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July 26, 2021

Mr. Steven Seitz
Director, Federal Insurance Office
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Re: Request for Information on Monitoring Availability and Affordability of Auto Insurance; Assessing the Potential Evolution of the Auto Insurance Market; 86 FR 28681

Dear Director Seitz:

The U.S. Chamber of Commerce's ("the Chamber") Center for Capital Markets Competitiveness ("CCMC") appreciates the opportunity to comment on the Request for Information ("RFI") from the Federal Insurance Office ("FIO") at the U.S. Department of the Treasury on "Monitoring Availability and Affordability of Auto Insurance; Assessing the Potential Evolution of the Auto Insurance Market." The Chamber is supportive of a competitive marketplace for automotive insurance and affordable options for all consumers.

The Chamber appreciates FIO's attention to this topic, especially in light of the ongoing, important national conversation about racial inequality. The RFI notes that the House Appropriations Committee recommended that FIO "examine the impact of non-driving related factors … for traditionally underserved communities." It also points to recent remarks by President Biden where he argues that people living in a black neighborhood will pay a higher premium on automotive insurance.

The Chamber has put a spotlight on racial inequality and brought the business community together to propose solutions to bridge underlying racial divides that contribute to broader, systemic inequalities in our society. We launched an Equality of Opportunity Initiative last year, and recently convened our second National Summit on Equality of Opportunity.[1] We believe that all Americans should have the opportunity to earn their success, rise on their merit, and live their own American Dream. An important part of this conversation is ensuring that consumers and businesses have the requisite access to capital to pursue their goals.

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[1] https://www.uschamber.com/equality-of-opportunity-initiative

The Chamber recognizes there are concerns about unfair discrimination in the underwriting of automotive insurance and we welcome a conversation that is based on an impartial study of affordability. The business community strongly supports effective anti-discrimination policies. Responsible companies work hard—and invest substantial resources in compliance systems—to ensure compliance with the law. Last year, the Chamber recommended that "Congress should direct the GAO to conduct an independent study of the major cost drivers that affect the underwriting of automobile insurance to determine if there are any biases that cause inequitable outcomes for minorities, including the major cost drivers of auto insurance along with their correlation to the risk of loss."[2]

Earlier this year, CCMC released a report explaining how risk-based pricing increases access to credit and capital and why it benefits consumers by providing them opportunities to build wealth. The new report, *The Economic Benefits of Risk-Based Pricing for Historically Underserved Consumers in the United States* ("the Chamber's Study"), includes original and third-party research, including specific findings on automotive insurance. The report demonstrates consumers are better off in the risk-based pricing system than in a uniform pricing system; explores how credit scores, credit-based insurance scores, and other risk-based pricing factors are proven to accurately predict risk unbiasedly; analyzes how minority and low-income households have realized the greatest improvements in assets and access to capital; shows how companies are innovating and using alternative data to reduce the credit-invisible population and improve credit scores for those who currently have them; and demonstrates that incorporating more predictive data, not less, into risk-based pricing models generates positive economic benefits.

The Chamber, however, has concerns with FIO producing any new studies that are similar to the approach taken in the 2017 Affordability Study. As noted by the 2017 Affordability Study, "Developing a single number index to represent a topic as complicated as personal automotive insurance affordability is a challenging endeavor."[3] The Chamber does not believe any single statistic claiming to describe "affordability" can accurately tell the entire story for the population it describes, and that there are unique circumstances that face every insurance market and every individual consumer.

Primary Recommendations:

I. FIO should provide an opportunity to comment on changes to its "affordability" methodology
II. FIO should rely on the same statistical agents as the 2017 Affordability Study
III. FIO should not attempt to determine what is an "appropriate" rating variable – this is the responsibility of state regulators

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[2] U.S. Chamber of Commerce. The Growth Engine (Fall 2020), available at
https://www.uschamber.com/sites/default/files/ccmc_growthengine_final.pdf
[3] Federal Insurance Office, U.S. Department of the Treasury. Study on the Affordability of Personal Automobile Insurance (January 2017), available at
https://home.treasury.gov/system/files/311/FINAL%20Auto%20Affordability%20Study_web.pdf

Responses to RFI's Specific Questions:

Data Analysis

1. **Please provide your views on FIO updating its 2017 FIO Affordability Study. How could the 2017 FIO Start Affordability Study methodology and reporting be improved? What time period should be covered in an updated study? Should FIO update the study on a periodic basis, and if so, how frequently?**

