

March 3, 2014

Via Email

Senator Mike Dunleavy
Chairman, Senate Labor and Commerce Committee
State Capitol, Room 510
Juneau, Alaska 99801-1182

Re: Horace Mann Insurance Companies' Support for Senate Bill 167

Dear Senator Dunleavy:

I am writing on behalf of Horace Mann Insurance Companies in support of Senate Bill 167. Horace Mann is the largest, national multiline insurance company focusing on educators' financial needs, providing auto and homeowners insurance, retirement annuities, life insurance and other financial solutions to educators and their families. According to 2012 data, Horace Mann was the 10th largest auto insurance writer in Alaska, with a 1.69% market share. We have approximately 7,000 auto policies in force in Alaska. We appreciate the opportunity to comment on this legislation.

Horace Mann writes single car policies in Alaska and across the nation. Each auto is insured on a separate policy, even though there may be several autos insured within a household. Because we write single car policies, an apparently unintended consequence of legislative drafting requires stacking of limits for uninsured/underinsured (UM/UIM) coverage involving a driver other than our named insured in multiple policy households. The statutory language unfairly prevents our customers from effectively choosing the level of UM/UIM coverage they want to purchase, unlike other policyholders in the state. And, this stacking exposure puts upward pressure on the prices we must charge our customers.

Horace Mann urges the Alaska Legislature to correct this drafting error and allow single-policy insureds the benefit of selecting the UM/UIM limits they choose based on their own assessment of coverage needs and price, consistent with public policy as it applies to other Alaska policyholders. Horace Mann urges your support for Senate Bill 167.

Sincerely,



Cynthia J. Lamar
Vice President, Chief Government Affairs Officer
& Assistant General Counsel

cc: Members of Senate Labor and Commerce Committee