

**MINUTES OF THE
SENATE COMMITTEE ON COMMERCE AND LABOR**

**Eighty-first Session
February 24, 2021**

The Senate Committee on Commerce and Labor was called to order by Chair Pat Spearman at 8:02 a.m. on Wednesday, February 24, 2021, Online. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Pat Spearman, Chair
Senator Dina Neal, Vice Chair
Senator Melanie Scheible
Senator Roberta Lange
Senator Joseph P. Hardy
Senator James A. Settelmeyer
Senator Keith F. Pickard

STAFF MEMBERS PRESENT:

Cesar Melgarejo, Policy Analyst
Wil Keane, Counsel
Kim Cadra-Nixon, Committee Secretary

OTHERS PRESENT:

Susan Riggs, American Society for the Prevention of Cruelty to Animals
Ledy Vankavage, Senior Legislative Counsel, Best Friends Animal Society
Alex Velto, Reno Planning Commissioner
Jeff Dixon, Nevada State Director, Humane Society of the United States
Mendy Elliott, Nevada Humane Society
Matthew Walker, Nevada Veterinary Medical Association
Jennifer Hauge, Animal Legal Defense Fund
Rebecca Goff, Nevada Humane Society
Jill Vacchina Dobbs, Executive Director, Society for the Prevention of Cruelty to Animals of Northern Nevada
Andrea Canepa-Rotoli, Nevada Justice Association
Travis Clark, Nevada Justice Association
Grace Lopes

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Marlene Richter, Executive Director, Noah's Animal House
Stacey Coleman, Director, National Canine Research Council Action Fund
Mark Sektnan, Vice President, American Property Casualty Insurance Association
Joe Guild, State Farm Insurance Companies

CHAIR SPEARMAN:

We will open the hearing with a presentation of Senate Bill (S.B.) 103 by Senator Scheible.

SENATE BILL 103: Prohibits property insurers from discriminating based on the breed of dog at a property. (BDR 57-826)

SENATOR MELANIE SCHEIBLE (Senatorial District No. 9):

This bill is related to insurance and prohibits property insurers from discriminating based on the breed of dog at a property.

Some dogs are unfairly deemed dangerous or vicious solely due to breed. Animal experts tell us dogs are not born inherently vicious; they are trained to behave in a dangerous manner.

In 2013, the Nevada Legislature recognized this to be true and acted to ban discrimination of dogs based solely on their specific breed. Nevada, along with 21 other states, prohibits local authorities from adopting or enforcing an ordinance or regulation deeming a dog dangerous, solely due to the breed of dog.

In 2019, the Nevada Legislature adopted pet-friendly legislation to ensure no family had to choose between his or her home and keeping an animal family member. Assembly Bill No. 161 of the 80th Session restricts homeowner associations from prohibiting a unit owner from keeping at least one pet in their residence.

Senate Bill 367 of the 80th Session authorizes a tenant residing in low-income housing to keep a pet within the tenant's residence.

Although Nevada has made strides to become a pet-friendly state, residents must often either obtain property insurance or give up their dog to an animal shelter.

Many insurance companies consider a dog's breed when underwriting homeowners' insurance rates. Research has demonstrated no reliable data supports breed-based vicious behavior in dogs. Evidence does not support the rates are financially significant for insurers.

American Property and Casualty Insurance Association (APCIA) provided a list of factors considered when underwriting homeowner policies.

The breed of dog is unique in its target application and is based on homeowners' lifestyle decisions and is unrelated to the condition of his or her home or property.

The factors considered in underwriting a homeowner policy included the cost to rebuild the home, whether the home is made of brick or wood, the distance of the home to a water source, the age and condition of the home, the claims history of the home, insurance score, devices such as smoke detectors and burglar alarms, having a wood furnace or a wood stove, having a swimming pool or trampoline, and if the person operates a business from his or her home.

The 15 Year U.S. Dog Bite Fatality Chart, provided by the American Property Casualty Insurance Association, ([Exhibit B](#)), page 2 has avoided any citations. This makes it impossible to determine the origin of the data or to assess the validity of the chart. The chart does not provide the cost of the dog bite nor the alleged breed of dog.

