

## **AIA Opposes Auto Insurance Measure Pending Before Minnesota Legislature**

*Steve Schneider, Midwest region vice president for the American Insurance Association (AIA), submitted testimony today to the Minnesota State Senate Commerce Committee in opposition to legislation that would fundamentally alter the way auto insurance is regulated in the state.*

([PRWEB](#)) March 16, 2016 -- Steve Schneider, Midwest region vice president for the American Insurance Association (AIA), submitted testimony today to the Minnesota State Senate Commerce Committee in opposition to SF 2770, legislation that would fundamentally alter the way auto insurance is regulated in the state.

The legislation, which was introduced last week, follows several years of debate about reform of the industry. But the bill does not include the solutions that were devised during those conversations, Schneider said. In addition, he added, the measure would hurt the insurance industry's financial ability to serve its customers. The legislation would require retroactive redistribution of funds paid by customers to ensure their personal financial protection in the event of an automobile accident.

"We consider this proposal very troubling because it represents a complete reworking of state law without considering the solvency of our industry. Property-Casualty insurers have been actively engaged in the discussions related to automobile insurance reform, as mandated by a study approved by the state legislature last year. Insurers are businesses. To pay claims, they must stay in business. To stay in business, they must satisfy customers and meet the stringent financial solvency requirements enforced by the Department of Commerce. Unfortunately, this proposal brings those objectives into conflict. The forced retroactive redistribution of premiums will undermine the industry and its ability to serve its customers. We urge the rejection of this legislation and look forward to a continued conversation about real reform that works for consumers and industry," said Schneider.



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