Insurance Commissioner and replacing that office with a Washington State Insurance Board].

Dear Senator Becker,

Thank you for the opportunity to submit public comment on SB 6458. This bill would effect a radical change in oversight of the insurance industry in the State of Washington. It would repeal provisions that establish the Office of the Insurance Commissioner. In place of a duly elected public official with full accountability to the state's voters, the insurance industry would become regulated by a Director selected by a ten member board of political appointees.

As a non-profit that guides and advocates for insurance consumers in your state and elsewhere, we are writing to respectfully register and explain our strong opposition to this measure.

As you know, the elected state Insurance Commissioner's role is to maintain a healthy and balanced insurance marketplace in the State of Washington while protecting and advancing the interests of individual and commercial policyholders. The Commissioner oversees rates, forms and reserves to make sure they are adequate and that insurers are solvent.

As you may also know from working with your constituents or from your own experience, insurance plays a uniquely important role in people's lives and livelihoods: We must buy insurance to drive a car, finance the purchase of a home or run a business. When an adverse event occurs, insurance benefits are generally the number one resource that makes it possible for a person, family or business to rebound and recover.

Insurance is a necessity woven into the fabric of our modern economy. A long line of court decisions characterize the business of insurance as being affected with the public interest, or "quasi-public" in nature, like a utility. Washington State residents – and the insurance industry – need a regulator who is fully accountable to the electorate.

Replacing the Office of Insurance Commissioner with an un-elected Insurance Board would jeopardize the agency's neutrality and effectiveness and put the public interest at risk. The elected Insurance Commissioner is necessary to responsibly balance the interests of consumers and industry, without undue political influence.

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United Policyholders, ("UP") is a non-profit 501(c)3 organization founded in 1991 that is a voice and an information resource for insurance consumers in all 50 states. Through the Roadmap to Recovery program, UP gives people free tools and resources to help solve insurance problems that can arise after a disaster, accident, loss, illness, or other adverse event. Through the Roadmap to Preparedness program, UP promotes disaster preparedness and insurance literacy through outreach and education in partnership with civic, faith based, business and other non-profit associations. Through an Advocacy and Action program, UP advocates for policyholders' legal rights by filing amicus curiae briefs in courts across the U.S. and working with elected officials in legislative and regulatory proceedings.

United Policyholders respectfully urges the Health Care Committee to vote no on SB 6458. Thank you in advance for your consideration of our input.

Sincerely,

A handwritten signature in black ink that reads "Amy Bach". The signature is written in a cursive style with a long, sweeping underline.

Amy Bach, Esq.
Executive Director