

LFC Requester:

Julisa Rodriguez

**AGENCY BILL ANALYSIS
2025 SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Date Prepared: 1/16/2025

Original **Amendment**

Bill No: HB80

Correction **Substitute**

Sponsor: Elizabeth "Liz" Thomson

**Agency Name
and Code**

Office of the Superintendent of Insurance -
440

Person Writing

**Short
Title:** Personal Insurance Credit Info Act
Changes

Analysis:

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0	\$0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$)	\$0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Section 1 makes a minor non-substantive change to the text of the statute.

Section 2 adds a new Subsection H to Section 59A-17A-4. With the addition, a New Mexico regulated insurer or group of affiliated insurers that provide insurance policy coverage for private passenger automobiles, motorcycles, or recreational vehicles are prevented from using credit information, insurance scores, or an insurance policy applicant's education or occupation to underwrite, rate, or renew insurance policies.

FISCAL IMPLICATIONS

None

SIGNIFICANT ISSUES

According to the Insurance Information Institute, 14% of drivers in the United States were driving without private passenger auto insurance in 2022. The state of New Mexico had the second highest (to Washington DC) rate of uninsured motorists in the country at 24.9%. Auto insurance affordability challenges are driven by lower-than-average incomes throughout the state with average private passenger auto premiums.

Using credit information, education, and occupation as rating and underwriting decisions for insurance can adversely impact lower income drivers. Use of this information contributes to private passenger auto affordability in the state and increases the uninsured motorist rate.

Amending the statute by adding the proposed Subsection H would reduce uninsured motorists in New Mexico and would create more affordable insurance for people who earn lower incomes and who face unfavorable credit information causing lower credit scores.

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

None

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Allowing companies to use credit information, education, and occupation in rating and underwriting will continue to impact private passenger auto insurance affordability for many New Mexicans and the percent of uninsured motorists in the state will continue to be high.

AMENDMENTS

None