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SENATOR LANDIS: We do not price fix, we do not say you must charge X out there. There is a general guideline that says your rates must be equitable, fair, and...let me see if I can find exactly the language. Oh, and it can't be inadequate. It can't be inadequate.

SENATOR ROBINSON: So...

SENATOR LANDIS: So there is a target there they are aiming for.

SENATOR ROBINSON: If this criteria isn't met, then the insurance commission tells the company then?

SENATOR LANDIS: That is right, our state would have the authority to say you are setting a rate which won't make you a profit. You are running yourself into the ground. That is an inadequate rate.

SENATOR ROBINSON: But their cost of coming up with the rates would be lessened because of the industrywide rating, right...or I don't know if you call it industrywide, but advisory organizations that would come up with the ratings. That would be one reason that their cost wouldn't be too excessive, is that correct?

SENATOR LANDIS: I would characterize it in this way, Bud. Those industrywide rating bureaus exist now and insurance companies are paying for those services.

SENATOR ROBINSON: Yes.

SENATOR LANDIS: Instead of that rating bureau making the rates and submitting them, the individual company will have to ask for their own rates, and that will turn the industrywide rating bureau into an advisory group...

SENATOR ROBINSON: Yeah.

SENATOR LANDIS: ...but not one that is going to tell us what the rates for the insurance companies are going to be, and that means that the company is going to have a little bit more workload, but all the data to do that should be...

SENATOR ROBINSON: Would come from these advisory...