In general, given its flawed methodology, we do not support an update of the 2017 Affordability Study. We support an open and transparent discussion about the state of the automotive insurance market but believe this conversation should be grounded in facts that meet their stated objectives. Such a conversation will require stakeholders, including insurers, to broadly agree on the methodology and data used to produce such a study. We are concerned with the methodology used in the 2017 Affordability Study and strongly recommend that FIO provide an opportunity to comment on a new methodology before we could consider supporting the production of any new studies. We would be more open to a regular study only if it uses a methodology, such as a comparison to insured losses, that fairly depicts the affordability of automotive insurance.

The findings of the 2017 Affordability Study suffered from a flawed methodology that presumes automotive liability insurance to be affordable within a particular ZIP code if the Affordability Index is less than or equal to the national average of two percent.[4] We are not suggesting that the Affordability Index is void of value, but it certainly does not provide a complete picture of the market for automotive insurance affordability.

The 2017 Affordability Study rightly points out certain shortcomings and limitations of the Affordability Index. We agree with the statement that "Developing a single number index to represent a topic as complicated as personal auto insurance affordability is a challenging endeavor." And, the 2017 Affordability Study rightly points out that "national averages" – one of the primary components of the Affordability Index – "can mask wide variations." It also notes that the results "are not intended to provide insight on the affordability (or not) for any individual consumer and are instead best used only for intrastate comparisons.[5] These limitations, and others, should be carefully weighed by FIO when considering the merits of updating the 2017 Affordability Study.

FIO should wait until new data is available if they decide to update the 2017 Affordability Study. The 2017 Affordability Study was published less than five years ago, and while there have been developments in the market for automotive insurance, without knowing the methodology for a new study, it is unclear whether such a project would be worthwhile. We

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[4] Ibid. "Personal auto liability insurance is presumed to be affordable if using an affordability index that is calculated by dividing the average annual written personal automobile liability premium in the voluntary market by the median household income for ZIP Codes identified as being majority-minority or majority-LMI, the Affordability Index does not exceed 2 percent."
https://home.treasury.gov/system/files/311/FINAL%20Auto%20Affordability%20Study_web.pdf
[5] Ibid.

recommend that FIO exclude data from 2020 and 2021 due to disruptions in driving patterns due to COVID-19. If this data were to be excluded, as we recommend, then very little new data will be available since the 2017 Affordability Study, which used data from 2014 – 2015, [6] was completed. Additionally, the different forms of discounts related to COVID-19 would make it even more difficult to compare data from 2020 and 2021. Some insurers provided rebates while others provided a rate reduction over a defined period.

FIO should consider incorporating data on insured losses into its analysis of "affordability." An approach that compares premiums and loss costs would permit for an analysis of the benefits that consumers receive from their automotive insurance policies. It would also recognize that many of the loss costs factoring into rates are outside of the industry's control (e.g. vehicle parts, labor for repairs, social inflation). Given the high level of competition in the insurance market, we believe such an approach would demonstrate that consumers are receiving a great deal of value from their automotive insurance policies.

2. **What data should FIO use to update the 2017 FIO Affordability Study? For example, should FIO proceed with the proposed data collection outlined in the 2016 FIO Notice (i.e., a request for voluntary production of ZIP Code-level premium data limited to large insurers that have a statutory surplus greater than $500 million and that annually collect more than $500 million of premium for personal auto insurance)? Why or why not? What alternate criteria, if any, would you propose if FIO administers a data collection?**

FIO should rely on the same statistical agents it used for the 2017 Affordability Study if it determines an update is worthwhile. Using the same statistical agents as the 2017 Affordability Study would provide the most useful information to FIO. The use of statistical agents would permit FIO to get information from a broader cross-section of the market than just relying on the carriers above the threshold suggested in the RFI. Additionally, and although it would not necessarily address our concerns about methodology, by using the same statistical agents, FIO would be able to work from the same baseline of information as used in the 2017 Affordability Study. Any information that might be provided by the insurance industry should only be on a strictly voluntary basis.

