

January 22, 2025

North Dakota Legislature
House Transportation

Dear Representative Ruby – Chairman, Representative Grueneich – Vice-Chairman, and Committee Members,

Thank you for giving the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committee for the hearing on HB 1243.

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty insurance trade association in the country, with more than 1,400 member companies. NAMIC supports regional and local mutual insurance companies on main streets across America and many of the country's largest national insurers. NAMIC members represent 40 percent of the total property/casualty insurance market, serve more than 170 million policyholders, and write nearly \$225 billion in annual premiums. NAMIC's members who write property/casualty insurance in the State of North Dakota represent roughly 40% of the marketplace.

NAMIC has concerns regarding the impact of HB 1243. Our primary concern is with the second part of the bill, which has language that we believe is unclear. Does this provision require an insurer to pay the costs for transporting an insured's vehicle, after a total loss, to any place requested? If so, this would have a large financial impact on insurers, who could be paying to transport a vehicle hundreds of miles. Anytime there is an increase in costs, such as this, there is a potential for this to be passed onto consumers, via higher premiums.

We believe that with more clarification, this language could address the bill sponsor's concern without having a large burden on insurers, and ultimately consumers.

For these reasons, NAMIC encourage the committee to vote NO on HB 1243.

Respectfully submitted,

Phillip Arnzen
Regional Vice President – Midwest
National Association of Mutual Insurance Companies