

DAILY ROLL CALL
BUSINESS & LABOR COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date January 13

NAME	PRESENT	ABSENT	EXCUSED
REP. LES KITSELMAN, CHAIRMAN	✓		
REP. FRED THOMAS, VICE-CHAIRMAN	✓		
REP. BOB BACHINI	✓		
REP. RAY BRANDEWIE	✓		
REP. JAN BROWN			✓
REP. BEN COHEN	✓		
REP. JERRY DRISCOLL	✓		
REP. WILLIAM GLASER	✓		
REP. LARRY GRINDE	✓		
REP. STELLA JEAN HANSEN	✓		
REP. TOM JONES	✓		
REP. LLOYD MCCORMICK	✓		
REP. GERALD NISBET	✓		
REP. BOB PAVLOVICH	✓		
REP. BRUCE SIMON	✓		
REP. CLYDE SMITH	✓		
REP. CHARLES SWYSGOOD	✓		
REP. NORM WALLIN	✓		

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
50TH LEGISLATIVE SESSION

The meeting of the Business and Labor Committee was called to order by Chairman Les Kitselman on January 13, 1987 at 8:00 a.m. in Room 312-F of the State Capitol.

ROLL CALL: All members were present with the exception of Representative Jan Brown who had been excused.

HOUSE BILL NO. 51 - Making Oral Interviews of Dentistry License Applicants Discretionary sponsored by Rep. Ray Peck. Rep. Peck stated that he had introduced this bill at the request of the Board of Dentistry. This bill changes from mandatory to subject to the discretion of the board, an oral interview with the board by an applicant for licensing as a dentist and allows the board to set the time and place for an examination in jurisprudence, if the board determines such an examination is necessary.

PROPONENTS

Robert Fritz, representing the Board of Dentistry. Mr. Fritz stated that it was necessary to have an applicant be given an oral test in case there was a disciplinary action, especially with a dentist that applied for license in a different state.

Jeff Brazier, Department of Commerce. Mr. Brazier explained the authority of the recovery of cost in the bill. He gave the following example to clarify why the Board think it is worthwhile. He stated the Board had to shut down because they had used all their money on one case and they couldn't get their money back in the year that it was spent. He said that the costs had to be paid for by the other professionals in the industry, and that other boards have had this authority which helps to maintain a level of operating revenue and expense.

Roger Tippy, representing the Montana Dental Association as their attorney and lobbyist. Mr. Tippy stated that 400 licensed dentists in the state enjoy open and regular communication with the regulatory agency, and that the Board of Dentistry and the Department of Commerce had reviewed the legislation at a full Board meeting last month and fully concur with the objectives of it and with the details as presented by Mr. Brazier.

Mary Lou Abbott, Montana Dental Hygienists Association. Ms. Abbott stated that the practice of dental hygiene is regulated by the Montana Practice Act and the Board of Dentistry. The Montana Dental Hygienists Association supports the provisions of HB 51 which would give the Board of Dentistry the authority to fine as well as the authority to recover the costs of proceedings incurred from a disciplined party, and these provisions would provide the Board with an additional disciplinary option and would have a positive fiscal impact on the Board. Exhibit No. 1.

Lee Wisner, member of the State Board of Dentistry, Livingston. Mr. Wisner stated that he agreed that an oral interview is discriminatory and should be eliminated. He also has other concerns about the State Dental Board examination. Mr. Wisner distributed material that included a copy of part of the dental statute that allows for recognition for an accrediting body, and a chart showing that a dentist from an accredited dental school could be licensed in the state of Montana with only 19 hours of training which includes safety, radiation physics, and interpretation of x-rays, and another chart showing that with only 77 hours of training could remove prosthetics with no practical examination. He said the information attested to the fact that there is no practical examination for dentures, it is only an evaluation examination that is in written form. He stated that he wants the committee to consider requiring the same examination for denturists and dentists for both x-rays and dentures. Exhibit No. 2.

OPPONENTS

None.

QUESTIONS

None.

