

Act Number:	09-098	
Bill Number:	212	
Senate Pages:	1621-1624, 1656, 1659	6
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**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2009**

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THE CHAIR:

Opposed, nay.

The ayes have it, Senate Amendment A is adopted.

Will you remark further on Senate Bill 312 as amended by Senate A?

Senator Colapietro.

SENATOR COLAPIETRO:

Thank you, Mr. President. That amendment becomes the bill, and I already explained it and we've already passed it. And if there's no further discussion on the bill, I would move this bill to the Consent Calendar.

THE CHAIR:

There's a motion on the floor to place Senate Bill 312 on consent. Seeing no objection, so ordered, sir.

Mr. Clerk.

THE CLERK:

Calendar 147, File Number 115, Substitute for Senate Bill 212, An Act Limiting Cancellation Fees for Automobile Insurance Policy Holders Who Cancel Their Policies Mid-Term, favorable report of the Committee on Insurance. Clerk is in possession of one amendment.

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001622

THE CHAIR:

Senator Crisco.

SENATOR CRISCO:

Thank you, Mr. President. Mr. President, I move acceptance of the Joint Committee's favorable report and passage of the bill.

THE CHAIR:

Acting on approval of the bill, sir, will you remark further?

SENATOR CRISCO:

Yes, Mr. President. Mr. President there is an amendment, LCO 5776, I ask that the Clerk call the amendment, I'll be given permission to summarize.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 5776, which will be designated Senate Amendment Schedule A, it is offered by Senator Crisco of the 17th District.

THE CHAIR:

Senator Crisco.

SENATOR CRISCO:

Thank you, Mr. President. Mr. President, I move for adoption.

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THE CHAIR:

Please proceed, sir.

SENATOR CRISCO:

Yes, Mr. President, this basically is a technical amendment to correct some language in the bill.

THE CHAIR:

Will you mark further on Senate A?

If not, let me try you minds. All those in favor signify by saying aye.

VOICES:

Aye.

THE CHAIR:

Opposed, nay.

The ayes have it, the amendment passes.

Will you remark further on Senate Bill 212 as amended by A?

Senator Crisco.

SENATOR CRISCO:

Thank you, Mr. President. Mr. President, this bill prohibits an insurer that renews, amends, or endorses a private passenger automobile insurance policy in Connecticut from charging the insured more than \$100 for canceling the policy before term ends; it also makes other technical changes in addition to

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the amendment.

THE CHAIR:

Thank you, sir.

Will you remark? Will you remark further on
Senate Bill 212 as amended by Senate A?

Senator Crisco.

SENATOR CRISCO:

Thank you, Mr. President. If there's no
objection, I ask that this be placed on the Consent
Calendar.

THE CHAIR:

Motion is on the floor to place the bill on
consent. Seeing no objection, so ordered.

Mr. Clerk.

SENATOR CRISCO:

Thank you, sir.

THE CLERK:

Calendar Number 164, File Number 136, Substitute
for Senate Bill 716, An Act Eliminating the Reduction
of Benefits Payable Under a Long-Term Disability
Policy by Amounts Received by the Insured and Social
Security Payments, favorable report of the Committee
on Labor. Clerk is in possession of amendments.

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Have all Senators voted?

If all Senators have voted, please check the machine. The machine will be locked, the Clerk will call the tally.

THE CLERK:

Motion is on adoption of Consent Calendar Number 1. Total number voting, 36; those voting yea, 36; those voting nay, 0; those absent/not voting, 0.

THE CHAIR:

Consent Calendar Number 1 passes.

Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, I would move that all items referred to various committees from the chamber today be transmitted to those committees immediately.

THE CHAIR:

Without objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, also, would announce that we will be convening tomorrow about -- at 11:30 a.m., it's our intention to pick up with bills that had previously been marked "go" today. So I would move that all items previously marked go

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grade students from Hamner Elementary School. They're up in the gallery so I wish you'd give them a nice warm welcome and a round of applause.

