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Feb. 11, 2019

DO PASS: *New York S. 3625, Modernizing Commercial Property and Casualty Insurance*

Dear Senator,

I write to encourage you to take up and pass S. 3625, sponsored by Sens. Neil Breslin, D-Albany, and James L. Seward, R-Milford. This legislation would exempt from rate and form filings all commercial lines of property and casualty insurance, except for workers' compensation and commercial auto.

Commercial lines of insurance are business-to-business transactions that do not require the degree of oversight and consumer protection presumed necessary in personal lines such as home, auto and renters insurance. To ensure that businesses affected by this exemption truly are competent parties, the legislation stipulates it would be applicable only for commercial policyholders with aggregate annual commercial insurance premiums of more than \$25,000.

S. 3625 would enable commercial policyholders to enjoy more competitive insurance markets; enhance speed-to-market of new and innovative commercial insurance products; and allow the Department of Financial Services to focus its regulatory resources in ways that better protect those consumers in need of assistance. It follows similar legislative efforts in recent years to move to a "no-file" system for commercial lines in Oregon, Missouri, New Hampshire and Virginia, among other states.

We at the R Street Institute have been supportive of these efforts at regulatory modernization across the states. We would eagerly make ourselves available to any members of the New York State Assembly seeking more information on the benefits of this legislation to consumers and the state's insurance market.

Sincerely,

R.J. Lehmann
Director of Finance, Insurance and Trade Policy
R Street Institute