

tem. At the same time, on the floor of the House, I called for a broad and thorough congressional review of the present practices of American automobile insurance companies.

Sixty years ago, the automobile was a luxury, a curiosity, a conversation piece. No one depended upon it very much for getting to work, for taking the sick to a doctor, or for transporting foodstuffs and other staples to the home. Society, in fact, depended very little upon motorized transportation, and the laissez faire practices of the automobile insurance industry were quite equal to the task of that day and age and for some years thereafter.

Today, however, America is motorized to an amazing degree. An automobile is an absolute essential to the great majority of Americans. Approximately 80 percent of American families own a car, and 25 percent own two or more of them. The safety problems attending the spectacular growth of the motor industry are equally awesome. We now average 50,000 deaths and 4 million injuries on the highway each year. Obviously, the motorists' need for insurance protection is very great indeed in our highly urban, industrialized society of 1968.

Regrettably, the management of America's automobile insurance companies has too often failed to provide the services legitimately expected by today's motoring public. The bill of particulars against them is long and impressive:

1. The cost of insurance is rising at an alarming rate, in spite of record returns to the industry from reinvested premiums;
2. Policies are often canceled, or simply not renewed, on an arbitrary basis and with no reason furnished to the policyholder;
3. Both young and old drivers are discriminated against solely because of their ages;
4. Surcharges are often added to the premiums due to very minor traffic violations, or due to two minor accidents occurring within a short period of time;
5. Many firms refuse to write insurance in low-income areas;
6. Amputee or paraplegic veterans may find their policies have been canceled despite no change in their situation from the time the contract was issued;
7. Such diverse factors as one's marital status, occupation, and employment of spouse may make a driver ineligible for coverage;
8. In a number of instances, private persons have had to hire lawyers to get a fair and prompt settlement of worthy claims from insurance firms; and
9. Between 1960 and 1966, 73 automobile insurance companies went bankrupt leaving an estimated 300,000 policyholders and injured victims to attempt to recover \$600 million in claims from combined company assets of only \$25 million.

In 1945, Congress gave the power to regulate insurance to the individual States and some of them have done a creditable job overall. But today, the problem of automobile insurance is too complex to be left to the separate action of 50 individual State governments. In my opinion, decisive congressional action is essential to bring order out of the confusion and apprehension that characterizes the automobile insurance situation today.