Thank you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Thank you, sir.

And welcome -- welcome to our chamber.

Will the Clerk please return to the call of the calendar. Will the Clerk please call Calendar Number 567.

THE CLERK:

On page 45, Calendar 567, Substitute for Senate Bill Number 212, AN ACT LIMITING CANCELLATION FEES FOR AUTOMOBILE INSURANCE POLICYHOLDERS WHO CANCEL THEIR POLICIES MIDTERM, favorable report of the Committee on Judiciary.

DEPUTY SPEAKER MCCLUSKEY:

The honorable Chair of the Insurance Committee, Representative Fontana, you have the floor.

REP. FONTANA (87th):

Thank you, Mr. Speaker.

Mr. Speaker, I move for acceptance of the Joint Committee's favorable report and passage of the bill in concurrence with the Senate.

DEPUTY SPEAKER MCCLUSKEY:

Question before the chamber is acceptance of the Joint Committee's favorable report and passage of the bill in concurrence with the Senate.

Will you remark?

REP. FONTANA (87th):

Thank you, Mr. Speaker.

Mr. Speaker, this bill prohibits an insurer that renews, amends, or endorses a private passenger automobile insurance policy in Connecticut from charging an insurer more than a \$100 fee for cancelling that insurers policy before his or her policy term ends and makes technical changes.

Essentially, Mr. Speaker, what this bill does is it prevents insurance companies from charging what are called short rates or penalties, which discourage you, as an insured, from shopping your business and trying to find lower auto insurance rates. It's anticompetitive and it's anticonsumer. That's why we're trying to fix it.

Mr. Speaker, the Clerk has Amendment LCO 5776, I ask that he call it, and I receive permission to summarize.

DEPUTY SPEAKER MCCLUSKEY:

Will the Clerk please call LCO 5776 previously designated Senate amendment A.

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THE CLERK:

LCO Number 5776 Senate A offered by Senator
Crisco and Representative Fontana.

DEPUTY SPEAKER MCCLUSKEY:

Representative seeks leave of the chamber to summarize the amendment. Is there any objection to summarizing the bill? Is there any objection?

If not, please proceed with summarizing the bill, Representative.

REP. FONTANA (87th):

Through you, the amendment is technical in nature and I move for its adoption.

DEPUTY SPEAKER MCCLUSKEY:

Question before the chamber is and adoption of Senate amendment Schedule A.

Will you remark?

Representative Alberts of the 50th, you have the floor, sir.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

If I may, a question to the proponent of the amendment?

DEPUTY SPEAKER MCCLUSKEY:

Please proceed, sir.

REP. ALBERTS (50th):

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Through you, Mr. Speaker, the proponent mentioned that the amendment was technical nature. Can the proponent just go into a little bit more detail in terms of the nature of the technicality?

Thank you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP FONTANA (87th):

Through you, Mr. Speaker, it's a technical change provided by our LCO attorney, change in the work provided to the term "except that." As I understand it "except that" is the accepted term in various insurance statutes. It's intended to conform with those statutes, as well as industry practice. It's not intended to change the meaning of the bill in any way and that's why I saw it to define it as technical in nature, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

And I thank the gentleman for his response.

DEPUTY SPEAKER MCCLUSKEY:

Will you remark further on Senate Amendment Schedule A? Will you remark further on Schedule A?

If not, I'll try your minds.

All those in favor of Senate A, please signify by saying aye.

All those opposed nay.

The ayes have it. The amendment's adopted.

Will you remark further on the bill is amended?

Will you remark further on the bill is amended?

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

A question or two to the proponent of the bill now amended.

DEPUTY SPEAKER MCCLUSKEY:

Please proceed, sir.

REP. ALBERTS (50th):

As I understand it, the proposal that is before us would essentially cap what an insurance company could charge for an individual who was cancelling their insurance policy to a dollar amount of \$100; is that not correct?

Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, yes. This is capping the

administrative fee to \$100. It's not capping what an insured might end up paying for coverage that he or she received on the policy that he or she is seeking to cancel from the time of effectiveness to the date of cancellation. But, yes, it is seeking to cancel the administrative -- limit the administrative fee to \$100, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

And by limiting the administrative fee to \$100, if I understand the proponent's response correctly, there is no constraint to the actual cost of the insurance. The insured would, essentially, still be responsible for whatever the cost of the insurance during that policy period but this is simply a cap potentially -- or a cap on the dollar amount that an insurer could provide for the administrative handling or ceasing of a policy; is that not correct?

Through you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, Mr. Speaker.

That's largely correct. As I understand it, typically when a policyholder cancels his or hers auto insurance, the insurer charges the insured for the amount of coverage that he or she had, again, from that date of effectiveness through the date of cancellation, and then remits back to the insured the balance less any administrative fee for processing the paperwork to administer the cancellation, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

Would there be any possibility that an insurer could provide or bill an insurance holder for anything additional in the ways of fees under some other definition other than administrative, an early cancellation fee perhaps? Could they title it something different to go around this administrative cap of \$100?

Through you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, Mr. Speaker. I don't believe so. To the extent that the language in line 61 of the

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underlying bill says, "any fee or other charge." So it seems to me to be an inclusive term that would prevent what Representative Alberts indicated, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

Now, I have an insurance company -- I won't mention its name -- that provides insurance to me directly, and I'm not aware that they would charge any fee whatsoever for early cancellation. So if it's a typical policy of an insurance company not to charge a fee, there's nothing incumbent in this legislation that would require a fee to be charged; is that correct?

Through you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

That's absolutely correct, Mr. Speaker, and I'd like to applaud his insurance company for not charging anything for those who cancel, but, through you, Mr. Speaker, no, there's no requirement that anyone charge anything to cancel a policy, through you.

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DEPUTY SPEAKER MCCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

And through public testimony that we heard on this bill, what was the genesis of this? I believe there was one state senator who brought this forward, who mentioned something about a charge of perhaps 10 percent of their insurance policy had been levied against them for early cancellation. And I'm just trying to recall if that's indeed correct?

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, Mr. Speaker, yes, I believe this is a proposal of Senator Fasano. And, in his testimony in favor of this bill before the Committee during our public hearing process, he indicated that a constituent of his had been charged a total of a 10 percent on the unused premium. And he doesn't specify how much money that actually was but from the testimony it's clear that it exceeds \$100. So he clearly considered it punitive and anticompetitive and anticonsumer and so that's why he brought the bill forward, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

I think this measure is a good one, a fair one on balance, and I would urge adoption.

Thank you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill?

The distinguished member from Bristol, Representative Hamzy, you have the floor, sir.

REP. HAMZY (78th):

Thank you, Mr. Speaker.

Just a couple questions to the proponent of the bill as amended?

DEPUTY SPEAKER MCCLUSKEY:

Please proceed, sir.

REP. HAMZY (78th):

Through you, Mr. Speaker, there was a change that was made in the beginning of the bill in Section 1a, which changed the way the notice of cancellation is to be provided -- or whether notice is provided.

Through you, Mr. Speaker, the word, "may" was changed to "shall." Through you, Mr. Speaker, what is

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the effect of that change?

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, Mr. Speaker, the effect of "shall," in the line 4 and line 15 is to make it clear that cancellations of policies -- that no cancellation may be -- shall be effective unless sent by registered or certified mail or by evidence by a certificate of mailing or delivered by the insurer to the named insured.

So, in essence, Mr. Speaker, the changes there are to essentially require that an insured, in order to seek cancellation, must provide cancellation through one of the means identified in the underlying bill, which reflects language in existing Statute 38a-343, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Hamzy.

REP. HAMZY (78th):

Thank you, Mr. Speaker.

And is this -- I always thought that cancellation notices had to be sent out by certified or registered mail, anyway. Is this codifying a current practice?