CLOSING

Rep. Ray Peck stated that he did not know the relevancy of the last proponent's statement that an examination is not required, but the current law says an applicant for licensure shall take and pass an examination in order to be licensed, and the examination shall consist of a written part and a practical or clinical part. He said the section in the bill that he is reading is the opposite of what was presented by Mr. Wisner.

HOUSE BILL NO. 52 - Allowing Marital Status to be Used as a Factor in Setting Auto Insurance Rates sponsored by Rep. Fred Thomas. Rep. Thomas stated that House Bill No. 52 is

an act to allow marital status to be used in rating auto insurance and as a distinction in the rates chart if a company can statistically substantiate the difference being asked for with the Insurance Commissioner's Office. He stated this bill would bring back the discount that was prior allowed for single women and a substantial discount that used to be allowed for young married couples.

PROPOSERS

Bonnie Tippy, representing Alliance of American Insurers. Ms. Tippy stated that insurance is a business of predictability, setting rates is a very technical science which only skilled mathematicians can take part in. She said men and women are not discriminated against in insurance, nor are single or married people treated with prejudice or bias, they observe and make a distinction between different groups of people, one distinction being that of marital status and gender. She stated that cost based pricing is paying what it costs to provide that insurance, and in Montana we no longer do that, we now have one group of people who are unfairly subsidizing another group of people and that group is young married people. She stated that young married people are more stable than young single, and statistics received from insurance services office that the rates in Montana have gone up for young married people.

Randy Gray, lobbyist from State Farm and the National Association of Independent Insurers. Mr. Gray stated that this bill takes care of some of the inequities on charging young married couples more than their actual claim experience is; they are paying more than their fair share for their insurance coverage. He stated that there is statistical data that will be available soon with which the legislature may consider the issues of whether or not repeal or modify the unisex law. He said the only downside risk they see in the bill is to the extent that if it changes the file and use law in Montana which requires insurers to represent their actuarial justification for revising the rates for young married people, the insurance industry still supports the file and use law in Montana. He said the general concept of revising unisex is a good idea and they support it and suggests it be expanded to repeal unisex.

Jacqueline Terrell, representing the American Insurance Association. Ms. Terrell stated that the Association supports this bill, that it views the marital status as a valid rating tool in insurance rates, and feels that the affect of this bill will increase competition among insurers and place a higher burden on those who represent a higher risk to the industry.

Jerry Reisbeck, agent and district manager for Farmers Insurance Group, but is representing himself. Mr. Reisbeck stated that he and a lot of the insurance people in the business support this bill. He stated that it was not fair to be classified into one group and that data or rating factors are important in determining what the rates are, and it was not fair to charge the same rates for young marrieds that from a statistical standpoint have had a lower loss ratio as compared to young single people.

Ken Hassler, Montana Association of Life Underwriters. Mr. Hassler stated that they see this bill as a step in the right direction to get rid of an insidious piece of legislation as the unisex law that has caused his clients problems. He said even though it doesn't affect the Montana Association of Life Underwriters directly, it affects them indirectly when they try to sell young married couples life, health, or income replacement insurance and they have a limited amount to spend for the insurance because they have to spend more for an auto insurance plan.

OPPONENTS

Marcia Youngman, Women's Lobbyist Fund. Ms. Youngman stated that their organization took the lead in 1983 to lobby for passage of the law which prohibits the use of gender or marital status as a discriminating factor in the provision of insurance or rate setting. She stated that the proposed change to the law is a backward step, that far more people have benefitted by the elimination of marital status as a factor in policy provision and rate setting. She stated the most common example of insurance discrimination has been against divorced women and could not see any solid justification for this. She said that many young people both single and married fit the profile of low-mileage, law abiding drivers and should be rewarded accordingly; and if companies would begin using mileage and driving records more fully in rate setting they could reward the young married people with lower rates without discriminating against the other 83% of young drivers. Exhibit No. 1.

Betty Jean Wood, State Legislative Chairman for the Association of University Women, Helena. Ms. Wood stated that they would like to go on record as opposing the bill, and said the law was a good law as is. Exhibit No. 2.

