HOUSE DOCKET, NO. 464 FILED ON: 1/13/2015

HOUSE . . . . . No. 915

The Commonwealth of Massachusetts

PRESENTED BY:

Frank A. Moran

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to automobile insurance rates.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Frank A. Moran	*17th Essex*
Diana DiZoglio	*14th Essex*
Barbara A. L'Italien	*Second Essex and Middlesex*
Denise Provost	*27th Middlesex*
Marcos A. Devers	*16th Essex*
Claire D. Cronin	*11th Plymouth*
Jose F. Tosado	*9th Hampden*
Benjamin Swan	*11th Hampden*
James J. O'Day	*14th Worcester*

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HOUSE . . . . . No. 915

By Mr. Moran of Lawrence, a petition (accompanied by bill, House, No. 915) of Frank A. Moran and others relative to the fixing or establishing of certain motor vehicle insurance rates. Financial Services.

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court
(2015-2016)

An Act relative to automobile insurance rates.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 113B of chapter 175 of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by striking out, in line 41, the words “or territory”.

SECTION 2. Said section 113B of said chapter 175, as so appearing, is hereby amended by striking out the fifth paragraph and inserting in place thereof the following paragraph:-

In fixing and establishing classifications of risks, the commissioner shall not group risks by sex, marital status or geographical location, and shall not group risks by age except to provide the reduction in rates for insureds age 65 years or older required by this section. For purposes of this section, “geographical location” shall mean any geographical area located within the commonwealth including any area that may be identified by zip code.

SECTION 3. Said section 113B of said chapter 175, as so appearing, is hereby amended by adding the following paragraph:-

12 The commissioner shall not fix or establish any private passenger motor vehicle
13 insurance rates, premium charges, premium adjustments or classifications of risks based, in
14 whole or in part, on geographical location.

15 SECTION 4. Subsection (C) of section 113H of said chapter 175, as so appearing, is
16 hereby amended by striking out the eighth paragraph and inserting in place thereof the following
17 paragraph:-

18 To control the size of the population of the plan, the plan shall annually provide for
19 classification credits for those companies voluntarily writing private passenger automobile
20 insurance within those classifications that would otherwise be disproportionately represented in
21 the plan. The size of the credits shall be such as to enhance the prospects that no classification is
22 disproportionately represented in the plan.

23 SECTION 5. Section 1 of chapter 175E of the General Laws, as so appearing, is hereby
24 amended by adding the following definition:-

25 "Geographical Location", any geographical area located within the commonwealth
26 including any area that may be identified by zip code.

27 SECTION 6. Subsection (a) of section 4 of said chapter 175E, as so appearing, is hereby
28 amended by inserting after the first paragraph the following paragraph:

29 In connection with private passenger motor vehicle insurance, rates shall not be based, in
30 whole or in part, on geographical location.

31 SECTION 7. Said section 4 of said chapter 175E, as so appearing, is hereby amended by
32 striking out, in line 22, the words "in the area".

33 SECTION 8. Subsection (d) of said section 4 of said chapter 175E, as so appearing, is
34 hereby amended by striking out, in lines 55 and 56, the words “which shall include a designation
35 of not less than fifteen territories”.

36 SECTION 9. Said subsection (d) of said section 4 of said chapter 175E, as so appearing,
37 is hereby further amended by striking out the fifth paragraph and inserting in place thereof the
38 following paragraph:-

39 For motor vehicle insurance rates, risks shall not be grouped by sex, marital status or
40 geographical location and shall not be grouped by age except to produce the reduction in rates
41 for insureds age sixty-five years or older required by this clause.

42 SECTION 10. Section 5 of said chapter 175E, as so appearing, is hereby amended by
43 striking out, in line 4, the words “to any territory or”.

44 SECTION 11. Said section 5 of said chapter 175E, as so appearing, is further hereby
45 amended by striking out, in line 10, the words “or territory”.

46 SECTION 12. Section 6 of said chapter 175E, as so appearing, is hereby amended by
47 striking out, in line 3, the words “, in any territory,”.

48 SECTION 13. Said section 6 of said chapter 175E, as so appearing, is hereby further
49 amended by striking out, in lines 16 and 21, the words “in any territory or”.