A rise in the volume or cost of dog bite claims on the whole, does not indicate certain dog breeds are more dangerous than others.

You have also received written testimony ([Exhibit C](#)). Page 2 of the National Association of Mutual Insurance Companies (NAMIC), written testimony provides no citation to any scientific or academic authorities supporting the claim that certain breeds of dogs pose a greater risk of biting than other breeds of dogs.

On the contrary, NAMIC reminds us pets are like children, yet children are not a recognized factor in underwriting formulas.

Senate Bill 103 will prohibit breed-discrimination by insurance companies. This bill will require insurance companies to look at the history of the dog's behavior.

In Michigan, through underwriting rules, and in Pennsylvania through statute, insurance companies are prohibited from denying coverage to homeowners based on the breed of dog. The insurance companies in these states are not able to exclude dogs from liability coverage.

Senate Bill 103 prohibits an insurer from refusing to issue or renew homeowners' policies based solely on the breed of dog. Insurers are also prohibited from raising premium rates based solely on this factor. If the dog is known to be or has been declared dangerous or vicious in accordance with *Nevada Revised Statutes* (NRS) 202.500, the insurer may increase rates.

Section 1, subsection 3 prohibits an insurer from asking the specific breed or mixture of breeds of a dog located on the insured property. An insurer may ask if the dog is known to be or has been declared dangerous or vicious in accordance with NRS 202.500.

SUSAN RIGGS (American Society for the Prevention of Cruelty to Animals):
The Nevada Legislature passed A. B. No. 110 of the 77th Session in 2013. The bill prohibited government regulations of dogs, based upon breed, in favor of a paradigm addressing the nature of the dog, based upon its individual behavior.

At that time, then-Assemblyman Ohrenschall was quoted as saying "It has always been bad public policy to enact ordinances that target a certain breed of dog without considering that individual dog's actions." This statement captures the growing consensus that breed-specific laws have failed.

At the time of the passage of A.B. No. 110 of the 77th Session, 14 states specifically prohibited breed-specific regulations. This number has grown to 21 states. After looking at facts and science, states and many organizations reject breed-based regulations.

The Centers for Disease Control and Prevention, the American Bar Association, and the American Veterinary Medical Association (AVMA) reject breed-based regulations.

I will focus my testimony on the facts and science, which leads to a strong inclusion that regulation by breed of dog is ineffective and highly punitive to both innocent dogs and responsible dog owners.

Even by experts, identification of breed by appearance is wholly imperfect. The National Canine Research Council has written extensively about the weakness of visual identification of dog breeds. This process is highly flawed is an overwhelming conclusion.

I challenge each of you to do a web search for a breed identification quiz like the one I included in our support letter to you ([Exhibit D](#)) page 2.

As a seasoned animal welfare professional, I am regularly unable to identify breeds featured on the quizzes. Property insurance companies rely upon visual identification of dog breeds. The reliance on breed in determining insurance coverage results in inaccurate and inequitable outcomes. This policy should be corrected.

Breed of dog is not an accurate indicator of aggressive behavior. According to the AVMA, it is the dog's individual history, behavior, general size, number of dogs involved, and the vulnerability of the person bitten that determines the likelihood of biting and whether a dog will cause a serious bite injury.

Scientific studies have determined the most common causes of fatal dog attacks are preventable factors related to irresponsible dog ownership, abuse or neglect, failure to neuter dogs, and a failure to properly supervise dogs around infants and children.

Local governments, regulating solely by the breed of dog, continue to see high bite statistics. The approach does more to degrade public safety than to improve it.

Nevada has acknowledged fact and science in its statutes concerning dangerous dogs. As long as households with restricted breeds are denied insurance coverage, the statutes are not as effective as they could be.

This bill allows insurers latitude in underwriting particular risks. The bill simply states, in underwriting decisions, each dog must be judged based on its temperament.

The legislation specifically reserves insurers' latitude to cancel, refuse to issue or renew, and increase premiums for the household in which a resident dog of any breed has been found to be a danger, pursuant to NRS 202.500.