Jackie Amsden, speaking on behalf of Sharon Eisenberg, Montana National Organization for Women. Ms. Amsden stated that the organization believes that marital status is not an acceptable risk category, and that there are other factors that could be used to determine classifications for auto insurance, and one that is most important and least used is

mileage. She stated that instead of amending Montana's unisex insurance law that has only been in effect for 15 months, give the Montana consumers some protection from unfair and discriminatory insurance rates by providing the Insurance Commissioner with more authority over rates and the staff to carry out the job. Exhibit No. 3.

Susan Murphy, Great Falls, representing herself. Ms. Murphy stated that her insurance agent told her that because of her divorce situation and unemployment he doubted any insurance company would underwrite a policy for her. She felt that House Bill No. 52 threatens to put insurance coverage financially out of reach for those people who do not have the right marital status. Exhibit No. 4.

Kathy Karp, representing the Montana League of Women Voters. The League of Women Voters have supported non-gender insurance from the very beginning and they oppose HB 52.

Eileen Robbins, Montana Nurses Association. She stated that as a member of the Women's Lobbyist Fund and as a representative of over 1400 registered nurses in the state, they oppose this bill.

Anne MacIntyre, Administrator for the Montana Human Rights Commission. The Commission does not take a position on the merits of the bill itself, but the Commission along with the Insurance Commissioner has responsibilities for the enforcement of the non-gender insurance law and this bill proposes to amend the sections of the law administered by the Commission. Ms. MacIntyre stated that section 3 does not extend rule making authority to the Commission for making rules on the subjects of the provision of this bill. She stated that if this bill is enacted, she recommends that there be an amendment to correct that problem.

QUESTIONS

Rep. Bachini asked if it was true that divorced women were unable to buy insurance. Randy Gray, representing State Farm Insurance, responded that he could not speak for all the industry as he is not an actuary, but insurance consumers should shop around for insurance the same as they shop for other commodities. He said there are companies that use different categories for rating purposes and may not consider divorce.

Rep. Bachini asked if there were some companies that will not insure divorced women. Mr. Gray stated that it was his understanding that there are some companies who will consider divorce on deciding the premium rates.

Rep. Brandewie asked if men that were undergoing a divorce were being discriminated against in the same fashion. Mr. Gray responded that he would assume that for the companies that are using divorce for purposes of rating or for denial of coverage, it would apply equally for men or women.

Rep. Brandewie asked how long this state lasts, was it for the period of the divorce. Mr. Gray responded he did not believe the insurance companies were doing mid-term changes on their premiums, the agent would not change your coverage or premium if a person had signed up for a year of coverage. He said that the problem would arise for a renewal or application for new insurance, and it varies with each company.

Rep. Driscoll asked if the insurance industry rates people on their occupation or income. Mr. Gray stated that it varies with the auto insurance companies as it does in other lines of insurance. He said companies use all kinds of rating factors, and some may use whether a person is employed or not as a factor. Mr. Gray stated that a company can identify a meaningful category and group people within those categories and determine because a person belongs to that category, they have a better or worse claims experience, and that company can adjust its rate and be more competitive in the market place.

Rep. Simon asked if Montana law prohibits the use of gender or marital status for setting a rate for insurance purposes, and if insurance companies are using divorce as a rating factor they were violating Montana law. Mr. Gray stated that may be a problem, but couldn't say whether insurance companies are using divorce as a rating factor.

Rep. Jones asked if there are companies in Montana that will refuse to sell insurance to people because of their marital status. Mr. Gray responded that he couldn't answer that because he was not an actuary. Mr. Riesbeck responded that an insurance company will not use that as a sole factor.

Rep. Wallin asked that the more factors that were put into determining rates, if it that makes the rates more realistic. Mr. Riesbeck responded that it does; they have it down to a science based on previous rating classifications, strictly based on mileage and driving record; marital status is not mentioned.

Rep. Driscoll asked if all the factors, marital status, age, etc., affects the rates, why don't we insure the individual instead of the car. Mr. Riesbeck responded that it would have to be looked at the standpoint of economics, that there

are nine different rating factors now, and one of the reasons so many insurance companies are leaving Montana is that it is not economically feasible to restructure all the rates.

Rep. Brandewie stated that he agreed that divorce was a stressful situation, but, he asked, when does this situation cease to be a penalty on the person that has been through it. Mr. Reisbeck responded he thought it was one year.

