

From: [Eric Kossian](#)
To: [OIC Rules Coordinator](#)
Subject: rulemaking (R 2021-07)
Date: Thursday, June 24, 2021 1:29:15 PM

External Email

re rulemaking (R 2021-07)

Dear Kreidler's office,

I was an Underwriting Trainee at State Farm back in the late 1980's when credit scoring first was implemented by State Farm.

I was incredulous; what does credit scoring have to do with insurance rates? Well, it turns out that I was told that it was the single biggest determinant of future claims. It was explained to me that people with a good credit score are financially responsible people and it makes sense that these people are also likely to be responsible to fix their brakes when needed and replace tires before they go bald. These people are less likely to have water damage because they are more likely to replace a roof when needed and replace old water heaters before they break. So it makes sense that if insurance companies know statistically that they will have less claims that they can pass on a sizable discount to a client.

On the flip side, I also saw that State Farm had a higher risk auto market. I was intrigued by why so few of them EVER qualified to get into preferred where their rates could be lower. It wasn't just that their credit scores were lower, often significantly lower, but just about the time they could have qualified for preferred, they would get a ticket or an accident and start the clock all over again. Fact it only about 5-7 % would ever qualify to get into the preferred! I was shocked by that, but the statistics didn't lie and they still don't even if your office doesn't like the facts!

What Kreidler has done, by removing the credit scoring and requiring overall rates to not increase or decrease, is you are essentially forcing the most financially responsible (who have earned that higher credit score) to subsidize the rates of the people who have the highest risk of hitting their family! I find that to be insulting. Furthermore, I insure people all over the state, including blacks, native american, vietnamese, chinese, russian, east european, norwegian, and hispanics who all have earned very good credit scores. How degrading and demeaning of my clients to say that what they have earned, regardless of their skin color, is "racist and discriminatory"; the exact words used by Kreidler's office to describe why this rule was necessary. May I remind you of the words of the great Martin Luther King Jr who fought through such adversity to have encoded into law that people not be judged on the color of their skin and declared *Free at last, Free at last, Thank God almighty we are free at last.* (you are reversing what he fought for!) *Injustice anywhere is a threat to justice everywhere. The time is always right to do what is right.*

Sincerely In Your Service,
Eric Kossian

Underwriting Specialist, Agency Principal at InsurePro

(Leavenworth Insurance is also an InsurePro agency)

Learn more about Eric at <https://safemoney.com/washington/578-eric-kossian>

Main Ph. InsurePro Ph. [1-877-548-5488](tel:1-877-548-5488)

Eric@InsurePro.info

Eric's Desk Phone 509-548-5488

Download our Mobile App: <https://insurepro.insurancetapp.com/>

www.insurepro.info

www.leavenworthinsurance.com

For all client service please contact our InsurePro Customer Service Team:

Lizzie Ortiz (If your mailing address is in Western Wash. or out of state and certain commercial accounts in E. Wash.) call/text/fax 206.209.2884 or call 877.548.5488 or email Lizzie@InsurePro.info

Kassandra Leighton (If your mailing address is in Eastern Wash.) call/text/fax 509.548.2121 or email Kassandra@InsurePro.info