



March 13, 2024

Senate File 4162 (Kupec)

Dear Chair Dibble and Members of the Senate Transportation Committee,

We are writing on behalf of insurers doing business in Minnesota to express our strong reservations with Senate File 4162.

The current minimum limits for uninsured and underinsured motorists in Minnesota is \$25,000 per injury and \$50,000 per occurrence. The \$1,000,000 currently in law for motor carrier of railroad employees is significantly higher than that, even though the associated risk is not twenty times that of a normal driver carrying personal auto insurance.

The proposal to raise the minimum coverage for uninsured and underinsured motorists to \$5,000,000 is astounding. We are not aware of any other jurisdiction that requires such a high minimum level for this type of coverage. Furthermore, the ability to secure this type of coverage is also going to present a significant challenge. In our initial examination, we did not identify any carrier currently offering this product. In the event that a carrier does decide to offer this coverage, the price to secure it is going to be significantly higher than it is in the current market.

The purpose of minimum limits is just that – a minimum. Each company needs to decide for themselves if their risk circumstances require them to adjust their insurance coverages to a higher limit. This is not the time to put additional and unrealistic burdens on the people who responsibly purchase insurance to protect themselves and others.

Respectfully, we ask the committee to oppose Senate File 4162.

Sincerely,

Aaron Cocking
President/CEO

Insurance Federation of Minnesota