

Mr. MEIKLEJOHN. Thank you very much, Mr. Chairman.

Mr. Moss. Our next witness is David J. Sargent, professor of law, Suffolk University, Boston, Mass., member of the advisory panel on the Keeton-O'Connell plan.

Mr. Sargent, we are very pleased to have you here.

**STATEMENT OF DAVID J. SARGENT, PROFESSOR OF LAW,
SUFFOLK UNIVERSITY, BOSTON, MASS.**

Mr. SARGENT. Thank you very much, Mr. Chairman.

I am very happy to appear before this committee in support of the House joint resolution calling for a broad-scale investigation of automobile insurance.

I agree with everything that has been said here this morning concerning the necessity for such a study.

I agree that there are problems today with regard to arbitrary assignment, the failure to renew, cancellations, fully funded insurance companies and high rates.

But as a member of the Keeton-O'Connell Advisory Panel, I am in the somewhat unusual position of being irrevocably opposed to the Keeton-O'Connell approach to solving these problems.

As a matter of fact, I don't think that the Keeton-O'Connell plan even purports to solve any of these problems with the possible exception of rates.

It is my opinion that they do not succeed in this endeavor and that rates under the Keeton-O'Connell plan would be much higher than they are today.

Now my remarks which you have a copy of are considerably longer than the time you have indicated you would like your witnesses to restrict themselves to and, therefore, if I can—

Mr. Moss. How long would it take to read your statement?

Mr. SARGENT. I would like to simply go over it in a summary way and not detain you too long.

As all of you know, there is a great deal of compulsion in the United States today to buy automobile liability insurance. In 47 States this compulsion is in the form of so-called financial responsibility laws.

In three States, New York, Massachusetts, and North Carolina, this compulsion is complete.

Now, Professors Keeton and O'Connell propose something that they call compulsory basic protection. I am afraid that the public may well think that all we are talking about is the substitution of one form of compulsory insurance for another.

But the change is much, much greater. From the very beginning of this country if a man was injured in any way other than in a workman's compensation type case and he sought recovery from someone else, he had to prove that the person from whom he was to recover was at fault, that he, the claimant, was free from fault, and that the injuries of the claimant were approximately caused.

If he proved these three things he was entitled to recover for all of his medical expenses, all of the loss of his wages, and for all of his payments suffered without any deduction.

By the same token, if he could not prove that the person from whom he sought to recover was at fault, he was not entitled to recover a penny.