Rep. Bachini asked Mr. Riesbeck what time period did his company use. Mr. Riesbeck responded that years ago they looked at that one year factor, but that today, because marital status or gender is not a factor, they use the driving record and age as factors.

Rep. Hanson asked why it was so important that marital status be put back in as a factor. Mr. Riesbeck responded that because the previous rate classification has shown them that marital status does have a bearing on the amount of losses they have.

CLOSING

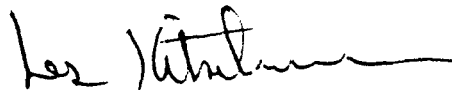
Rep. Thomas stated that he was pleased with the discussions on the bill. He stated that it is illegal to ask marital status on an insurance application, and in regard to occupation, he knows of no statistics that show a differential on what occupation that is listed. He stated that the insurance industry bases its rates on groups and sets of statistics. He said that this bill does not allow an insurance company to accept or not accept someone on the basis of marital status, all it allows is that they can rate on that basis. He further stated that all the factors that were mentioned, age, mileage driven, are all being used as factors now, that the bill only affects rates, and is primarily giving back a break to young married people as a group they statistically qualify for.

EXECUTIVE ACTION - January 13, 1987 - 9:40 a.m.

No action taken.

ADJOURNMENT

The meeting adjourned at 9:45 a.m.



REP. LES KITSELMAN, Chairman

EXHIBIT 2
DATE 1/13/87
HB 51

Dental Education in the United States 1976

37-4-302. Recognition of dental schools. In determining what shall constitute a recognized dental college or school and/or a recognized school of dental hygiene, the board shall be guided by the standards, canons, and practices required for such recognition by the council on dental education of the American dental association.

Council on Dental Education of the American Dental Association
in cooperation with the American Association of Dental Schools

TABLE 6-39

**Teaching Area: Prosthodontics: Removable
 Clock Hours of Instruction**

Type of Instruction	Number of Schools Responding	Range	Mean	Median
Acquired Instruction (Total)	58	77-1138	402.0	382.0
Lecture	45	22-142	86.6	69.0
Seminar and Clinical Conference	31	2-104	23.9	17.5
Self-instruction	18	2-93	22.6	12.0
Laboratory	55	7-270	130.0	128.0
Clinical	57	5-908	205.4	196.0
Elective	23	1-360	76.4	48.0
Selective	16	10-800	88.8	30.0

TABLE 6-40

Total Clock Hours of Instruction in Removable Prosthodontics

Clock Hour Range	Frequency Distribution (Number of Schools Reporting)
1138	□
700-799	□
600-699	□□□□□
500-599	□□□□□□□
400-499	□□□□□□□□
300-399	□□□□□□□□□
200-299	□□□□□□□□
100-199	□□□□□□
77-99	□

TABLE 6-24
Teaching Area: Radiology
Clock Hours of Instruction

Type of Instruction	Number of Schools Responding	Range	Mean	Median
Required Instruction (Total)	59	19-278	88.0	70.0
Lecture	58	8-53	22.5	28.0
Seminar and Clinical Conference	25	1-84	11.6	7.5
Self-Instruction	10	1-32	11.9	6.0
Laboratory	35	1-63	14.1	11.5
Clinical	46	2-165	45.3	35.0
Elective	13	8-56	20.5	13.5
Selective	10	4-40	15.6	17.0

TABLE 6-25
Total Clock Hours of Surgical Instruction

Clock Hour Range	Frequency Distribution (Number of Schools Reporting)
1095	□
350-399	□
300-349	□□□
250-299	□□□
200-249	□□□□□□□
150-199	□□□□□□□□□□□□□
100-149	□□□□□□□□□□
50-99	□□□□□□
6-49	□□□□□

Note. Anesthesiology and Oral Surgery



WESTERN REGIONAL EXAMINING BOARD

10040 NORTH 25th AVENUE, SUITE 116, PHOENIX, ARIZONA 85021
(602) 944-3315

EXHIBIT 2
DATE 1/13/87 Participating States

UTAH
ARIZONA
MONTANA
IDAHO

Clinical Examinations in Dentistry

ATTENTION APPLICANTS

The application for our dental examination is enclosed pursuant to your request.