FIO should also consider collecting data that would permit it to study loss costs to insurers, including reasons for changes in loss costs. The State of Missouri recently released a study finding, in part, that higher premiums are associated with higher risk. Importantly, the study found, "No evidence was found that would indicate that higher rated territories are charged more relative to risk than lower-rated territories."[7]

3. **Some recent auto insurance affordability analyses have leveraged rating databases to study how quoted policy pricing varies based on demographic and geographic**

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[6] Ibid, (pages 10-11)

[7] Missouri Department of Insurance, Financial Institutions and Professional Registration, Statistics Section. Private Passenger Automobile Insurance (July 2018), available at https://insurance.mo.gov/reports/documents/PrivatePassengerAutomobileInsuranceInMOrev7-11-2017.pdf

inputs. Should FIO consider an analysis of affordability using premium quotations? Why or why not? If yes, what data sources are available?

FIO should not consider an analysis on affordability using premium quotations. Any analysis of quotation data will not be indicative of affordability and would skew the findings to suggest automotive insurance premiums are higher than what is actually paid by consumers.

The quotation does not necessarily represent the price paid for an automotive insurance policy. The market for automotive insurance is highly competitive, therefore a consumer may have found a cheaper policy than the one quoted.

It would also be difficult to conduct an analysis of quote information. For the information to be useful to FIO, the information would ostensibly need to be standardized so it could be easily analyzed and compared. However, companies format quote data differently, which would make any sort of reporting or collection very difficult.

4. **Are there other quantitative approaches that FIO could take to effectively study auto insurance affordability? If yes, what are the approaches and their corresponding, available data sources?**

FIO should consider the cost of coverage in isolation from the methodology used in the 2017 Affordability Study. This methodology considers cost of insurance as a percentage of income which precludes it from recognizing a decrease in the average real cost. The State of Missouri recently released a study finding that, statewide, the cost of coverage has declined in real (inflation-adjusted) terms since 1998. And, between 1998 and 2017, the cost of full coverage (liability, collision and comprehensive) has declined from $834 to $706 (2017 dollars). Furthermore, the cost of coverage declined across all income and minority groups over the same time period.[8]

FIO should incorporate information on market competition into any assessment of affordability. Any measure of "affordability" that does not consider the prices derived from a highly competitive market is inherently flawed. A perfectly competitive market will produce prices at, or approaching, marginal cost – the lowest price that insurers can charge to remain profitable. The automotive insurance market is not perfectly competitive, but overall, insurers compete vigorously to win business from potential policyholders. The Herfindahl–Hirschman Index (HHI) is a commonly accepted measure of market concentration.[9]

The HHI index for the property/casualty insurance sector is relatively low. The HHI decreased from 354 in 1997 to 297 in 2007, and then increased very slightly to 301 by 2017, According to S&P Global Market Intelligence.[10] For context, the Department of Justice and

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[8] Ibid.

[9] U.S. Department of Justice. The Herfindahl-Hirschman Index. https://www.justice.gov/atr/herfindahl-hirschman-index

[10] National Association of Mutual Insurance Companies. Statement of Erin Collins, Vice President, State Affairs, before the U.S. House Committee on Financial Services Subcommittee on Community Development, Housing, and Insurance Hearing on "Drivers of Discrimination: An Examination of Unfair Premiums,

Federal Trade Commission, generally consider markets in which the HHI is between 1,500 and 2,500 points to be moderately concentrated, and consider markets in which the HHI is in excess of 2,500 points to be highly concentrated.[11]

Non-Driving Related Factors in Personal Auto Insurance Underwriting and Pricing

5. **What should be the role of non-driving related factors (such as a consumer credit history, homeownership status, census tract, marital status, professional occupation, and educational attainment) in personal auto insurance underwriting and pricing?**

In general, we would advise FIO to take a view that acknowledges incorporating more predictive data, not less, into risk-based pricing models generates positive economic benefits including more competitive insurance rates. Insurance companies should be permitted to use factors if they correlate with insurance loss and are permissible under state law. There is ample evidence that "non-driving" factors, including those listed in the RFI, correlate with insured losses in an unbiased manner.

It is unclear if FIO is suggesting it would attempt to determine an approach to assess if individual "non-driving" factors are appropriate or establish a methodology for assessing all non-driving factors. The RFI singles out six individual "non-driving" factors, but there are dozens of "non-driving" factors used for underwriting by insurers. For example, some insurers offer a discount to "good students" or provide a reduction in rates for policyholders that maintain multiple insurance lines with a single company. These are just two examples of "non-driving" factors not listed by the RFI of the dozens used by insurers.

