

As the people of California in particular know, the automobile can no longer be considered a luxury but is a necessity. And as all automobile owners know, auto insurance is also a necessity. In 1966, for example, \$9 billion in premiums were paid by over 100 million drivers owning over 80 million vehicles. I believe that this legislation represents a very moderate and reasonable solution to a very serious and complex problem.

I hope that this legislation will be one of the matters which will be considered once House Joint Resolution 958 is enacted.

Once again, I would like to commend your efforts and lend my support to House Joint Resolution 958.

Mr. Moss. I am pleased to welcome as our next witness this morning a very distinguished colleague, the gentleman from New Jersey, the Honorable William T. Cahill.

**STATEMENT OF HON. WILLIAM T. CAHILL, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW JERSEY**

Mr. CAHILL. Thank you, Mr. Chairman and members of the committee, I shall try to be brief, recognizing as I do the work of this subcommittee and recognizing also that I have expressed my views before the other body.

Mr. Chairman, while I do recognize the need for an in-depth study of the automobile liability insurance industry, based upon what I am sure has already been ample testimony before your subcommittee indicating the soaring rates, the arbitrary coverage and policy cancellation practices of the various companies, the great number of insolvencies that have occurred throughout the country, the congested court calendars, and so forth, I do not believe that this is the proper route to take.

I do not think that this resolution assigning this task to the Department of Transportation is best. I say that because I feel that all of these problems are so well known to all of the representatives of the people here in Congress and there is so much objective testimony available to prove the abuses, that really what we need now are some immediate remedies.

And I have to believe that to give this assignment to the Transportation Department for a period of 2 years at a cost estimated, I see by this morning's paper, by the Secretary of \$2 million will not as I see it do anything except compile additional statistical data and prolong the deliberations of your committee or any other committee of the Congress until that study is completed.

It seems to me, Mr. Chairman, in all candor, that either your committee or some other appropriate committee of either the House or the Senate should assume this responsibility and conduct this investigation, directing, as it will, a priority system so that, as the testimony is adduced, and as the facts are developed, legislation can be proposed and hopefully enacted into law.

Now as you know, the Judiciary Committee did conduct a staff study. They estimated that the cost of conducting an investigation, an appropriate, adequate investigation, would be approximately \$313,000 as compared to \$2 million.

They estimated that it could be completed within 1 year.