

August 16, 2016

The Honorable Justin Harrigan, Sr.
Senator
31st Legislature of the Virgin Islands
Capitoal Building; P. O. Box 1690
St. Thomas, VI 00804

RE: Bill Nos. 31-0049 and 31-0132

Dear Senator Harrigan,

On behalf of Theodore Tunick and Company and Marshall Sterling – St. Croix, Inc., we submit the following responses to the proposed bills:

Bill No. 31-0049

We believe that our current automobile rating guidelines are already structured to reward experienced drivers with good driving records and lack of claims history. Each carrier we represent offers varying “no claims discounts” to such safe drivers and therefore we feel that we already reward those insureds that would be eligible under the proposed Bill.

We are also concerned as it relates to the cost of administering the “vehicle accident prevention course”. Will our insureds be required to pay for the course or is it expected that cost will be absorbed by the Virgin Islands Police Department/VI Government? Many policies with minimum liability limits currently generate premiums of less than \$200 annually. How much of a discount would be required to simply offset the cost of administering the course and issuing a certificate of completion and would that reduction in premium be cause for underwriters to reconsider offering minimum liability policies.

Rest assured, we do, and will continue to, reward experienced drivers with good driving records and low claims experience by reducing their insurance premiums. As such we respectfully submit to the Legislature that, in our opinion, this additional measure will be very difficult to implement and is not necessary, as market competition can address this without the need for legislative action.

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RE: RE: Bill Nos. 31-0049 and 31-0132

Bill No. 31-0132

Fundamentally, we do not have any objection to providing certain data to the Virgin Islands Bureau of Motor Vehicles in order to establish a database to be used by law enforcement for the purpose of reducing the number of uninsured motorists on our roads. However, to provide details of every automobile policy issued by our organization, and not just those that have lapsed or been cancelled, would seem to be overreach.

Further, to report lapsed or cancelled policies on the same day insurance coverage is terminated is impractical. It should be noted that every Friday at 11pm we electronically report to the Virgin Islands Bureau of Motor Vehicles details of all lapsed and cancelled policies that have been processed during the week. The data reported includes Named Insured, Vehicle Identification Number, Policy Number, Policy Period and insurance carrier. It is unknown exactly how the Virgin Islands Bureau of Motor Vehicles uses this data and whether it has in fact had any material impact on reducing the number of uninsured motorists on our roads.

We appreciate the opportunity to have provided our written testimony. If any further information is required, please do not hesitate to contact me or Mr. John Harper, copied herein.

Very sincerely,


Mark Robertson

President

cc Mr. John Harper
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