

**Testimony of Christine Peterson
Enterprise Leasing Company of KS LLC
Special Committee on Insurance and Financial Institutions
House Bill 2104, Opposition Testimony
October 11, 2017**

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Mr. Chairman and members of the Committee,

I appreciate the opportunity to once again present concerns regarding House Bill 2104. My name is Chris Peterson and I am appearing on behalf of Enterprise Leasing and Enterprise Rent A Car. Enterprise has over 500 employees who live and work in Kansas and a fleet of more than 6,000 vehicles in this state.

By way of background, we participated in the interim Insurance Committee meeting in the fall of 2015, when they studied the issue of raising mandatory minimum financial responsibility limits. We testified in opposition to the proposed increases for reasons outlined below. The Interim Committee did not recommend an increase in the bodily injury liability limits and those limits were not change in 2016. We also testified in February 2017 against HB2104 during the legislative session.

We strongly urge you not to proceed with HB 2104. Such an increase would have the unintended consequence of more drivers going with less coverage or without any coverage at all. Higher MFR leads to higher insurance claims resulting in higher insurance premiums for all policy holders in Kansas. With an increase in premiums, insurance will be less affordable for some car owners, especially for those lower-income policy holders electing to only carry MFR today. How many of our current Kansas policy holders will elect to drop their coverage altogether and join the roughly 10% of Kansas vehicles on the road that are already uninsured? How many Kansas policy holders will drop full coverage and only carry MFR as their total insurance premium rises? Will raising the entry level for insurance coverage help bring the current uninsured vehicles into compliance with current laws? That answer is no.

I have included current limits by state. These are ranked by the highest aggregate bodily limits. Kansas is highlighted in green and all states higher than Kansas are in blue. All states with similar BI limits are in yellow. On MFR for bodily injury, Kansas is consistent with most other states. As you can see from the list, there are only two states that currently require the high limits proposed, Alaska and Maine. In addition only five other states require bodily injury limits above the 25/50 currently required in Kansas.

Please keep in mind that under existing law, the consumer has the choice of increasing their own minimum limits, a choice that should remain in the marketplace, not as a mandate of state law. In addition, consumers can purchase both uninsured motorists coverage and underinsured motorist coverage. An across-the-board change will ultimately harm consumers.

I respectfully request that you oppose this bill to increase liability limits. If you have any questions, or need any additional information, please do not hesitate to contact me.

Christine K. Peterson
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Enterprise Leasing Company of KS, LLC
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MFR Limits

State	Claimant	Aggregate	Property Damage
Alaska	\$50,000	\$100,000	\$25,000
Maine	\$25,000	\$100,000	\$50,000
Utah	\$25,000	\$65,000	\$15,000
Maryland	\$30,000	\$60,000	\$15,000
Minnesota	\$30,000	\$60,000	\$10,000
North Carolina	\$30,000	\$60,000	\$25,000
Texas	\$30,000	\$60,000	\$25,000
Alabama	\$25,000	\$50,000	\$25,000
Arkansas	\$25,000	\$50,000	\$25,000
Colorado	\$25,000	\$50,000	\$15,000
District of Columbia	\$25,000	\$50,000	\$10,000
Georgia	\$25,000	\$50,000	\$25,000
Idaho	\$25,000	\$50,000	\$15,000
Indiana	\$25,000	\$50,000	\$10,000
Kansas	\$25,000	\$50,000	\$25,000
Kentucky	\$25,000	\$50,000	\$10,000
Mississippi	\$25,000	\$50,000	\$25,000
Missouri	\$25,000	\$50,000	\$10,000
Montana	\$25,000	\$50,000	\$10,000
Nebraska	\$25,000	\$50,000	\$25,000
New Hampshire	\$25,000	\$50,000	\$25,000
New Mexico	\$25,000	\$50,000	\$10,000
New York	\$25,000	\$50,000	\$10,000
North Dakota	\$25,000	\$50,000	\$10,000
Ohio	\$25,000	\$50,000	\$25,000
Oklahoma	\$25,000	\$50,000	\$25,000
Oregon	\$25,000	\$50,000	\$20,000
Rhode Island	\$25,000	\$50,000	\$25,000
South Carolina	\$25,000	\$50,000	\$25,000
South Dakota	\$25,000	\$50,000	\$25,000
Tennessee	\$25,000	\$50,000	\$15,000
Vermont	\$25,000	\$50,000	\$10,000
Virginia	\$25,000	\$50,000	\$20,000
Washington	\$25,000	\$50,000	\$10,000
Wisconsin	\$25,000	\$50,000	\$10,000
Wyoming	\$25,000	\$50,000	\$20,000
Illinois	\$20,000	\$50,000	\$15,000
Connecticut	\$20,000	\$40,000	\$10,000
Hawaii	\$20,000	\$40,000	\$10,000
Iowa	\$20,000	\$40,000	\$15,000
Massachusetts	\$20,000	\$40,000	\$5,000
Michigan	\$20,000	\$40,000	\$10,000
West Virginia	\$20,000	\$40,000	\$10,000
Arizona	\$15,000	\$30,000	\$10,000
California	\$15,000	\$30,000	\$5,000
Delaware	\$15,000	\$30,000	\$5,000
Louisiana	\$15,000	\$30,000	\$25,000
Nevada	\$15,000	\$30,000	\$10,000
New Jersey	\$15,000	\$30,000	\$5,000
Pennsylvania	\$15,000	\$30,000	\$5,000
Florida	\$10,000	\$20,000	\$10,000