Through you, Mr. Speaker.

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DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, Mr. Speaker, I wouldn't be at all surprised if it's codifying existing practice. Certainly, I would imagine that insurance companies encourage their insurers if they choose to cancel to use one of the following means. And I have no indication based on my conversation with the Department that there are insurers who are pursuing means other than those identified here in the existing statute. But my guess is, as a result of the changes we're seeking here, we're essentially going to be requiring insurers, who seek to cancel, to use one of the methods that has been identified, which will help to clarify if there's any doubt when cancellation occurs, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Hamzy.

REP. HAMZY (78th):

Thank you, Mr. Speaker.

I don't sit on the Insurance Committee, but I'd ask that question because I didn't know if anything had been elicited from the public hearing with regard to that proposed change and if there was reference

made to the fact that this is current policy of insurance carriers.

I mean, I think it would probably, at best practice, to do that so that there's no discrepancies in whether or not a policy was cancelled, and that's the reason why I had asked that question.

Through you, Mr. Speaker, is any change in notice that's going to be provided to the Department of Motor Vehicles when a policy is cancelled under this proposal?

Through you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, Mr. Speaker. No, there's no change in this bill, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Hamzy.

REP. HAMZY (78th):

And through you, Mr. Speaker.

At the public hearing, was there any testimony as to how many companies charge a fee when there's an early cancellation, if so, what the average fee charged was?

Through you, Mr. Speaker.

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DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, I do not have the transcript here in my file, however, the Joint Favorable Report indicates that the only person who testified on the bill was Senator Fasano, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Hamzy.

REP. HAMZY (78th):

Thank you, Mr. Speaker.

And the reason why I asked that question is to try to determine how the \$100 figure was arrived at, through you, Mr. Speaker.

DEPUTY SPEAKER MCCLUSKEY:

Representative Fontana.

REP. FONTANA (87th):

Through you, Mr. Speaker, I believe Senator Fasano in his proposed bill had a fee initially of \$25 and the discussion I believe -- as I recall, the discussion -- and I don't have the transcript but the discussion with Senator Fasano from members of the committee, when he testified was that \$25 seemed a bit low. And it literally was of that tenor or nature that the committee members felt the \$25 was

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essentially de minimus and that it didn't impress upon insureds the costs involved of cancelling a policy. And that the fee should represent more closely the cost insurance companies may incur to cancel a policy, as well as to insure that policies are cancelled frivolously, through you.

DEPUTY SPEAKER MCCLUSKEY:

Representative Hamzy.

REP. HAMZY (78th):

Thank you, Mr. Speaker.

And I thank the Chairman of Insurance for his answers.

DEPUTY SPEAKER MCCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill as amended?
Will you remark further on the amended?

If not, will staff and guests please come to the will of the House. Will the members please take your seat. The machine will be opened.

THE CLERK:

The House of Representatives is voting by roll call, members to the chamber. The House is voting by roll call, members to the chamber, please.

DEPUTY SPEAKER MCCLUSKEY:

Have all the members voted? Have all the members

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voted? Will the members please check the board to determine if your vote is properly cast? If all the members have voted, the machine will be locked.

Will the Clerk please take a tally?

Will the Clerk please announce that tally?

THE CLERK:

Senate Bill Number 212, as amended by Senate A, in concurrence with the Senate

Total Number of Voting	141
Necessary for Passage	77
Those voting Yea	141
Those voting Nay	0
Those absent and not voting	10

DEPUTY SPEAKER MCCLUSKEY:

Bill passes in concurrence with the Senate.

Will the Clerk please call Calendar 572?

THE CLERK:

On page 20; Calendar 572 Senate Bill Number 707,

AN ACT CONCERNING PROBATION SUPERVISION FEES,
favorable report of the Committee on Judiciary.

DEPUTY SPEAKER MCCLUSKEY:

The honorable Chair of the Judiciary Committee, Representative Lawlor, you have the floor, sir.

