

HOUSE TRANSPORTATION SUBCOMMITTEE #2
VIRGINIA HB 2392: Towing and recovery operators; attorney fees and costs
Opposed
January 31, 2023

On behalf of the National Association of Mutual Insurance Companies¹ (NAMIC) thank you for the opportunity to submit this statement in opposition to House Bill 2392.

NAMIC consists of more than 1,500 member companies, including seven of the top 10 property/casualty insurers in the United States. The association supports local and regional mutual insurance companies on main streets across America as well as many of the country's largest national insurers.

HB 2392 would allow towing and recovery operators to collect attorney fees and costs in a civil action. As written, the bill is extremely vague and creates the potential to clog the court with *de minimus* disputes in order to collect attorney fees and costs. In addition, this bill could hinder the ability to negotiate and settle disputes of costs between parties. Disputed claims require time to investigate during which the vehicle may have to be stored as liability is not certain; insurers are required to reasonably investigate liability and damages; they should not then be penalized with attorney fees when a decision is finally rendered. For these reasons NAMIC is opposed to the bill.

Thank you for taking the time to consider our position on House Bill 2392.

Sincerely,



Matthew Overturf, Regional Vice President
Mid-Atlantic Region

¹ NAMIC member companies write \$357 billion in annual premiums and represent 69 percent of homeowners, 56 percent of automobile, and 31 percent of the business insurance markets. Through its advocacy programs NAMIC promotes public policy solutions that benefit member companies and the policyholders they serve and fosters greater understanding and recognition of the unique alignment of interests between management and policyholders of mutual companies.