HB 2920

Fairness in Auto Insurance Rating

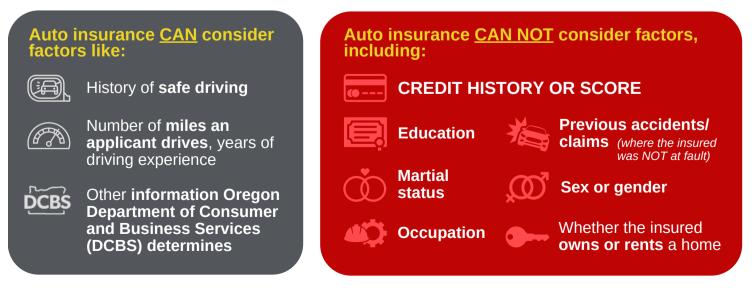
Oregonians head to work daily, pick up their kids from school, and go to the grocery store or a health care appointment. If they are driving, they are required by Oregon law to have automobile liability insurance coverage (auto insurance).

Many factors can be used by auto insurance companies when deciding a driver's monthly insurance rate. What's troubling is many companies use a person's credit score in addition to other factors (like a person's driving behavior) to make this decision.

There is no direct link between your credit score and safe driving.

- **Credit history is a proxy for race.** Because of generations of predatory lending, economic discrimination, and racism, communities of color are more likely to have lower credit scores, credit errors, or no credit history.
- **Credit is only part of the story.** Credit scores reflect on-time credit card and loan payments, but NOT all on-time payments people make. Insurance companies make decisions based on an unreliable, frequently inaccurate understanding of a person's positive financial activity.
- **Poor credit disproportionately impacts auto insurance rates.** On average, an Oregonian with poor credit will pay roughly \$1,288 more for auto insurance annually than someone with excellent credit. Moreover, they will pay \$762 more than a driver with excellent credit and a driving while intoxicated (DWI) conviction.*

HB 2920 addresses these problems by setting the factors that auto insurance companies CAN USE and NOT USE to determine insurance rates:



Pass HB 2920 and end racial disparities in auto insurance rates.



The Stop the Debt Trap Alliance (SDTA) is a coalition of organizations dedicated to preserving and expanding consumer justice in Oregon. Our 2023 Legislative Agenda promotes solutions to address inequitable consumer practices and modernize outdated laws.

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Credit Builders

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