

But what is being considered here today, gentlemen, is House Joint Resolution 958, authorizing a comprehensive study of the automobile insurance industry by the U.S. Department of Transportation, in cooperation with other appropriate agencies.

Similar to my many colleagues, I believe that what functions can be left to the discretion of the several States, indeed should be left within the jurisdiction of the States.

But, Mr. Chairman, I believe it is eminently clear that automobile insurance is a business involved in interstate commerce. Further, it has been shown that many States cannot or will not perform the necessary investigation and regulation of automobile insurance.

If my colleagues feel more investigation is necessary before proceeding with needed legislation in this field, I cannot be a naysayer. Action in this field is not only justified, it is long overdue.

Therefore, Mr. Chairman, I urge without reservation speedy enactment of House Joint Resolution 958, so that we can at last move forward to execute our responsibilities to the public which we serve.

I thank you.

Mr. Moss. Thank you Mr. Eilberg.

Our next witness is another colleague, the Honorable William Green.

STATEMENT OF HON. WILLIAM J. GREEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. GREEN. Mr. Chairman, as one of the first Members of the House of Representatives to urge a full airing of the practices, finances, and policies of the automobile insurance industry, I am pleased that we are making progress. Less than a year has past since Representative Cahill and I spoke on the floor of the House urging a congressional inquiry.

I think it is commendable that the Department of Transportation will be undertaking such a study, but I also think it is necessary for the House to investigate every facet of this problem, and as soon as possible.

We are dealing here with a problem that has grown for more than a decade to the point where it affects millions of Americans daily—through constant pressure for rate increases, through discriminatory practices, through the cancellation and nonrenewal of policies.

What's more, there is the question of fairness to the companies themselves. They claim that they cannot survive in the face of the constantly rising cost of accidents. In order to make ends meet, they have raised the cost of premiums by 100 percent, 200 percent and even 400 percent in some places in the country.

In my home State of Pennsylvania, we have another serious problem. More than 20 fly-by-night mutual companies have ceased to operate, and they have left individual policyholders responsible for the millions of dollars of debt they incurred. While admittedly, these sums are not as great as the more than \$4 billion the insurance companies paid out in claims, they fall much harder on the individuals who must bear them. There is, too, the serious question of insurance companies' bookkeeping methods, which would go unchallenged. Through their own method of computing statistics and through keeping profits from investment separate from income, companies have