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TO: Members of the Wisconsin Legislature

FROM: Misha Lee
Director of Government Relations

DATE: June 5, 2007

RE: **Assembly Bill 353 (AB 353) relating to Automobile Direct Repair Programs**

On behalf of Sentry Insurance, we urge you to **oppose** Assembly Bill 353 sponsored by Representative Karl Van Roy. This bill would have negative consequences for Wisconsin consumers and Sentry Insurance.

As the Legislative Reference Bureau (LRB) acknowledges in its bill analysis, current law already prohibits an insurer from conditioning coverage on the use of a specified repair facility. Sentry always honors an individual's choice of a repair facility. Contrary to what supporters of the bill have said, we do not force any first or third party claimants to use our direct repair program.

Sentry straightforwardly offers the option of using our direct repair program because it benefits our customers. In the normal course of covering an auto claim, Sentry seeks to use professional repair businesses that provide a high quality repair for consumers at a reasonable price. These repair shops have a proven track record with us for timely, reliable and professional service. We also offer to our customers the benefit of "guaranteeing the repairs" on the vehicle for as long as they own it when they use a direct repair shop. Therefore, not only do consumers see the benefit of reduced costs, they also have a better guarantee of workmanship.

Assembly Bill 353 would interfere with and cause harm to a viable private market. It would artificially increase repair costs on your constituents who currently pay some of the lowest auto insurance rates in the nation.

We respectfully request that you **oppose Assembly Bill 353** and maintain current law that already protects consumer choice AND allows for a healthy, competitive marketplace for both insurers and auto repair businesses throughout Wisconsin.

Thank you for your consideration.