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## Insurance News

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### **Voting for insurance chief in Texas won't give rate payers relief**

#### ***Experience with elected state officials has been fraught with peril.***

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According to a recent report, Texas has the highest home insurance premiums in the nation, several hundred dollars a year more than other states. It has been that way for a while and Texans understandably are not happy about it.

Insurance in Texas is regulated by a commissioner who is appointed by the governor, a situation that some believe favors the industry. That's understandable because the insurance industry has plenty of political clout in Texas. But the remedy proposed by several legislators who want an elected insurance commissioner could make a bad situation worse.

At least four bills have been introduced in the House of Representatives that would change the insurance commissioner post from an appointed to an elected position. The lawmakers argue that an elected commissioner would have to be responsive to the people, not the industry or the governor.

But Texas has plenty of experience electing state officials, and it hasn't been all good. The state Supreme Court justices run for office statewide, and their biggest contributors are law firms and companies with cases before them, including the insurance industry.

That has created a crisis of confidence in that court. In some races, contributions from those with petitions before the court make up more than half of the candidate's campaign chest.

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It is easy to imagine that a similar situation would occur with an elected insurance commissioner. It takes a lot of money to run for office statewide, and it is likely that a large share of it would come from the insurance industry.

Texas has seen a similar situation with the elected Railroad Commission, which regulates the oil and gas industry, a major contributor to candidates for the Railroad Commission. Texas also elects its land commissioner, agriculture commissioner and comptroller, and those offices haven't been free from charges of influence from special interests, either.

One of the introduced bills, House Bill 1941 by state Rep. Abel Herrero, D-Robstown, addresses the potential problem by limiting campaign contributions from those in the insurance industry. But it's a long shot to believe that even its lengthy language would keep insurance company money out of a commissioner candidate's hands.

While the lawmakers' efforts to corral runaway insurance premiums are laudable, an elected commissioner could be a cure worse than the disease. There is no guarantee that Texas property owners would see lower rates from a commissioner beholden to the industry for campaign money.

A better solution might be more legislative control over insurance rates and premiums. Certainly Texas homeowners could use some relief.

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