REP. LAWLOR (99th):

Good afternoon, Mr. Speaker.

**JOINT
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HEARINGS**

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2009

hopefully, others will clarify things.

JOANN SERKEY: All righty. Thank you.

REP. FONTANA: Thank you.

No other questions? Okay. Thank you, Joann.

Since Senator Fasano has joined us, we'll have Senator Fasano to be followed by Doug Fernandez.

SENATOR FASANO: Good afternoon. Thank you, Chairman Fontana, Representative D'Amelio, members of the committee.

I'm talking here about Senator Bill 212, an act prohibiting a cancellation fee for certain automobile liability insurance policyholders.

Basically, these are short rates that can be penalties, at times, depending on when somebody cancels their policy midterm. Such fees are, typically, a percentage of the unused premiums and are processed in accordance with the Department of Insurance. But many times, when you cancel within 30 days or just after your policy takes a renewal affect, these cancellation fees can be somewhat prohibitive.

A constituent of mine recently cancelled her policy a little more than two weeks after the policy became effective because she found a better rate. She rightly paid for the time of the coverage but then was charged an additional 10 percent of the total unused premium. At a time in the state when we're all facing difficulty and financial uncertainty, people do look for better deals to cut where they can cut. And I think there should be an administrative fee or a processing fee,

however, based upon the 10 percent of the unused premium, that could be a hefty, hefty fee and it would be punitive in nature.

So what I'm looking to do is asking this committee to, perhaps, come up with a fee structure that would make it a reasonable fee to cover administrative costs but not cause it to be punitive in nature. And that's the essential part about the bill.

REP. FONTANA: Thank you, Senator. And, unlike some of the bills we're been hearing today, that's very clear. So that's a good thing.

Questions for Senator Fasano from are members of the committee? Representative Altobello.

REP. ALTOBELLO: Thank you, Mr. Chairman.

Good afternoon, Senator.

SENATOR FASANO: Good afternoon, Representative.

REP. ALTOBELLO: You said that your constituents was charged a 10 percent fee?

SENATOR FASANO: Yes.

REP. ALTOBELLO: And did you have an idea of what might be -- you're talking about some administrative fees that you thought would be fair. Did you have an opportunity to think what that might be if not 10 percent?

SENATOR FASANO: I'm thinking that, you know, a \$50 cancellation fee, a \$25 cancellation fee, just to have someone to do some of the paperwork would be reasonable. I think her fee was somewhere between 150 and 200 dollars, something around that neighborhood is what it

was. So I'm thinking of something less than that.

REP. ALTOBELLO: Thank you. There's probably an -- in some cases, there'd be an agent commission here as well. Okay. Thanks very much.

Thank you, Mr. Chairman.

REP. FONTANA: You're welcome.

Other questions from members of the committee?
Representative Megna.

REP. MEGNA: Thank you, Mr. Chairman.

Hi, Senator. Senator, did you -- the cancellation fee, was that something that was approved by the Department of Insurance along with rates and all that. This amount that was charged, do you know?

SENATOR FASANO: My understanding is that that it is regulated by the Department of Insurance. So they are something that the state does monitor and process so it is overseen by our Department of Insurance.

REP. MEGNA: I'm just curious what their logic was for allowing that much, you know? I don't know if you can answer that question or --

SENATOR FASANO: I didn't do enough research.

REP. MEGNA: We'll figure that out. Okay. Thank you.

Thank you, Mr. Chairman.

REP. FONATANA: You're welcome.

Representative O'Connor.

REP. O'CONNOR: Thank you, Mr. Chairman.

Thank you, Senator, for your testimony. You know, one quick question. Do you know if your constituent -- if it was disclosed to them that if they were to terminate early that there would be a fee, you know? In shopping their business around, did they, you know, consider that originally when they made their intention to this company?

SENATOR FASANO: Representative O'Connor, that's a great question. The answer is I don't know. I don't know if it is in bold face somewhere in the policy. I couldn't tell you.

REP. O'CONNOR: Okay.