In direct response to the opposition letter from the American Casualty Insurance Association [Exhibit B](#), this statute in no way requires an insurer to wait for a personal injury to occur. Under statute, a dog can be deemed dangerous when it has behaved in a manner in which a reasonable person would perceive the dog to be menacing.

This bill allows insurance companies the use of sound underwriting and actuarial principles reasonably related to actual losses or loss experience with a particular dog. It strikes a reasonable balance between insurers' underwriting autonomy and the various ill effects of insurance companies treating all dogs of certain breeds as "bad dogs."

Nevada statute provides government entities with effective policies for regulating dangerous dogs. We ask you to vote in favor of S.B. 103 holding companies within the State to the same standard as government entities.

LEDY VANKAVAGE (Senior Legislative Counsel, Best Friends Animal Society):
The Best Friends Animal Society has over 50,000 supporters living in Nevada. I am a past chair of the Animal Law Committee of the American Bar Association's Tort Trial and Insurance Practice's Animal Law Committee section and a coauthor of the American Bar Association's book, *A Lawyer's Guide to Dangerous Dog Issues*.

I have submitted written testimony ([Exhibit E](#)).

ALEX VELTO (Reno Planning Commissioner):
The previous speaker dispelled myths about dog breeds and explained the interplay between dog breed and race. My testimony will focus on breed restriction reform by local government and how breed restrictions in the insurance industry contribute to housing insecurity.

A few months ago, Reno was updating a zoning code and we considered prohibiting restrictions on the breed of dog for certain developments. The resistance to this prohibition was largely based on the inability to purchase property insurance if a renter or homeowner had a certain breed of dog.

Lack of insurance has always been used to postpone prohibitions on dog breed restrictions.

Local governments do not have the authority to regulate insurance, so it is impossible for them to take the first step in promoting breed-friendly laws. This bill removes an important hurdle preventing local governments from providing access to housing.

A dog is more than a companion; it is a family member that provides emotional and physical support. During Covid-19, when people are socially distanced to protect their health, a dog can be both a best friend and a lifeline.

The reality is breed-restriction laws and policies affect people in different ways. Often this effect is based on economic conditions. Some are lucky enough to find housing that accommodates dogs. Others seek out internet letters to keep their residence. Others pay higher insurance premiums. These solutions are not easily available to everyone.

For those with housing insecurity, those struggling to pay rent, and those dealing with the realities of Covid-19, the fear they may have to give up their pets to have a roof over their head should not be a consideration.

Breed restrictions disproportionately affect low-income and marginalized groups. As housing prices rise Statewide, the housing people can afford along with their dog is slipping out of reach.

When a landlord restricts access to housing based on the dog's breed, housing insecurity increases. For many, the choice of dog ownership can be the biggest hurdle to having housing security.

I am in support of this important bill and ask you to pass this legislation.

JEFF DIXON (Nevada State Director, Humane Society of the United States):
We are in support of S.B. 103 and I have submitted a letter of support ([Exhibit F](#)). Breed discrimination in housing is one of the obstacles to keeping pets with their human families. Breed discrimination also prevents adoption of pets from potential adoptive families.

Every year, thousands of pets are relinquished to Nevada animal shelters due to housing-related issues. Resources could be used for other animals in need if shelter stays were shortened. Our rural areas also need these resources.

The path to breed-neutral housing regulations starts with S.B. 103. Breed neutrality of dogs is in statute. Breed of dog has no bearing on risk and there is evidence of well-behaved dogs of all genetic backgrounds,

The United Services Automobile Association, State Farm Insurance Companies, and other insurance companies practice breed-neutrality policies in homeowner insurance coverage. It is not always easy for consumers to switch insurance companies. Insurance companies can maximize profits by retaining customers.

A high percentage of people in Nevada do not own their homes. We also have a high percentage of people who live in communities governed by a homeowner's association (HOA). Landlords in an HOA have their own insurance policies.

The bill includes a fair-minded provision which gives insurance firms the opportunity to show their work to the Department of Business and Industry, Division of Insurance. We have evidence to demonstrate good behavior in dogs of all breeds. There is no available evidence showing a predictive relationship between genetics and a propensity toward aggressive behavior.

