



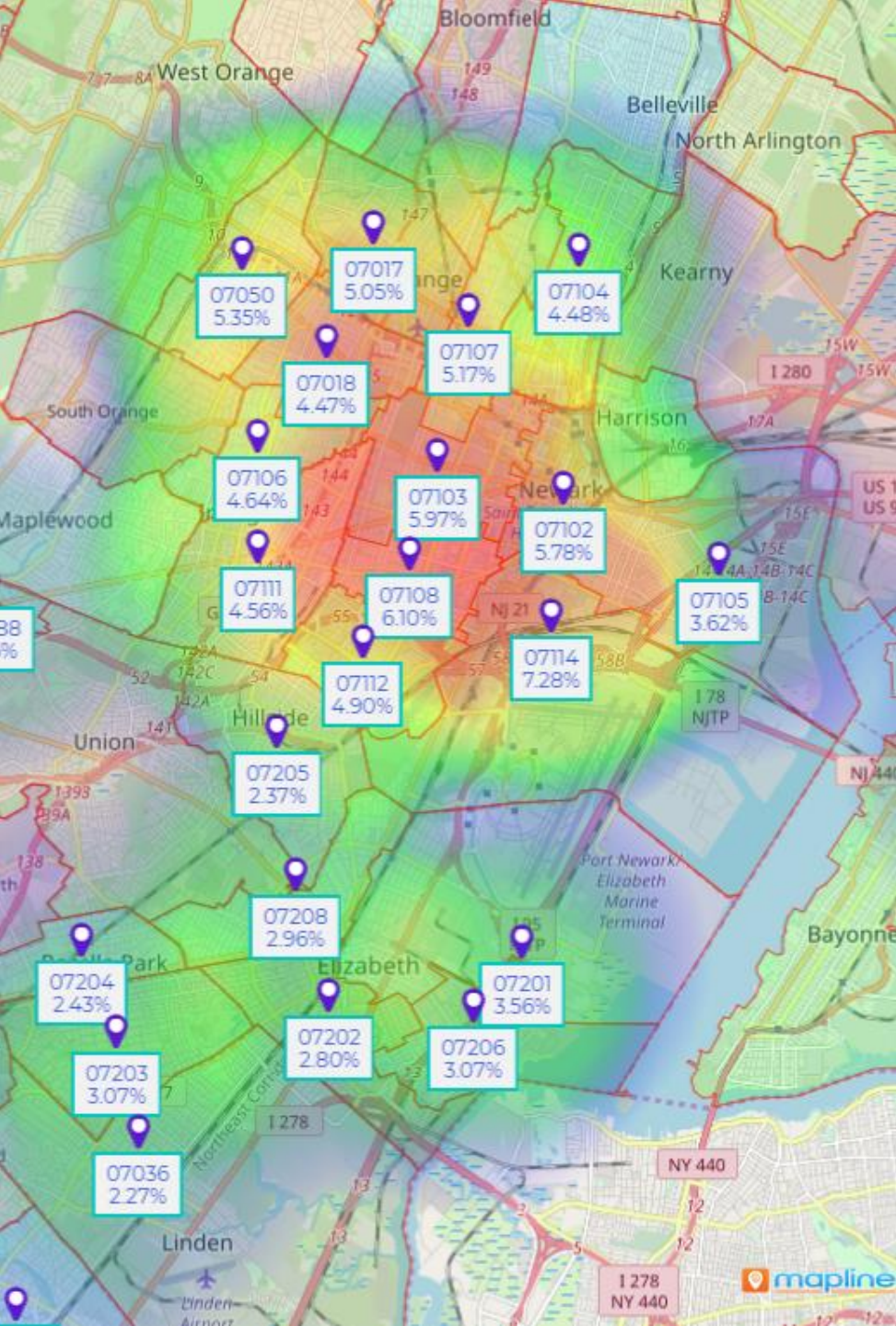
## New Jersey Auto Insurance: Credit Scoring Hits Safe Drivers in Communities of Color and Low-Income Communities Hardest

ZIP Code Demographics	Average Premium	Average Premium by Credit History		
		Excellent Credit	Fair Credit	Poor Credit
<b>Total Statewide</b>	<b>\$1,459.69</b>	<b>\$842.14</b>	<b>\$1,384.40</b>	<b>\$2,152.54</b>
Majority White	\$1,355.01	\$790.15	\$1,286.67	\$1,988.22
Majority Black	\$2,025.36	\$1,125.46	\$1,912.39	\$3,038.23
Majority Latino	\$2,030.83	\$1,127.26	\$1,918.19	\$3,047.04
Median Income ABOVE \$150K	\$1,293.10	\$759.66	\$1,229.66	\$1,889.99
Median Income BELOW \$50K	\$1,959.23	\$1,092.80	\$1,850.73	\$2,934.17

Source: Quadrant Information Services, LLC. The data are representative of publicly sourced data for a 35-year old driver with a clean driving record and other standardized characteristics.

# Discriminatory Impacts

- Percentage of White employees in management, professional or related occupation is 38.7%, vs. 29.5% for African American employees and 20% for Hispanic/Latino employees (US Dept of Labor)
- Percentage of White adults with bachelor's degree or higher is 29.3%, compared to 17.7% for African American adults and 13% for Hispanic/Latino adults.
- Concern that education and occupation are being used as proxies for race and income
- Black and Latinx families more likely to have lower credit scores than white families. In 2017, an Urban Institute study found that predominantly nonwhite areas in 50 of 60 cities studied had median credit scores that were below 660. In comparison, predominantly white areas in only 4 of 60 cities studied had median credit scores that were below 660.



# January 2017 Federal Insurance Office Study

- Auto insurance is not affordable for 2.3 million New Jersey residents
- There are 82 Zip Codes where average auto insurance premium costs exceeded 2% of the Zip Code's median income