



December 7, 2015

Chairman Schwab and Members of the Committee,

Thank you for allowing me to appear today in support of increased minimum auto limits. My name is Tim Tyner. I am president of Tyner Insurance Group which has offices in Emporia, Council Grove, Rossville and Wamego. I have been a licensed agent for 31 years.

Putting Kansans at Risk

Agents like myself see the impact of outdated auto limits every day. While most every agent represented in the room today advises his or her own clients to buy coverages above the minimums, there are those – some who operate through online selling – that do not necessarily walk their clients through the financial consequences of buying minimum limits. This puts all of us – every driver and every passenger on Kansas roads – at risk.

What's the Risk?

A lot has changed in 30 years. For one, medical care costs are higher now than they were in 1984. In a recent claim in Kansas, life-flighting an injured person from the site of an auto accident cost \$27,500 alone. That does not account for the weeks of medical care that followed. The driver who was at-fault carried the minimum limits, meaning his insurance would only cover \$25,000 of the injured party's costs. Secondly, auto costs are higher now than they were in 1984. Most vehicles on the road today cost more than \$10,000 to replace. A third aspect of risk that is not often considered is the cost for damages to non-auto property.

Here's an example from one of my clients. This gentleman typically opted to carry 100/300 limits for bodily injury but chose to keep his property damage limits at \$25,000. When he missed a curve on a road going home south of where he lives, he hit a telephone box. The bill he received from the telephone company totaled \$51,000. His auto insurance covered up to the \$25,000 limit, but he was left to pay the remaining \$26,000 out of pocket.

When this happens, Kansans who are injured by a driver who is allowed to carry the minimum limits have no good options. They can make a claim on their own auto insurance, they can pay their expenses out-of-pocket, or they can sue the other driver and wind up paying legal fees on top of their medical and auto repair fees.

What's the Cost?

Increasing the minimum limits to match those that were passed earlier this year in the Uber bill would better protect Kansans while having an estimated minimal impact on auto premiums. I have attached rates under the current limits compared to rates under the proposed 50/100/25 for your review. Based on the numbers shown in the attachment, increasing minimum limits to 50/100/25 would cost the average driver who is carrying minimum limits less than \$5 per month. In return, Kansas drivers and those around them are better protected from the costs and court battles that often emerge after a car accident. In conjunction with that, other drivers who are now picking up the tab through the Underinsured Motorist provisions of their own policies could see their rates stabilized.

Paying for Someone Else's Accident

By allowing the minimum auto limits to remain outdated, make no mistake: the state is not saving anyone money on their car insurance. It is simply shifting the cost burden away from some drivers and onto others, essentially requiring Kansans who do the right thing to pay for someone else's mistake.

I appreciate your favorable consideration of increased limits and would be happy to stand for any questions. Thank you.