What explains discriminatory policy toward dog breeds? Most of the dogs discriminated against are large and strong. Dogs must be trained to be effective for protection.

The media often depicts certain dog breeds as aggressive. The media loves a local dog bite story especially when it involves a stigmatized breed. However, not all dog bites are newsworthy and many dog bites are not reported.

The Centers for Disease Control point to a lack of reporting as the primary reason they are unable to find a relationship between breed and risk. If these researchers have not found a link and property insurers are unable to show a link, the evidence should default to breed-neutral policies.

I have submitted the results of a questionnaire by the Humane Society of the United States on breed discrimination in Nevada ([Exhibit G](#)).

Breed-neutral legislation will help reduce housing insecurity for people and pets. It reaffirms our recognition of the human-animal bond. Animal shelters and rescue organizations are evaluated, in large part, by the ability to successfully re-home adoptable pets. This bill will be good for our animal shelter partners.

SENATOR NEAL:

My question concerns bill language in section 1, subsection 3. How do insurers pool information if they may not ask the breed of a dog?

Ms. RIGGS:

The insurer may ask the size and weight of a dog and if there has been an incident involving the dog regarding aggression or bite history. An insurer may ask if the dog has been deemed dangerous or vicious under NRS 202.500.

A variety of questions may be asked under statute. A question regarding breed naturally leads to bias. Additionally, many owners do not know their dog's breed. To actually know the breed of a dog, they may need registration papers or to have a DNA test done.

The breed of dog is irrelevant in determining if the dog will be aggressive or has had a history of aggressive acts.

SENATOR NEAL:

Ms. Vankavage presented a study showing the disparaging impact of the nexus between dog breed and people of color. The data shown did not indicate if people of color had insurance and if it was later denied. Is this bill brought forward because of the disparity for people of color, or is this bill brought forward for other reasons?

Ms. VANKAVAGE:

We are bringing this bill forward for a variety of reasons. The incidences of last year, as well as Covid-19, caused us to examine policies concerning animal shelters, insurance companies and housing. We wanted to know how these issues impact people of color. We never thought of some of the issues brought to light. We began to examine the disparate impact to people of color.

As we reexamined the issues, we found a scholarly article examining the relationship between pit bulls and people of color. This new research argues these laws may be rooted in racial bias.

I do online insurance quotes to gather information. When I put in an address in in a certain area and have a pit bull, I am able to get insurance. When I put an address in a minority community and have a pit bull, I am denied insurance.

When we stop asking about breed of dog, it is similar to a "don't ask, don't tell" policy.

The vast majority of dog bites are from unsterilized dogs. An insurer may ask if your dog is neutered or spayed. If this legislation moves forward, insurers will not be allowed to ask the breed of dog.

I would like to receive more information on this research and what groups are being discriminated against because of the breed of dog they own. We have not been able to acquire this research from insurance companies. We are not certain if this research exists.

SENATOR SCHEIBLE:

The primary reason for this bill is to eliminate breed discrimination in insurance underwriting because it is not actuarially sound. Certain breeds are more dangerous than others is not a concept supported by the data.

I asked if the use of breed discrimination disproportionately impacts specific communities. The answer is yes; there are disparities because of the perceived stereotyped or academically studied connection between people of color and certain dog breeds.

It is not the same as saying they have been discriminated against by the insurance industry. It was a threshold question before bringing this bill to the Committee.

The best we can do is try and put one and one together to get two. If there is a disparate impact to anyone, is there anyone to which a specific breed of dog is more expensive to insure? Is that likely to be a dog breed people associate with white people, or would it be dog breeds people associate with people of color? The answer was the latter.

This is not the sole reason for the bill, nor does the bill speak to the proven actual impact of breed discrimination. It is, however, the best we can do to make an educated guess as to whether disparate impacts are or would be experienced.

SENATOR SETTELMAYER:

Will the insurer still be able to look at the number and size of animals on a property? In Douglas County, homeowners are not allowed to have more than three dogs on a property regardless of the size of the animal or size of the property. Will the insurer still be able to look at the size of the property and the number of animals?

