

**Testimony – Senate Bill 107**  
**Michael J. Schneider**

I'll try to be brief. I've practiced law in Anchorage for over 39 years. As a civil trial lawyer for regular people and small businesses I have interacted with the insurance industry daily for the entirety of my career. I am an insurance consumer and have been my entire adult life (driver, pilot, small business owner, property owner, home owner...). I have many reasons to be interested in SB 107, as do virtually all of your constituents, whether each of them actually knows it or not.

Most of us have heard people comment that they are "insurance poor." I like to say that but for my malpractice premiums, I could do my hunting each year in Africa. It's a true statement. But these premium payments aren't donations. The corresponding benefit for Alaskan insurance consumers, large and small, is the peace of mind we get from knowing that if disaster strikes, or our own failures cause a disaster for someone else, terribly negative consequences will be mitigated by insurance benefits intended and expected to help at these terrible times. The insurance industry, its practices, its solvency, and frankly, its success are matters of huge public concern. This is as it should be. But history has shown many times that without some regulation, the expectations and needs of insurance consumers will not be met by the insurance industry, or at the very least, will not be met by some of its members. That is why we have, and certainly need, a Division of Insurance.

The Division of Insurance can't do its job without tools to get information of various kinds from the industry. The insurance industry often prefers to provide as little information as possible. In my view SB 107 strikes a good balance. It gives the Division the ability to execute its mission of protecting Alaska consumers, and in many cases some of the very carriers it regulates. The bill gives the Division the ability to compel reluctant carriers to disclose their data, business practices, and business intentions, while the Court System is available to the industry (an industry intimately familiar with it) if some public disclosure really has the potential to inflict harm to a carrier. In my view the Division's work should be generally open to public examination. The bill as I read it does not hinder this goal.

Thank you and thanks to the other members of the Senate Labor and Commerce committee for your work on this bill. I strongly encourage support for SB 107 as just introduced.