The use of "non-driving" factors into risk-based pricing models benefits consumers by expanding access and improving affordability. Risk-based pricing, including the broad benefits described in the Chamber's Study, depends on the use of predictive data and can be inhibited by any limitations that may be imposed. As noted in the Chamber's Study, for example, a survey conducted by the Arkansas Department of Insurance found that, during 2016, 57.4% of automotive insurance policies that were written or renewed had reduced premiums because credit was included as a factor in the ratemaking decision and 56.6% of homeowner's insurance policies resulted in premium reductions.[12]

The term "non-driving" factors is relatively ambiguous and therefore makes it difficult to ascertain the scope or purpose of the RFI's inquiry. There may be a more obvious nexus to "driving" with some factors than others but attempting to categorize some as "driving" and others as "non-driving" is fraught with challenges. For example, the RFI lists census tract as a

Practices, and Policies in the Auto Insurance Industry" (March 4, 2020), available at https://www.congress.gov/116/meeting/house/110631/witnesses/HHRG-116-BA04-Wstate-CollinsE-20200304.pdf

[11] U.S. Department of Justice. The Herfindahl-Hirschman Index. https://www.justice.gov/atr/herfindahl-hirschman-index

[12] Arkansas Department of Insurance. Use and Impact of Credit in Personal Lines Insurance Premiums Pursuant to Ark. Code Ann. § 23-67-415 (June 7, 2017), available at https://cdm16039.contentdm.oclc.org/digital/collection/p266101coll7/id/25598/

non-driving factor, but location is indicative of where a vehicle may be driven. The RFI also lists consumer credit history, homeownership status, marital status, and professional occupation, as potentially being treated differently than other factors but doesn't explain why other "nondriving" factors should not be analyzed. For example, age is a "nondriving" factor that is commonly utilized, with little disagreement, that a 16-year old driver generally poses more risk than an experienced driver.

According to the Chamber's Study, variables like credit-based Insurance risk scores (CBIS), education, and occupation that, on the surface, seem unrelated to automotive or homeowners' insurance are important and valid components of risk-based pricing. In line with state regulations, these factors meet the actuarial and policy criteria to be included in insurance models and have been reviewed by state agencies and found to not be unfairly discriminatory. The Chamber's Study found that credit-based insurance scores, and other risk-based pricing factors, such as occupation and education, are proven to accurately predict risk unbiasedly. From an actuarial perspective, these factors are proven to predict risk and can improve the accuracy of risk-based pricing models.

The empirical correlation between credit data and insurance loss has been repeatedly validated: people with poorer credit histories on average incur more insured losses than do people with better credit histories.[13] CBIS strongly correlate with insurance risk, and their validity and value have been proved repeatedly in independent actuarial and regulatory studies.[14] Importantly, these scores accurately predict risk and are not tied to race or ethnicity. The Federal Trade Commission (FTC) found that "[credit-based insurance] scores predict insurance risk within racial and ethnic minority groups (e.g., Hispanics with lower scores have higher estimated risk than Hispanics with higher scores). This within-group effect of scores is inconsistent with the theory that scores are solely a proxy for race and ethnicity."[15] While the regulations vary by state, examples of credit history data used in CBIS models include payment history, credit card balances relative to credit limits, and credit inquiries, where permitted.[16]

6. **How should FIO assess the use of such non-driving related factors? What principles should be used to distinguish between appropriate and inappropriate use of non-driving related factors in personal auto insurance underwriting and pricing? What metrics could FIO use to assess the impact of non-driving related factors on the affordability and accessibility of auto insurance? What data sources are available to help assess these factors?**

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[13] FICO. Using Credit to Predict Insurance Loss (2021). https://insurancescores.fico.com/UsingData
[14] Boyd, Lamont. 2011. "Credit-Based Insurance Scores." Presentation by FICO for NAIC.
[15] Federal Trade Commission. Credit-Based Insurance Scores: Impacts on Consumers of Automobile Insurance A Report to Congress by the Federal Trade Commission (July 2007),available at https://www.ftc.gov/sites/default/files/documents/reports/credit-based-insurance-scores-impacts-consumers-automobile-insurance-report-congress-federal-trade/p044804facta_report_credit-based_insurance_scores.pdf.
[16] Experian. Post by John Ulzheimer, What Is the Difference between Credit-Based Insurance Scores and Credit Scores Experian. (June 29, 2020), available at https://www.experian.com/blogs/ask-experian/what-is-the-difference-between-credit-based-insurance-scores-and-credit-scores/

It is unclear for what purposes FIO would attempt to address the use of "non-driving" factors. Assessment of the appropriateness of underwriting factors, "non-driving" or otherwise, is the purview of state insurance regulators. Factors used for underwriting automotive insurance are scrutinized by state insurance regulators to determine if they correlate with insured losses. We would caution against attempting to use the methodology in the 2017 Affordability Study for such an assessment.

