

**HOUSE . . . . . No. 1030**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

**Rosemary Sandlin**

*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 passage of the accompanying bill:

An Act to assure reasonable correlation between insurance premiums and loss experience.

PETITION OF:

NAME:

DISTRICT/ADDRESS:

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# The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

## AN ACT TO ASSURE REASONABLE CORRELATION BETWEEN INSURANCE PREMIUMS AND LOSS EXPERIENCE.

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

1 Chapter 175E of the General Laws is hereby amended by inserting the following section 5A:  
2 On or before August 15 of each year, the Automobile Insurers Bureau or any successor  
3 organization thereto shall file statistical information in accordance with statistical plans or  
4 reporting requirements approved by the Commissioner of Insurance, which statistical  
5 plans or reporting requirements will be no less comprehensive than those approved by the  
6 commissioner and utilized by the commissioner for the fixing and establishing of  
7 classification risks and premium charges pursuant to Chapter 175, Section 113B prior to  
8 2007. Statistical information shall include, but not be limited to, premiums, exposures, loss  
9 pure premiums, development factors, average claim cost and frequency trend factors, claim  
10 adjustment expenses factors, company and commission expense pure premiums, expense  
11 trend factors and miscellaneous rate level factors such as increased limits, deductible and  
12 minor coverage factors and territorial, class and model year/symbol relativities. All  
13 companies offering motor vehicle insurance coverage within the Commonwealth annually  
14 will submit to the Automobile Insurers Bureau or any successor organization, the data  
15 necessary to allow the Automobile Insurers Bureau or any organization to compile and  
16 report comprehensive statistic information showing statewide experience and trends. Said  
17 statistical information shall be submitted annually to the Division of Insurance, Office of the  
18 Attorney General and the Joint Committee on Financial Services or successor committee, all  
19 of whom shall have the authority to require the reasonable collection and/or production of  
20 additional information from the companies.