

SB 774 STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

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Meeting Dates: 3/20

WHAT THE MEASURE DOES:

Prohibits insurers from imposing a fee, surcharge, premium increase or other charge on the basis of certain aspects of the customer's claims history. Prohibits insurers and insurance producers from determining a rate or imposing a fee, surcharge, premium increase or other charge on a homeowner insurance policy on the basis of certain consumer inquiries. Declares emergency, effective on passage.

FISCAL:

REVENUE:

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Home insurance claims made by a homeowner require the insurer to assign an adjuster to review the claim, paperwork to be filled out, and a final decision regarding the claim to be made. These activities represent an expense to the insurance company, which can result in an increase in insurance rates for the homeowner, even if the claims are relatively small.