Insurance companies must comply with the laws of every state in which they operate. States are empowered to regulate the rates charged for automotive insurance with the ostensible goal of achieving a competitive and vibrant marketplace that ultimately benefits consumers through the provision of a myriad of insurance products at affordable rates. In general, state regulators need to ensure that rates are not unfairly high, but they also need to ensure they are not too low. State law commonly requires that rates must not be excessive, inadequate, or unfairly discriminatory. According to the Insurance Information Institute, "state and federal laws prohibit using rating variables that directly or indirectly impact groups based on characteristics such as race, nationality, religion, or income. Almost every state in the U.S. has the regulatory authority to reject a rating variable that it determines does not meet state requirements."[17]

Insurers' ability to use different nondriving factors is critical to maintaining a competitive market and maximizing consumers' ability to shop around for the best rates. By limiting the use of certain rating factors, or only permitting others, insurers would be forced to underwrite in more similar ways, hindering innovation and competition, and restricting options for consumers.

Structural Market Changes in Personal Auto Insurance

7. **What drivers of change (e.g., specific technology advances, consumer preferences, the entrance of auto manufacturers in underwriting and issuing insurance policies, etc.) are currently having, or likely to have, significant effects on the structure of the personal auto insurance business? Please describe these likely impacts and why they are occurring.**

Telematics and usage-based insurance (UBI) is likely to have significant impacts for consumers and insurers. Telematics has the potential to decrease reliance on non-driving factors because the data allows for the creation of new predictive variables. Technology that permits insurers to have information (e.g. number of miles traveled, time when travel occurred, driver safety) may lead to lower rates for consumers. UBI saw a strong uptick in use during the COVID-19 pandemic and it seems likely this shift will continue. Telematics and UBI are becoming more prevalent, and consumers may find it more appealing than their traditional policies. For example, some people may be driving fewer miles per year, or spending less time driving in cities, because they are commuting less frequently.

As consumers transition to more online and phone purchases of automotive insurance, developing top of mind awareness becomes more important. As fewer consumers reach out to traditional agents, an insurance carrier must develop awareness and point of purchase advertising

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[17] CAS and III. Insurance Rating Variables: What They Are and Why They Matter (July 2019), available at
https://www.iii.org/sites/default/files/docs/pdf/ratingvariables_cas-iii_wp072419.pdf

to acquire new business. This will require a strong media presence as well as an intricate understanding around how to effectively advertise on the internet. Ultimately, this will drive down acquisition expenses and create more affordable insurance for more people.

The internet has improved access to automotive insurance quotes and increased market competition. Consumers can easily go to the website of many insurers to receive a quote, in many cases in a matter of minutes. There are also various online tools to compare quote options so consumers can make the most suitable choice for their needs. By empowering consumers with easily accessible information about quotes, the internet encourages competition between insurers.

Incidents involving distracted driving are leading to increased loss costs. The Center for Disease Control (CDC) categorizes distracted driving – anything that takes your attention away from driving – into visual (taking your eyes off the road), manual (taking your hands off the wheel), and cognitive (taking your mind off driving) distractions. According to data from the CDC, distracted driving incidents have decreased some in recent years, but remain prevalent. The number of distracted driving deaths decreased from 3,267 to 2,841 – approximately 13% -- during the period 2010 to 2018.[18]

8. **What responses to the COVID-19 pandemic—whether by consumers, the insurance industry, or insurance regulators—have the greatest likelihood of leading to long-term structural change in auto insurance? How can FIO evaluate the potential long-term or permanent effects of the pandemic on the personal auto insurance business?**

