

# City of Detroit

CITY COUNCIL

ALBERTA TINSLEY-TALABI  
COUNCIL MEMBER

## A RESOLUTION BY HONORABLE ALBERTA TINSLEY-TALABI REGARDING USE OF CREDIT SCORING TO SET INSURANCE RATES

- WHEREAS,** The Michigan Office of Financial and Insurance Services (“OFIS”) is holding public hearings to gather information on the use of consumer credit history to set insurance rates and the effect of this practice on consumers in Michigan. A report will be released later this year; **and**
- WHEREAS,** There has been no established connection between credit history and the likelihood of a consumer filing a claim; **and**
- WHEREAS,** It is currently illegal to refuse to write a policy, cancel a policy, or not renew a policy based on a person’s credit history; **and**
- WHEREAS,** The citizens of the City of Detroit pay exorbitant insurance rates compared to other municipalities. The use of any additional criteria to increase rates would be detrimental to the already overcharged citizenry of Detroit; **NOW THEREFORE BE IT**
- RESOLVED,** That the Detroit City Council opposes the use of credit scoring as a criterion to set insurance rates. The increased rates will result in the further hardships to citizens within the City of Detroit; **AND BE IT FURTHER**
- RESOLVED,** That the Detroit City Council urges the community to attend and give testimony opposing this practice during the public hearing held by OFIS at Wayne County Community College, Downtown Campus, 1001 West Fort Street, Room 123 on Thursday, July 18, 2002, at 4:30 p.m.; **AND BE IT FINALLY**
- RESOLVED,** That a copy of this resolution be sent to the Attorney General, the Governor, and the Detroit Delegate of Michigan House of Representatives.