

# Commissioner of Securities and Insurance

EXHIBIT 5

DATE 2-18-2021

HB 379

Troy Downing  
Commissioner



Office of the  
Montana State Auditor

**TO:** Chairman Noland and Members of the House Business and Labor Committee  
**FROM:** Troy Downing, Montana Commissioner of Securities and Insurance  
**RE:** Comments to CSI regarding HB 379  
**DATE:** February 18, 2021

While travelling across the state during my campaign, insurance agents approached me repeatedly wanting to expand coverage options and reduce premiums for their customers.

HB 379 will do this by allowing insurance companies factor the insured's sex when calculating risk and determining rates. Below is a small sample of emails I have received since taking office from agents in your communities asking for the repeal of the nongender insurance law.

- *My female clients regularly pay dramatically more in Montana for the same policy than any other American female. According to the National Association of Insurance and Financial Advisors (NAIFA) Montana's most recent survey across 19 different life insurance companies, a 55 year old, female buying a \$500,000, twenty year term life policy and receiving standard rates, pay on average 31% more cost than Californians, New Yorkers, Texans, etc. The reason is Montana the only state that does not allow gender to be used by underwriters in assessing risk of life expectancy. Life Insurance companies must write separate "Unisex" pricing. Interestingly, the 31% extra cost for females in Montana is mildly countered by a 2% reduction in cost for Montana males. I don't blame insurance companies as I know if I were being asked to cover substantial financial risk but not allowed to ask a very critical question, I would assume the worst case for that question too.*  
**Peter Daniel Sullivan, Sullivan Financial Group, Helena**
- *I am writing to express my support of repealing Montana's unisex law. We have been working for years to get this done...testifying on many occasions and speaking to our representatives. Females in MT. need to be treated fairly like females in the other 49 states. Lower pricing for females is important and should happen. Also, with MT. being the only state that is unisex, we are at a disadvantage in the life insurance industry as some companies will not bring new ideas and products to MT. because of all the legal work and cost of doing so. I fully support repealing our unisex law. Please feel free to reach me if you would like further assistance.*  
**Brian Salonen, Westpac Wealth, Missoula**