

KAPCIC

Kansas Association of Property & Casualty Insurance Companies Inc.

October 29, 2019

Testimony regarding the *Hilburn v. Enerpipe, Ltd. Decision*

Written Testimony Before the Special Committee on Financial Institutions and Insurance

Marlee Carpenter, Kansas Association of Property and Casualty Insurance Companies (KAPCIC)

Mr. Chair and Members of the Committee;

Thank you for the opportunity to provide written testify on behalf of the Kansas Association of Property and Casualty Insurance Companies (KAPCIC), our state trade association for domestic property and casualty insurance companies. Most of the KAPCIC member companies are domiciled Kansas companies and our members live and work here in the state.

KAPCIC members believe that the *Hilburn* decision will have a negative impact on insurance rates in the state of Kansas. To date, many KAPCIC members have contacted the Kansas Department of Insurance to amend their insurance rates upward as a direct result of this decision. Kansas consumers renewing or purchasing new policies, will see higher rates. Insurance rates in Kansas will only continue to increase as companies see higher litigation and settlement costs. Statutory non-economic damage caps have held Kansas insurance rates down, but with the *Hilburn* decision Kansans will continue to see higher rates until legislation is enacted to address the decision.

KAPCIC members encourage the committee to carefully examine the Kansas Supreme Court decision, the impact on insurance premiums and the best legislation that will serve all Kansans. Please do not hesitate to contact me if you have any questions or concerns.