COVID-19 significantly disrupted regular driving patterns during 2020 and 2021. Fewer miles were driven: in the first half of 2020 people drove 264.2 billion fewer miles compared to the first half of 2019 – a reduction of 17% nationally.[19] Driving habits also changed. Fewer people commuted to the office, especially in major metropolitan areas. And, as a work-from-home environment persists, but Americans have become more active, new traffic patterns are emerging. For example, in more than 40 of the 100 biggest U.S. metropolitan areas, roads are now more congested on weekday afternoons than they were before the COVID-19 pandemic, likely due to an uptick in shopping and leisure-type trips, as well as deliveries.[20]

There is also evidence of riskier driving behavior during the COVID-19 pandemic. According to the National Highway Traffic Safety Administration, "While Americans drove less in 2020 due to the pandemic, NHTSA's early estimates show that an estimated 38,680 people died in motor vehicle traffic crashes—the largest projected number of fatalities since 2007. This

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[18] Center for Disease Control and Prevention. Distracted Driving. https://www.cdc.gov/transportationsafety/distracted_driving/index.html
[19] U.S. Department of Transportation, National Highway Traffic Safety Administration. Crash Stats (October 2020), available at https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/813004
[20] The Wall Street Journal. Afternoons Are the New Rush Hour in the Suburbs (May 17, 2021), available at https://www.wsj.com/articles/afternoons-are-the-new-rush-hour-in-the-suburbs-11621157403?mg=prod/com-wsj

represents an increase of about 7.2 percent as compared to the 36,096 fatalities reported in 2019."[21]

9. **What are the biggest challenges and opportunities for the personal auto insurance business resulting from current and anticipated structural changes? How are ongoing structural changes affecting underwriting and pricing practices?**

10. **Please describe how big data is being used in the personal auto insurance business. What are the benefits and risks to both consumers and insurers in the use of big data, particularly as it relates to auto insurance underwriting and pricing?**

It is unclear what the RFI means by "big data" but the insurance industry has long made use of large data sets that incorporate best practices drawn from frameworks developed by the National Association of Insurance Commissioners (NAIC). The industry's capacity to make use of large data sets has improved as data has become more accessible and technology advancements has made it easier to analyze. AI is broadly being used by financial institutions to improve the consumer experience as it relates to marketing, underwriting, servicing, and fraud detection.

As explained in the Chamber's Study, as it relates to underwriting, incorporating more predictive data into risk-based pricing models generates positive economic benefits. The more accurately risk can be measured, the more underserved populations will benefit from risk-based pricing, including better access and rates. Alternative data will enhance traditional data to assist financial companies with assessing the risk of consumers, especially the credit invisible. Policymakers should encourage the use of alternative data, including risk models that leverage alternative data, and adopt policies to further support alternative data's usage.

The Chamber would recommend that FIO review the NAIC's working group on "Big Data and Artificial Intelligence." The 2021 Adopted Charges include researching the use of big data and artificial intelligence (AI) in the business of insurance and evaluating existing regulatory frameworks for overseeing and monitoring their use; reviewing current audit and certification program and/or frameworks that could be used to oversee insurers' use of consumer and non-insurance data and models using intelligent algorithms; and, assessing data needs and required tools for state insurance regulators to appropriately monitor the marketplace.

11. **Please provide your views on how FIO can quantify structural changes to the personal auto insurance market and their potential effects.**

General

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[21] U.S. Department of Transportation, National Highway Traffic Safety Administration. 2020 Fatality Data Show Increased Traffic Fatalities During Pandemic, Risky Driving Behaviors Including Failure to Wear a Seatbelt, Speeding, and Drinking While Driving Identified as Contributing Factors (June 3, 2021), available at https://www.nhtsa.gov/press-releases/2020-fatality-data-show-increased-traffic-fatalities-during-pandemic

12. Please provide any additional comments or information on other issues or topics that may be relevant to FIO's work on personal auto insurance, the 2017 FIO Affordability Study, or other related matters.

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Thank you for the opportunity to provide our views regarding the availability and affordability of automotive insurance and the potential evolution of the automotive insurance market. We hope that the Chamber's recently published report on risk-based pricing is helpful to your research. It would be very helpful for FIO to provide an opportunity to comment on potential changes to the methodology before moving forward with any updates to the 2017 Affordability Study. A shared understanding of "affordability" is critical to having an open discussion about potential issues and opportunities to improve the market for automotive insurance.

Sincerely,

William R Hulse

Bill Hulse