

THE STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT

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Roger A. Sevigny  
Commissioner

Alexander K. Feldvebel  
Deputy Commissioner

February 28, 2006

Hon. Benjamin E. Parker  
House Ways & Means Committee  
Room 202, Legislative Office Building  
Concord, New Hampshire 03301

**RE: House Bill 678**

Dear Representative Parker:

Thank you for the opportunity to again give you my thoughts. I would have preferred being at your Subcommittee meeting in person, but I am attending a previously scheduled NAIC Quarterly meeting.

As I've mentioned before, I see a tremendous opportunity before you not only to save jobs in New Hampshire, but to grow New Hampshire's economy by adding jobs in the future. That's the upside. The downside is the relatively small reduction in projected premium tax collections over a few years with no guarantees that jobs will come.

Although there are no guarantees, I can tell you that I have spoken to senior management at Acadia Insurance Company who are seriously considering a redomestication to New Hampshire if HB 678 passes. And, I have also spoken to senior management at Peerless Insurance Company, a current New Hampshire domestic, who are seriously considering redomestication elsewhere failing passage of HB 678.

Domestication of a company in the insurance industry is very different than in any other industry. The Insurance Commissioner has the ultimate authority to accept or reject a company's application and that authority typically extends to engaging in certain agreements with the senior management of the company to set conditional parameters on that redomestication, including physical presence and jobs.

I will be happy to answer any further questions as you continue to deliberate the matter. I realize you have a difficult decision to make and thank you for your service to our State.

Sincerely,



Roger A. Sevigny