If within the last year you have taken the exam or applied to take the exam, it is not necessary to send a copy of your diploma (if your diploma is on file in our office). Please indicate where and when you last took the exam, or when you applied.

The address on the top of the application should be the address where you wish all exam materials sent before the exam (will be sent out around 30 days before the exam).

The exact criteria for the examination will be sent to you approximately 30 days before the exam. Procedures will include a Class II amalgam, and a cast gold restoration, which may be an onlay, 3/4 crown, 7/8 crown, or a full crown. An inlay will not be acceptable. There will be a perio section on the exam which will involve diagnosis and treatment. The endodontic portion will consist of performing endodontic therapy on one canal, on a mounted tooth. Any tooth is acceptable, but you will only be required to treat one canal of a multicanaled tooth. The prosthetics portion of the exam will be an evaluation exam. You will examine various cases of full upper and lower dentures set in clear acrylic on Hanau semi-adjustable articulators using anatomical teeth and answer questions concerning them. You will be given an oral pathology exam which consists of slides and 50 multiple choice questions. For the amalgam, cast gold and perio exams, you will provide your own patient(s). For the endodontic treatment you will supply an extracted tooth, mounted in plastic as per instructions to be received with your examination materials.

The Board requires that you provide proof of malpractice insurance. You may send the application without the proof, but we must receive proof of malpractice 14 days prior to the exam. You may consult Poe & Associates at 813/228-7361. This can take time so apply early to avoid problems.

You will note in Section II on the application that you are required to have completed all requirements for graduation before you will be allowed to take the exam. The Board has ruled that a graduating senior may take the exam with certification from the Dean. Exam results will be held until the candidate graduates and provides us with proof. If for some reason, you do not graduate when anticipated, the exam will be invalid.

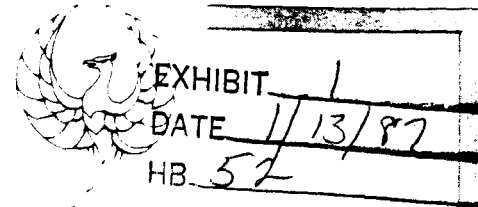
If you are unable to attend the examination, you may receive one-half of your fee in refund, if you notify this office in writing, within two weeks after the date of the examination. To reapply, you must submit a new application and pay the full fee. NO EXCEPTIONS.

The various member states have a time limit on how long after taking the exam your certificate will be accepted for licensure. Please check with the state where you wish licensure for their requirements.

THE MEMBER STATES OF THE W.R.E.B. ARE: Arizona, Utah, Montana and Idaho.

WOMEN'S LOBBYIST FUND

Box 1099
Helena, MT 59624
449-7917



January 13, 1986

TESTIMONY IN OPPOSITION TO HB 52

Mr. Chairman and Members of the House Business and Labor Committee:

My name is Marcia Youngman. I'm here today to speak on behalf of the Women's Lobbyist Fund (WLF), which is a coalition of over 6,500 individuals and groups from all over Montana. These diverse people have united in strong support of Montana's non-gender insurance law. As you know, our organization took the lead in 1983 to lobby for passage of the law, which prohibits the use of gender or marital status as a discriminating factor in provision of insurance or rate setting. The groups on record in support of the law include: ACLU, American Association of University Women, Business and Professional Women, Helena Women's Political Caucus, League of Women Voters, Low-Income Senior Citizen Advocates, Montana Democratic Party, Montana Democratic Women's Club, MT Education Association, MT Federation of Teachers, Mont. Low-Income Coalition, MT People's Association, MT Public Interest Research Group, National Organization of Women, and the Women's Section of the State Bar.

I'm here to voice the strong opposition of the WLF to the proposed change to the law which would allow marital status to be used in auto insurance rate setting. We see this as a backward step that would harm far more people than it would benefit, causing a loss in the public good. In the past few months since I was hired as Insurance Project Director for the Lobbyist Fund, I have spent a great deal of time speaking to individual insurance consumers, community groups, and insurance agents all over the state. I've been asked to speak to people in every community that the members of this committee represent, from the Havre Soroptomists to the Ravalli County Republican Women. Everywhere I've spoken support has been expressed for keeping marital status as well as gender out of insurance rate setting.

