



STATE OF RHODE ISLAND
COMMISSION FOR HUMAN RIGHTS



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Michael D. Évora, Esquire
Executive Director

TESTIMONY

BILL NO.: 2025 H 5416
BILL TITLE: An Act Relating to Insurance – Casualty Insurance Rating
PRIMARY SPONSOR: Representative Enrique Sanchez
COMMITTEE: House Committee on Corporations
DATE: 3/25/25

The Rhode Island Commission for Human Rights (“Commission”) supports this bill.

The Commission is the state’s primary antidiscrimination law enforcement agency charged with investigating allegations of discrimination in employment, housing, public accommodations, credit and delivery of services.

This bill would prohibit automobile insurance companies from discriminating based on education level, race, ethnicity, disability, occupation, income, credit scores, credit card reports, credit checks, gender, zip code or adjacent zip code or census tract and would require such companies to rely solely on the driving record of the individual with respect to premiums, rates and eligibility for coverage.

Discrimination in automobile insurance coverage unfairly disadvantages certain populations. For example, a 2015 study by the Consumer Federation of America (“CFA”) found that, across the country, insurance rates for good drivers in predominately African American ZIP codes were higher than similar drivers in predominately white ZIP codes.¹ A 2017 study by ProPublica and Consumer Reports found such disparities existed even between areas with similar accident risk-levels.² A 2017 CFA study found that women with perfect driving records often paid more for auto insurance than similarly situated male drivers.³ Finally, a 2023 CFA study found

¹ Consumer Federation of America, “High Price of Mandatory Auto Insurance in Predominantly African American Communities”, Nov. 2015.

² Jeff Larson et. al., ProPublica; Dina Haner et. al., Consumer Reports, “How We Examined Racial Discrimination in Auto Insurance Prices”, Apr. 5, 2017.

³ Consumer Federation of America, “Most Large Auto Insurers Charge 40 and 60-Year-Old Women Higher Rates Than Men, Often More Than \$100 Per Year”, Oct. 12, 2017.



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that safe drivers with poor credit pay significantly more in insurance premiums than drivers with better credit but similar driving records, which in turn disproportionately affects people of color.⁴

Because this bill would prohibit the types of discrimination described above, the Commission urges passage of this bill.

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⁴ Consumer Federation of America, “[The One Hundred Percent Penalty: How Auto Insurers’ Use of Credit Information Increases Premiums for Safe Drivers and Perpetuates Racial Inequality](#)”, July 31, 2023.