

State of Kansas
House of Representatives

State Capitol
Topeka, Kansas 66612
(785) 296-7677
ramon.gonzalez@house.ks.gov



P.O. Box 12
Perry, Kansas 66073
(785) 597-5917

Ramon C. Gonzalez, Jr.
Representative, 47th District

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Thank you Mr. Chairman and members of this committee.

During the 2015 session I brought to the Insurance Committee a House Bill to consider raising the minimum limits on automobile insurance coverage.

At the time I made the presentation to you I had testimony from a farmer who was involved in an accident while driving his farming equipment on a public roadway. The vehicle that hit him was traveling at a high rate of speed and collided with the Farmer causing extensive damage to the equipment.

The driver of the vehicle had minimum Insurance coverage and were not adequate to cover danmages.

The minimum limits were established over thirty years ago. The coverage will not begin to cover the damage to the farm equipment or other vehicles in 2016.

In 1985 the average cost of a car was \$9,011.00, as of April 2015 the average cost of a car is \$33,560.00.

The Average hospital stay cost in 1985 was \$4,659.00, in the year 2000 the average cost was \$17,390. In the year 2010 the average cost was \$33,079.

It is beyond a reasonable time to visit this outdated legislation.

I have been asked what amount the rates should be raised and what I had to support the increase?

Good question, what should the increase be in insurance premiums? I had a good lesson in this when the UBER service Bill came up for debate and eventual passage. I think the limits set for UBER would be a good starting point. I can only make that as a suggestion at this point as a new Bill has not been drafted.

I would leave that to the wisdom of this committee to arrive at a reasonable increase in the minimum limits that have been in place for three decades.

Thank you and I will stand for questions a the appropriate time.