On the surface, the proposed change may seem to some to be justifiable because of what's happened to the rates of young married people since the law went into effect. The large increase in many of these rates is a problem, and we share people's concern about the hardship it has caused some young married people just starting out. However, we contend that this increase is not truly the fault of the law but rather is due to the way insurance companies handled their rate restructuring. If the motive behind HB 52 is to promote fairer, more affordable rates for young married people, there are several ways of bringing this about without tampering with the law. I will outline these alternatives in a moment.

First, I'd like to put the subject of impact on young marrieds into context. My sources for the following figures are the Montana Motor Vehicle Division, the latest Montana Statistical Abstract, the Montana Bureau of Records and Statistics, and Census data. As of February 1986, Montana had a driving population of 774,360. Montana collects no figures on the number of married drivers, but the total number of married residents in 1980 was 367,063. The number of married residents under 25 was 12,524 men and 20,942 women, or a total of 33,466. The number of married drivers must be somewhat lower than the total number of married people, but assuming the proportion between young and adult married people as shown by these figures holds true, married drivers under 25 comprise about 9% of our married driving population. They comprise less than 4% of our total driving population, and this percentage may be generous. The median age for first marriages in Montana has been rising steadily while the total number of marriages has been dropping. Between 1980 and 1983 the number of young married people dropped by

about 4,000, and since the trend is continuing, one can extrapolate that the current number of young marrieds is around 26,000 or 3.3% of Montana's driving population. These are the only married people who experienced a rate impact because of the elimination of marital status. This is not very many people to be negatively affected, when the law can be shown to provide new benefits and protections to the vast majority of Montana drivers.

I do not say this to discount the negative impact of the recent rate increases on young marrieds, but it is important to recognize how small a number of people have been affected in this way.

Far more people have been benefitted by the elimination of marital status as a factor in policy provision and rate setting. The most common example of insurance discrimination that has been brought up to me has been against divorced women. Recently divorced women in towns all over Montana have described situations in which they have either been refused auto insurance because of their divorced status or been charged exorbitant rate increases. They are being told they are considered unstable and thus are poor insurance risks.

Jackie Young, who runs a domestic violence program in the Polson-Ronan area, told me of her experience in being refused coverage because of her separation and pending divorce. She went on to comment on the absurdity of the claim that divorced women are less stable drivers. Especially in the case of a difficult marriage, involving frustration, stress, and possibly emotional or physical abuse, Jackie pointed out that taking the step to get out of this marriage is a step toward greater stability, not less, an act of control rather than helplessness and despair. She said her mental health and stability improved 100% when she separated from her husband, and that this is common among the women she helps through her area's family crisis center. Interestingly, the woman agent she dealt with was also recently divorced, and told Jackie that even she was almost refused coverage by the company she represented.

I have never seen any actuarial data indicating that recently divorced women and men are more likely to have accidents and are poorer insurance risks. The claim of instability is the poorest kind of social stereotype, and one the law was intended to correct. And how long could a company charge divorced people more for this reason? Three months? Three years? I can't imagine any solid justification for this, and yet this kind of discrimination is still happening regularly. Divorced people trying to get on their feet, often with children to support, are experiencing economic hardship because companies are still pursuing this rate setting policy. Under the current law, this is illegal and can be countered through a complaint to the Human Rights Commission or the Montana Insurance Commissioner. If HB 52 passes, these people will have no avenue of redress. And there are far more divorced people in Montana than young marrieds. Over half of Montana marriages now end in divorce.

Furthermore, if marital status can be used in rate setting to reward young married drivers, I contend that this discriminates against the large majority of unmarried young drivers who may be low-risk customers. Only about 17% of drivers under 25 are married. Surely some of the 83% unmarried young drivers are as safe drivers as the average young married person, and yet under pre-October 1985 rates that used marital status, insurance companies charged single drivers much more, female as well as male, no matter what their driving record. Those under 21 haven't had much time to prove they are low-risk drivers, but drivers between 21 and 25 have had several years to develop driving records.