What are the implications for a property owner as stated in section 1, subsection 2, paragraph (d), in the language concerning harbored or owned on the property is known to be or has been? What if a property owner knowingly has owners of dangerous animals on the property? Is the homeowner responsible for the actions on his or her property?

Ms. RIGGS:

In answer to your first question, yes, insurers would be able to inquire about the number of animals on a property.

In response to your second question, I need clarification. Are you asking if a homeowner is liable for animals on his or her property, but not owned by the property owner?

SENATOR SETTELMAYER:

If you do not own a dog, but regularly allow owners of known dangerous dogs to visit your property, will the insurer be able to take this into consideration?

Ms. RIGGS:

The liability would belong to the owner of the animals taken to the property, unless the owner of the property was aware of the propensity for the danger. I am not aware of how an insurer would handle this situation.

According to statute, if there is a reason to know a dangerous animal is taken to your property and the homeowner does not prevent it, under statute, the homeowner bears some responsibility. An insurance policy provider would be given discretion as to whether they would like to take this under consideration.

Homeowners known to own or harbor a dog with an aggressive history could be taken into consideration in writing an insurance policy. If an owner willingly kept this from the insurance provider, it would be considered fraud on the insurance policy.

SENATOR PICKARD:

When we are discussing NRS 202.500, the dog must have bitten someone twice within an 18-month period to be considered dangerous. A dog causing a fatality may also be deemed dangerous.

Pit bulls contributed to 66 percent of fatalities and Rottweilers contributed to 10 percent of fatalities according to the statistics on dogbite.org.

Do we have an idea of how many insurance companies ask breed specific questions when writing insurance policies? How many insurance companies make coverage determinations based solely on breed of dog?

SENATOR SCHEIBLE:

Dogs can be deemed vicious by having 2 unprovoked bites in 18 months, under NRS 202.500. Other issues covered in statute include killing of another animal, menacing behavior, and being used in the commission of a crime. This statute was specifically designed to eliminate the "first bite is free" rule. If a dog is considered vicious, but has not bitten, the dog may still be declared vicious under NRS 202.500.

The bill includes the language "known to be or declared to be" a dangerous dog. The definition of "dangerous dog" is defined in NRS 202.500.

I have asked your questions of APCIA; however, they have not provided this information. I hope they are not using this source when underwriting insurance policies. I have also asked for the source insurance companies use in underwriting and this information has also not been provided. There seems to be a lack of transparency and this makes it difficult to understand how insurance companies make premiums more expensive for certain dog breeds.

SENATOR PICKARD:

I would like to see which insurance companies discriminate on breed alone.

In section 1, subsection 2, the language "sound underwriting and actuarial principles", I am concerned these two terms are not defined. Who is defining the terms? Will this be left up to the courts? Is there a definition provided?

Ms. RIGGS:

Outside of the question of breed, we will refer to the definitions of the insurance companies.

SENATOR PICKARD:

If the insurance companies are to define a proper process, the process is too vague.

I am concerned we do not have all of the data we need to make an informed decision.

SENATOR HARDY:

I am a former meter reader and have been bitten more than once, but a pit bull has never bitten me.

I have a question regarding section 1, subsection 3.

How long does the process take to identify if a dog is dangerous or vicious? Are animal shelters affected by breed discrimination in their insurance policies?

Ms. RIGGS:

Local animal control authorities under NRS 202.500 determine how the process is carried out. Local authorities adopt regulations.

Possibly, someone in the hearing from animal shelters can address your question regarding insurance policies.

MENDY ELLIOTT (Nevada Humane Society):

The Nevada Humane Society is a charitable, non-profit organization and the only open-admission, no-kill shelter in the State. We promote animal welfare while finding homes and providing care for over 100,000 homeless pets in northern Nevada.

Senator Hardy, we will provide detailed information regarding the screening process prior to an adoption of a pet to the Committee. We believe S.B. 103 provides an excellent roadmap to ensure families can afford to adopt all breeds of dogs. We encourage you to adopt S.B. 103.

