INA supports the study described in the Joint Resolutions which are the subject of this hearing. The Department of Transportation, with the special staff and the Interagency Advisory Committee described in the Resolution, is best suited to conduct such a comprehensive study, drawing upon the skills and knowledge of the industry, the bench and the bar, the academic community, and accumulating a breadth and depth of data not available through any one of these sources alone.

The provision for appointment of advisory committees offers a vehicle for identifying and prescribing the nature and detail of data required of the insurance industry, enabling us to contribute more fully and effectively than has been possible in previous uncoordinated inquiries.

The Resolution calls for a review of the role and effectiveness of insurance in the system of compensation for motor vehicle accident losses. As members of the private enterprise insurance industry, we are confident that this review will identify our industry as the most effective mechanism for providing compensation over a substantial area of the automobile accident field. A review of the present effectiveness of our industry must take into account the present limitations under which it operates, including the present tort legal system, and the present regulatory system. An evaluation of the prospective effectiveness of our industry must take into account what it could accomplish under different legal and regulatory circumstances, and identify those circumstances which would permit maximum effectiveness.

In the final analysis, private insurance companies offer a service and are judged by the public on the basis of their performance. They must be given a reasonable opportunity to serve the public requirement as they are so well equipped to do by their long experience, their skilled personnel, and facilities dedicated to this purpose, and in so doing they should be given an opportunity to earn a reasonable profit as an incentive to performance in the public interest. Competition among these able companies to provide better and more economical service, and to earn public acceptance, is the best possible assurance that the public will have a wide choice of first rate insurance programs to meet their individual requirements.

The study proposed in the Joint Resolution is the logical first step toward achieving this goal, and it will receive our wholehearted support and cooperation.

American Automobile Association,
Washington, D.C., March 20, 1968.

Re H.J. Res. 958.
Hon. John E. Moss,
Chairman, Subcommittee on Commerce and Finance, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

My Dear Mr. Moss: The American Automobile Association wishes to go on record in support of H.J. Res. 958. We ask that this letter be included in the printed record of your Subcommittee's deliberations on this matter.

Recently our Executive Committee unanimously approved the following resolution:

"Resolution of AAA on Congressional Automobile Insurance Investigations

"The American Automobile Association has a deep and continuing interest in the subject of automobile insurance in behalf of the motoring public.

"AAA recognizes that complaints, while low in frequency in relation to the volume of automobile insurance, have focused attention upon the varied and complex problems of the administration of automobile insurance, as well as underlying legal principles, statutes and regulations. The extent of attention thus generated, together with changing conditions in the United States, warrant a thorough investigation of the subject.

"Pending Congressional resolutions would authorize and direct the Department of Transportation to conduct 'comprehensive study and investigation of all rele-