The four other states with non-gender auto insurance--Hawaii, North Carolina, Michigan, and Massachusetts--also prohibit the use of marital status. None of these states saw the kind of increase for young marrieds that we had in Montana. In Hawaii, there are safe driver plans that reward careful drivers with rebates and other benefits. In

Massachusetts, insurance premiums are based on driving records, and clean records may lead to substantial premium reductions. This safe driver program approach allows companies to reward their low-risk customers, both married and single, and works to the companies' benefit by attracting more of these desirable drivers to their companies through these lower rates and rebates. In Michigan, many insurance companies diminished the impact on young marrieds by redefining adult drivers to include 23 and 24 year olds as well as 25 and up, thus giving many young marrieds the lower adult rate. What a simple but effective way this would be to handle Montana's problem!

Any of these approaches would be possible in Montana without changing the law, and would improve the rate situation for many young marrieds.

When Michigan changed its insurance law, it went through a process of determining whether there was a direct causal relationship between traditional rate setting factors and risk. Marital status and gender were eliminated in part because no such causal relationship could be found. Marital status, like gender, serves as a substitute for other factors that are directly related to risk of accident--miles driven, obedience to traffic laws, sobriety, and so forth. Many young people, both single and married, fit the profile of low-mileage, law-abiding drivers and should be rewarded accordingly. If people's driving habits tend to change upon marriage, it is those habits that should be measured. If companies would begin to use mileage and driving records more fully in rate setting, they could again reward many young married with lower rates without discriminating against the other 83% of young drivers.

One final point relates to the stipulation in HB 52 that insurers would be required to file data substantiating the differences in risk or exposure leading them to use marital status as a rate setting factor. Reviewing rates is a time consuming, sophisticated process. The current insurance commissioner's staff does not include an actuary and has neither the time or training for this kind of rate review. As tight as our state budget is, passing a law that necessitates this kind of expensive and complex review does not seem appropriate.

In the interest of fairness to the vast majority of Montana drivers who have benefited from the elimination of marital status as a rating factor, please vote against HB 52.



AMERICAN ASSOCIATION of UNIVERSITY WOMEN

MONTANA DIVISION

EXHIBIT 2
DATE 1/13/87
HB 52

OFFICERS

- President
Mary Gibson
- Kalispell
- Vice President
- Program
Claudette Morton
- Helena
- Vice President
- Membership
Linda Kormann
- Polson
- Secretary
Jane Lopp
- Kalispell
- Treasurer
Mary Lou Jenkins
- Wilsall

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- Billings
Iva Martin
- Bozeman
Marcia Mysocki
- Butte
Joanne Cortese
- Cut Bank
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- Billie Wallace
- Dillon
Ingrid Joy Kaushagen
- Glasgow
Idella Mott
- Glendive
Virginia Egli
- Great Falls
Shirley Johnson
- Hamilton
Lillian McCauley
- Helena
Kathleen Harrington
- Kalispell
Jan Super
- Lewistown
Diane Oldenburg
- Miles City
Jean Viertel
- Missoula
Janice Frizzell
- Northern (Havre)
Jo Martin
- Park County
Lorraine Eymen
- Polson
Polly Walker
- Barbara Weld

In May, 1986, at the Division Convention, the following statements were adopted:

LEGISLATIVE PROGRAM for 1986-1988:

"The Montana Division of AAUW believing that state government should play a decisive role in determining the social, economic, cultural and physical environment of its people, will support legislation as follows:
RIGHTS OF THE INDIVIDUAL; (2). Opposition to any efforts to weaken the unisex insurance law."

RESOLUTIONS:

NOW THEREFORE BE IT RESOLVED (2): That the MT Division participate with other groups in monitoring the implementation of the unisex law over the next few years."