SENATOR FASANO: I know that when she cancelled the policy she found out after the fact and that doesn't mean it wasn't written in the policy, but they informed her that there was this 10 percent issue after she had already decided to cancel. So I'm not sure there was something that was notified before --

REP. O'CONNOR: If there was any disclosure prior. Thank you.

Thank you, Mr. Chairman.

REP. FONTANA: You're welcome, Representative.

Other questions? Seeing none, thank you, Senator.

SENATOR FASANO: Thank you. Thank you for your time.



State of Connecticut

SENATE

STATE CAPITOL
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LIS LNG TASK FORCE

Senator Len Fasano Testimony for SB 212
Insurance and Real Estate Committee
Tuesday, February 17, 2009
12:30 PM in Room 2C of the LOB

Good morning Chairman Crisco, Chairman Fontana, Ranking Member Caligiuri, Ranking Member D'Amelio, and members of the Insurance Committee, thank you for the opportunity to testify today concerning SB 212, **An Act Prohibiting a Cancellation Fee for Certain Automobile Liability Insurance Policyholders**.

Short rates are penalty fees charged by insurance companies for the cancellation of a policy mid-term. Such fees are typically a percentage of the unused premium, and are processed in accordance with the Department of Insurance. In many instances, particularly those instances when a policy has just taken effect and canceled within days, I find these fees unreasonable and punitive.

A constituent of mine recently canceled her policy a little more than two weeks after the policy effective date because she found a much better deal. She rightly paid for that time when she was covered, but was charged an additional 10% of the total unused premium. At a time when many in this state, and around this nation, are having difficulty making ends meet, I believe that this charge is an excessive financial burden.

We should be encouraging a competitive auto insurance market, but short rates stand in the way by preventing policy-holders from seeking out better rates. SB 212 would prevent insurance companies from charging these fees. Thank you again for the opportunity to voice my strong support for this important measure, and I urge its' passage.

**JOINT
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COMMITTEE
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THE CLERK: Dargan.

REP. DARGAN: [Inaudible].

THE CLERK: Geragosian.

REP. GERAGOSIAN: Yes.

THE CLERK: Nardello.

REP. NARDELLO: Yes.

THE CLERK: O'Connor.

REP. O'CONNOR: Yes.

THE CLERK: Roldan.

REP. ROLDAN: Yes.

THE CLERK: Schofield.

REP. SCHOFIELD: Yes.

THE CLERK: Williams.

REP. WILLIAMS: Yes.

THE CLERK: Wright.

REP. WRIGHT: Yes.

REP. FONTANA: Very good. Proceeding to Item
Number 5, the Chairman will entertain a motion

--

SENATOR CRISCO: So move.

REP. FONTANA: -- to JF Senate Bill 212 to the
floor.

SENATOR CRISCO: So move.

REP. MEGNA: Second.

REP. FONTANA: Moved by Senator Crisco, seconded by Representative Megna.

For the purposes of a couple of amendments, I'm going to call on Representative Schofield, if she would indulge me. Representative Schofield.

REP. SCHOFIELD: I'm happy to indulge you, Steve. Thank you very much.

I move that we amend line 59 to delete the words, "delivers," comma, "issues for delivery," comma, and amend line 62 to change the word "25" to 100. Thank you.

REP. FONTANA: Very good. Is there a second to the amendment?

REP. O'CONNOR: Second.

REP. FONTANA: Seconded by Representative O'Connor.

Representative Schofield, would you like to speak to your amendment at all? Or would you like me to speak to it?

REP. SCHOFIELD: Yes. Thank you. Yes, we did discuss this and felt that it was important that we restrict this only to instances of renewal, not in the case of someone who is buying a new policy.

The issue here is that for a, particularly a new customer of an insurance company, the front-loading of costs, administrative costs for them is substantial, so if they brought on

board a new client, agent, and the insurers themselves have spent a fair amount of money acquiring that new person. If they dump the insurance two weeks later, they are left with a lot of costs that they can't cover. With a renewal, those costs are much less. And we did raise the amount from 25 to 100, so we're hoping that that's enough to cover their renewal costs. Does that sound adequate?