MATTHEW WALKER (Nevada Veterinary Medical Association):
I am testifying in support of S.B. 103.

Finding the right home environment is key to the long-term health of our pets. In as much as this bill would remove the cost of insurance as a barrier to finding the right home for our dogs, we are in full support.

JENNIFER HAUGE (Animal Legal Defense Fund):
I represent the Animal Legal Defense Fund and am testifying in support of S.B. 103. I have submitted a letter of support in conjunction with the American Society for the Prevention of Cruelty to Animals, The Humane Society and Best Friends Animal Society, [Exhibit D](#).

REBECCA GOFF (Nevada Humane Society):
It is important to keep families together. In my home, my family includes my dog.

We do not believe available data supports breed restrictions in underwriting property insurance. The Nevada Humane Society supports this bill.

JILL VACCHINA DOBBS (Executive Director, Society for the Prevention of Cruelty to Animals of Northern Nevada):
I am in support of this bill and agree with the others testifying before me ([Exhibit H](#)). My testimony today will focus on a personal story. We see many people relinquishing their beloved pet family members due to the housing situation. Two years ago, a dad with two daughters lost their mom. The dad then lost his business due to Covid-19. They were forced to surrender their dog because they could not find housing accepting of "pit bull type" dogs. This was a heartbreaking situation for the family and the dog.

ANDREA CANEPA-ROTOLO (Nevada Justice Association):
In my personal and professional experience, breed discrimination does exist.

I have been an owner of an American Staffordshire terrier, commonly known as a pit bull.

To find housing, I was forced to acquire documentation demonstrating my dog was an emotional support animal. After meeting my dog, the homeowner association began accepting pit bulls.

I was unable to acquire property insurance through State Farm because I owned a pit bull.

From a public policy standpoint, we must look at the need for insurance coverage in the case of a dog bite. Injured parties will not be able to collect funds if dog owners are not insured.

I testify in support of this bill.

TRAVIS CLARK (Nevada Justice Association):

I am testifying in support of S.B. 103 and agree with the testimony presented by Ms. Canepa-Rotoli.

This bill sets the standard by which dogs are innocent until proven guilty; this policy is a hallmark of American law. Discrimination based on a dog's breed appears to have no standard amongst the insurance companies. Different dogs appear on different insurance lists. At face value, this looks arbitrary and capricious. Some dog breeds are placed on these lists based on nothing more than one news story. For example, a Perro de Presa Canario is banned on almost all insurance lists due to one story in 2011.

Despite the rarity of this issue, this dog breed is discriminated against by insurance companies.

Moving is cited as one of the top reasons animal owners surrender their pets to local animal shelters. Divorcing people from their pets has mental health issues. Taxpayers are overburdened with abandoned pets.

In 2021, a more specific instrument is needed. Senator Pickard stated pit bulls are six times more likely to be dangerous than other dog breeds. I want to be careful in stating "pit bull" is not an actual breed; it is an "occupation." Senator Pickard also referred to the lack of standards in insurance company underwriting.

On behalf of Nevada Justice Association, I am testifying in support of S.B. 103.

GRACE LOPES:

I support this bill and am also in support of the insurance companies' ability to assess risk.

As it exists today, the breed list used by insurance companies is only a list of large dogs. It is not actuarially supported. Collecting proper data will allow insurance companies to establish the frequency and severity of dog behavior. Proper data collection will result in actuarially supported premises to set insurance rates.

I also support this bill because it presents a premium remedy. Both organizations, the American Society for the Prevention of Cruelty to Animals and NAMIC, stated premiums would be outrageous, but have not given specific details.

I am part of the insurance industry and I am chair of a Dobermann rescue organization. In our rescue organization in New England, insurance rates do not increase because of the breed of dog we take in. We often take in dogs because people are unable to get insurance. The opposition letter, [Exhibit C](#), submitted by NAMIC, indicated people should take responsibility for the breed of dog they adopt.

When people adopt from a shelter, they often do not have a choice of breed. This situation speaks to the issue of low income. Some people are able to purchase a dog for \$4,000; for financial reasons some may adopt from a local shelter and pay \$200.

