

February 16, 2016

House Agriculture & Rural Development Committee
Oklahoma State Capitol
Oklahoma City, OK

RE: Opposition to HB 2368

Via email

The National Association of Mutual Insurance Companies (NAMIC) appreciates the opportunity to raise concerns to HB 2368.

We are the largest property/casualty insurance trade association in the country, serving regional and local mutual insurance companies on main streets across America as well as many of the country's largest national insurers. Over 1,300 NAMIC member companies serve more than 135 million auto, home and business policyholders and write more than \$196 billion in annual premiums, accounting for 50 percent of the automobile/homeowners market and 31 percent of the business insurance market. In Oklahoma, we have 152 members doing business in the state, representing 40.8 percent of the marketplace.

As you might imagine, we are seeing a number of unmanned aerial systems (UAS) bills across the country in various legislatures this year. Specifically, our concern with HB 2368 stems from subsection (c)(5) of the proposed law, which reads "This section shall not apply to conduct committed by:.....A person who has the prior written consent of the property owner or legal tenant or lessee of the property."

Our member insurance companies provide a variety of insurance coverage for Oklahomans: residential, farm and ranch, and auto insurance. The insurance industry wants to use UAS technology during disasters to help resolve claims quickly. UAS presents a new tool to disaster claims management: a tool that can quickly survey damage to help policyholders recover without interfering with the recovery efforts of first responders. We are urging legislators to take steps to ensure that insurance companies helping communities recover after a disaster have the ability to use UAS to rapidly assess disaster stricken areas.

UAS technology has important underwriting and fraud fighting capabilities as well. NAMIC urges policymakers to permit insurance companies to use UAS for other insurance activities

that are permitted under the insurance policy as well to help policyholders and reduce risks to insurance personnel.

Under the restrictions of the bill, insurers would not be able to use this time-saving and claims-expediting technology to help rural Oklahomans after a disaster.

We do think a short amendment to the bill would fix the issue. We would propose adding a (c)(6) which would read: "A person using an unmanned aircraft systems for insurance purposes." This would provide insurers the needed flexibility in using UAS for legitimate insurance purposes.

We appreciate your efforts. Thank you for taking time to hear our concerns. Please let me know if you have questions or comments.

Sincerely,

A handwritten signature in black ink that reads "Paul Martin". The signature is written in a cursive style with a large, sweeping initial "P" and "M".

Paul Martin
Director – State Affairs
Southwest Region

CC: Rep. Casey Murdock