REP. FONTANA: Sure. Yes. Absolutely. And I think you'd also raised the point that at a hundred dollars, it also serves as a bit of a disincentive to frivolously cancel a policy. Comments, Representative Altobello?

REP. ALTOBELLO: Yes. Thank you, Mr. Chairman. Perhaps the maker of the amendment would like to reference the proper LCO, because there are several floating around these days. Thank you.

REP. SCHOFIELD: Thank you, Representative Altobello. LCO Number 4186.

VOICE: Do you have the latest?

MS. SCHOFIELD: No, I don't have the latest. Oh, that's a working draft. Sorry. What is the latest LCO number?

REP. FONTANA: I have 4186, so, unless there is another one that Representative Altobello has, we are working off LCO 4186, which was the committee bill, which is the bill we -- the original motion to JF, which, if it's an amended, will be a JFS, so, that is the language that we are working off of.

REP. ALTOBELLO: I have nothing different, Mr. Chairman, here. Nothing different to report.

REP. FONTANA: Very good. Other questions or comments about the amendment? If not, all in favor of the amendment, signify by saying aye.

VOICES: Aye.

REP. FONTANA: Opposed, nay? Very good. The amendment passes.

Now, a JFS before us. Is there discussion on the JFS? As amended, then, will the Clerk please call the roll on the JFS?

THE CLERK: Crisco.

SENATOR CRISCO: Yes.

THE CLERK: Fontana.

REP. FONTANA: Yes.

THE CLERK: Hartley.

SENATOR HARTLEY: [Inaudible].

THE CLERK: Megna.

REP. MEGNA: Yes.

THE CLERK: Caligiuri.

SENATOR CALIGIURI: Yes.

THE CLERK: D'Amelio.

REP. D'AMELIO: Yes.

THE CLERK: Abercrombie.

REP. ABERCROMBIE: Yes.

THE CLERK: Alberts.

REP. ALBERTS: [Inaudible].

THE CLERK: Aldarondo.

REP. ALDARONDO: Yes.

THE CLERK: Altobello.

REP. ALTOBELLO: Yes.

THE CLERK: Bacchiochi.

REP. BACCHIOCHI: [Inaudible].

THE CLERK: Dargan.

REP. DARGAN: [Inaudible].

THE CLERK: Geragosian.

REP. GERAGOSIAN: Yes.

THE CLERK: Nardello.

REP. NARDELLO: Yes.

THE CLERK: O'Connor.

REP. O'CONNOR: Yes.

THE CLERK: Roldan.

REP. ROLDAN: Yes.

THE CLERK: Schofield.

REP. SCHOFIELD: Yes.

THE CLERK: Williams.

REP. WILLIAMS: Yes.

THE CLERK: Wright.

REP. WRIGHT: Yes.

REP. FONTANA: Very good. Proceeding to Item
Number 6, the Chair will entertain a motion to
JF House Bill 6114 to the floor.

SENATOR CRISCO: So move.

REP. ABERCROMBIE: Second.

REP. FONTANA: Moved by Senator Crisco, seconded by
Representative Abercrombie.

There should be before you language, LCO 4285,
that we would seek to amend the underlying
bill. I would like to just point out to
you -- do we not have copies of LCO 4285?
Okay. All right. We -- well, first, we --
the language that you see before you specifies
the particular statement that we would ask the
Department of Consumer Protection in its
regulation to include in the property
disclosure form so that those individuals who
may have a property in a historic district,
village, or otherwise be a historic property
can have a general description of where it is
they may need to go to find additional
information on the property, or to find out,
in fact, it is such a property.

And with that, I would like to, at this point,
entertain a motion for an amendment from
Representative Roldan.

REP. ROLDAN: Thank you, Mr. Chairman. If you will