Insurance and Real Estate Committee
JOINT FAVORABLE REPORT

Bill No.: HB-7170
AN ACT CONCERNING PRIVATE PASSENGER NONFLEET AUTOMOBILE INSURANCE POLICY QUOTES.

Vote Date: 3/14/2019
Vote Action: Joint Favorable Substitute
PH Date: 2/28/2019

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SPONSORS OF BILL:
Insurance and Real Estate Committee

REASONS FOR BILL:
To require disclosure of the impact of one’s driving history on the cost of their policy held or policy applied for, for the purpose of transparency of plan pricing between the consumer and the insurer.

SUBSTITUTE LANGUAGE:

LCO #5812
To clarify the impact driving history has, or will have, on the cost of a policy.

RESPONSE FROM ADMINISTRATION/AGENCY:
None expressed.

NATURE AND SOURCES OF SUPPORT:

Professional Insurance Agents of Connecticut support this legislation because it stops agents from intentionally dismissing one’s driving history when producing a price for the consumer undermines the credibility of the industry altogether. Requiring that driver history is used will assure consumers the price is fair and accurate.

NATURE AND SOURCES OF OPPOSITION:
**Eric George, President, Insurance Association of Connecticut** has concerns that the bill restricts insurers from using driving history as a pricing tool after an initial quote is delivered, and calls this problematic for numerous reasons such as situational restrictions on initially receiving third-party history reports, incentive of fraud or nondisclosure of poor driving history, or simply difficult to comply from insurers leading to cost increases.

**American Property Casualty Insurance Association** has similar concerns to those listed above about a driver reporting falsely their driving history, and the quote given may need to be readjusted after the driver’s actual driving history has been uncovered. They also express concerns of costs rising and difficulty for insurers’ compliance. They also add that insurers are currently required to disclose with consumers when a premium is increased due to driving history, under the Fair Credit Reporting Act.

Reported by: Logan Cotter            Date: 03/27/19