



David Kodama
Director, Policy Analysis
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September 28, 2007

Hon. Kevin McCarty
Chairman
Property and Casualty Insurance (C) Committee
National Association of Insurance Commissioners
2301 McGee Street – Suite 800
Kansas City, MO 64108

Re: Public Hearing on Catastrophe Modeling – PCI Testimony

Dear Commissioner McCarty:

PCI is a trade association representing over 1,000 property/casualty insurers that write almost 40 percent of the homeowners insurance sold in the United States. Because of that,

for coverage to the full extent of the insured risk, regulatory constraints can increase an insurer's potential for insolvency, threatening market disruption, increasing cost and the

continuing financial health and ability to meet the obligations to all its policyholders, even after the most severe catastrophic losses.

Thank you on behalf of PCI and our members for the opportunity to provide input on this very important issue. PCI and its members look forward to working with you further.

Sincerely,

A handwritten signature in black ink, appearing to read "David Kodama", with a horizontal line drawn through it.

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cc: Michael McRaith
Eric Nordman