We oppose HB 52 because:

- 1) Using marital status is discriminatory against some citizens;
- 2) Allowing marital status to be used as a factor in setting auto insurance rates would penalize single women heads-of-households, usually at a period of lower earning power;
- 3) This HB 52 seems to be intended as a step in the direction of repealing non-gender insurance laws

Respectfully submitted,

Betty Jean Wood,
Legislative chairman (State)

MONTANA STATE NOW

EXHIBIT 3
DATE 1/13/87
HB 52

Testimony before the House Business and Labor Committee on HB 52
January 13, 1987

Montana National Organization for Women opposes HB 52. We believe that marital status is not an acceptable risk category just as sex, race, or religion are also not acceptable risk categories.

There are other factors that can be used to determine classifications for auto insurance, and the one that is the most important and the least used is mileage. The mileage a car is driven directly relates to its exposure to accidents on the road, but insurers use extremely broad mileage categories. Basing prices on mileage would benefit all low-mileage drivers and would mean an average savings of more than 30% to Montana women.

Montana's unisex insurance law has only been in effect for 15 months. Instead of amending the law, we urge the Legislature and this committee to give Montana consumers some protection from unfair and discriminatory insurance rates by providing the Insurance Commissioner with more authority over rates and the staff to carry out the job.

Testimony written by: Sharon Eisenberg
Montana NOW Insurance Committee Chair
P.O. Box 650
Conrad, MT 59425
Office Phone 278-5523

VISITORS' REGISTER

BUSINESS AND LABOR

COMMITTEE

BILL NO. 52

DATE January 13, 1987

SPONSOR Fred Thomas

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Barbara J. Smith	Helena (University) I.A. = A.C.	✓	
Diana Virginia	Helena		✓
Nancy ...	Helena		
B.J. Wood	1515 Jewel Park		✓
Kathleen ...	433 S. Beattie		✓
Larry Gray	PO 2885 Great Falls	✓	
Robin Patricia	MT B.P.W. 1497 - Helena		✓
Kathy Kamp	Helena MT League of Women Voters		✓
Jackie Anderson	Women's Lobbying Fund		✓
Mona ...	"		✓
Jim Newber	514 T.M.A.M.A.	✓	
Lee ...	Livingston		
John ...	Helena		✓
Wendy ...	Women's Lobbying Fund		✓
...	...		✓
Eileen Robbins	Montana Newsweek Soc		X
Kathy Kamp	Montana League of Women Voters		✓
Anne ...	Human Rights Comm.		X
Fred Thomas	HO 62	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

EXHIBIT 4
DATE 1/13/87
HB 51

NAME: Susan D. Murphy

DATE: JANUARY 13, 1987

ADDRESS: 2216 5th Avenue S.W., Great Falls, MT 59404

PHONE (406) 452-8649

REPRESENTING WHOM? myself

APPEARING ON WHICH PROPOSAL: House Bill # 52

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? XX

COMMENT: The week of October 13 1986 my sister inquired with her auto insurance agent about writing up a policy for me. I had just moved back to Montana and my own policy was due to expire in a week. She explained my current situation as to type of automobile to the agent. The reply was that because I was going through a divorce and was unemployed I couldn't be issued a policy, i.e. I was considered "unstable". My sister said, "Perhaps what she left is an unstable situation." The agent replied that he doubted any insurance company would underwrite a policy for me.

I wasn't asked to pay a higher rate. I was denied insurance. I visited the insurance agent myself in November. The agent repeated his statement that because of my separation and unemployment his agency could not issue me an automobile policy.

He also told me how the Montana's Unisex Insurance Law had made things rough on women and that several insurance companies had pulled out of the state. Actually the opposite has happened, most women are benefiting from the new law with more reasonable premiums not only on auto policies but with life and health insurance, too.

I feel insurance agents are acting against women because of misinformation and rumors still prevalent in connection with the unisex law. House Bill 52 threatens to put insurance coverage financially out of reach for those people who do not have the right marital status. Insurance coverage and insurance premiums should be based on the individual's driving record. This is what Montana's insurance laws provide for and this is what they should remain, my of you, or your son or daughter, could be found in a marital status other than what you are today, just as I have found myself.

I am very happy to be back in my native Montana. I am proud that Montana is a national leader setting precedent in the insurance industry. Many major insurance companies and other states are watching what we are doing. Do not slide back now. Please vote against House Bill 52.