

Dear Chairman Marcotte and Members of the Committee,

On behalf of the American Property and Casualty Insurance Association (APCIA) and State Farm Insurance Company, thank you again for the opportunity to provide comments to H.515. As referenced in my testimony, we are asking for the following amendments to the rebating provisions found in Section 8 of the bill. Specifically,

- 1) Page 5, line 15 be amended to read:

“The insurer **or producer** providing the product or service ensures that the customer is provided with contact information to assist the customer with questions regarding the product or service.”

The producer, or insurance agent, is often times a representative of the insurer that acts on the insurer’s behalf, or in concert with the insurer. The company may act solely or want to act with the producer and this proposed revision authorizes that. The word “producer” does appear in the NAIC model.

- 2) Page 6, beginning line 6 be amended to read:

(D) An insurer, producer, or representative of either may not offer or provide insurance as an inducement to the purchase of another policy ~~or otherwise use the words “free” or “no cost” or words of similar import in an advertisement.~~

The insurer may offer the policyholder a value-added product or service that must be related to the insurance coverage and may be free or provided at reduced or no cost to the policyholder, as authorized under proposed Section 4724(8)(C)(iv). We believe an insurer should be able to say that to the policyholder, and that the policyholder will benefit from knowing this information.

Thank you for your consideration.

Jamie Feehan
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January 27, 2022