



SUBLIMITY INSURANCE COMPANY
100 S.W. Sublimity Blvd.
P.O. Box 219, Sublimity, Oregon 97385-0219
Phone (503) 769-6344 • Toll Free (800) 424-2491
Fax (503) 769-2114

February 21, 2019

Senate Committee on Business and General Government
Oregon State Legislature
2019 Regular Session

RE: Support of SB 251

Dear Senators,

On the behalf of Sublimity Insurance Company, a domestic insurer for property and casualty business in Oregon since 1896, we are in support of SB 251. As a reference, we are located a short 15 miles away from the Capitol in Salem, and we sell our insurance products through independent insurance agents in Oregon, Idaho, and Utah.

Although in support of the bill in general, the most impactful part to our company are the provisions affecting reinsurance. Reinsurance is a critical piece of the coverage puzzle we buy to protect our company from difficult to predict catastrophic events. The changes proposed by this bill improve the Division of Financial Regulation's ability to regulate the market more effectively in this area, while at the same time making reinsurance more affordable. It will also improve the access to the reinsurance markets for companies like ours. For a small regional carrier, the benefit of a more affordable, financially sound, and diverse reinsurance market ultimately has a positive impact on the pricing of our products we sell, thus benefiting the insurance consumers in Oregon.

Of equal importance, SB 251 also strengthens the Division's accreditation with the National Association of Insurance Commissioners, NAIC. In the other states we conduct business in, the Division enjoys an excellent reputation as a tough but fair insurance regulatory body. However, it is important to us that our governing regulator continues to be recognized as strong, effective, and importantly accredited with the NAIC.

Sincerely,

Kevin Lucke, CPCU, AIM
President & CEO
Sublimity Insurance Company
klucke@sublimityins.com