

**Consumer Federation of America
TexasPIRG
Texas Watch**

September 18, 2020

The Honorable Greg Abbott
Office of the Governor
State Insurance Building
1100 San Jacinto
Austin, Texas, 78701

Dear Governor Abbott:

We, the undersigned consumer groups, are writing to you to urge the appointment of a new Texas Insurance Commissioner who has a proven track record of protecting consumers, fighting for affordable and fair insurance rates, and taking action against insurers that overcharge and abuse their authority.

As the Texas Department of Insurance's (TDI) chief executive and administrative officer, the Commissioner is in charge of regulating insurance, protecting and ensuring the fair treatment of consumers, ensuring fair competition in the insurance industry to foster a competitive market, and ensuring that laws governing insurance are faithfully executed. Too often the Insurance Department has failed to step up and help consumers.

Currently American consumers are struggling and dealing with significant economic hardship. The COVID-19 pandemic and its effects have thrown millions of Americans out of work, closed businesses and venues, and killed over 195,000 Americans while infecting millions. During this crisis consumers need protection against unscrupulous actors and companies more than ever. For example, consumers are driving far less due to the pandemic and closures, and yet they are paying excessive auto insurance rates based on pre pandemic conditions. While many auto insurers have provided relief in the form of premium refunds, they are not adequate compared to the massive profits the insurers are earning.

TDI requires a leader who will:

- 1) put consumer welfare first by standing up for their rights and taking a tough stance against insurers who violate them,
- 2) quickly respond to this unprecedented crisis and its effects, and not hesitate to shift policies when needed, and
- 3) ensure that insurance is affordable, fair, and nondiscriminatory for all Texans. Insurance companies have gotten away with excessive rates for too long, and the Commissioner should be unafraid to challenge these rates. They should also determine

whether markets are competitive, and if markets are not competitive, take steps to make them so.

We urge you to choose a new Insurance Commissioner who shares these values and has a strong background in this field. S/he should revitalize TDI and aggressively act to provide consumers with badly needed help.

Some possible candidates are:

- 1) Doug Slape, Chief Deputy Commissioner of the Texas Department of Insurance
- 2) Melissa Hamilton, Public Counsel at the Texas Office of Public Insurance Counsel
- 3) Birny Birnbaum, national advocate and expert on insurance and consumer protection, and former Chief Economist for the Texas Department of Insurance.

We stand ready to help with the selection, and please reach out to us if you have questions.

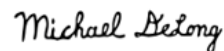
Sincerely,



Ware Wendell
Executive Director
Texas Watch



Bay Scoggin
Director
TexasPIRG



Michael DeLong
Insurance Advocate
Consumer Federation of America