MARLENE RICHTER (Executive Director, Noah's Animal House):

Noah's Animal House was founded in 2007 as a program of The Shade Tree Shelter in Las Vegas. Our mission is to remove barriers for victims entering shelters. We expanded to northern Nevada in 2018. Unless there was noted aggression, we accept all breeds and sizes of pets. We have served over 2,000 pets and owners. The owners are victims who have been physically, emotionally or financially impacted.

Moving from a shelter into a home is the next step in his or her survival. Higher premiums are penalizing victims with pets. These victims need to keep their best friend, their dog, with them.

Noah's Animal House removed a barrier to safe shelter by locating our sanctuary next to temporary housing.

We support removing breed bias in insurance underwriting because victims exiting shelters are negatively impacted.

Abuse in Nevada impacts one in four women and one in six men sometime in his or her lifetime. The victims we have served are 40 percent African American, 35 percent Caucasian and 21 percent Latino. The people we have served tell us pets saved their lives. This is because they are loved unconditionally, especially during the dark moments of violence and fear.

Insurance restrictions create a financial barrier to housing. This barrier will lead victims with pets without access to housing. Victims transferring to housing should be celebrating healing and safety.

By removing insurance restrictions, victims do not have to choose between which lives to save. I am testifying in support of S.B. 103.

STACEY COLEMAN (Director, National Canine Research Council Action Fund):
My purpose for addressing you today is to add comment and context to the opposing statement submitted by the American Property Casualty Insurance Association. I have submitted written testimony ([Exhibit I](#)).

MARK SEKTNAN (Vice President, American Property Casualty Insurance Association):

American Property Casualty Insurance Association is a national insurance trade organization. We represent a broad cross-section of the insurance industry.

We oppose legislation requiring insurers to wait for a potentially devastating personal injury loss before deciding whether to provide, or continue to provide, coverage.

We also understand the concerns of those who advocate for restrictions on underwriting based on dog ownership. Some people believe insurers should avoid the assumption dogs may be vicious merely because of the breed. They want to ensure coverage is available for those who may face the risk of a significant liability claim.

Numerous studies have been published on injuries and fatalities caused by dog bites. These studies are categorized by breed of dog.

More than 4 million dog bites occur each year in the U.S. The associated liability claims totaled \$797 million in 2019. This represents an increase of 134 percent since 2003. These statistics are provided by the Insurance Information Institute and State Farm Insurance Companies.

The average cost per dog bite claim increased by 14.7 percent in 2019. The average cost paid out for dog bite claims Nationwide was \$44,760 in 2019. The claim amount is up from \$39,017 in 2018. The average cost per claim nationally has risen 134 percent from 2003 to 2019. The rise is due to increased medical costs and the size of settlements, judgments and jury awards given to plaintiffs.

Insurance companies must be able to properly underwrite and rate risks. If insurers are forced to insure those homeowners with an increased chance of loss, whether it is a poorly maintained wood-burning stove, a leaky roof, or an aggressive dog, they must be able to charge an adequate rate.

If the hazard is too great, the rate would simply not be affordable. Some insurers may find it necessary to refuse to accept a new policy or to non-renew an existing policy. It would be unfair to charge a higher rate to all insureds to continue to accommodate those with a controllable exposure.

I have submitted a letter of opposition, [Exhibit B](#), to include the remainder of my testimony.

JOE GUILD (State Farm Insurance Companies):

I represent State Farm Insurance Companies and we are concerned about any legislation interfering with the normal course of underwriting or rating an insurance risk.

Insurers use available data and access objective information to ensure customers pay a price for insurance coverage that is tied to the risk they present. If insurers are prevented from utilizing risk-based pricing, other customers will subsidize customers with a higher risk of loss.

The elimination of risk-based pricing in underwriting means some customers carry more than his or her fair share of insurance cost.

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The Legislature should not be in the position of picking winners and losers. State Farm Insurance Companies oppose S.B. 103.

CHAIR SPEARMAN:

Once I announce a time limit, I will stop testimony at the designated time limit. We allow two minutes of testimony, whether the hearing is held virtually or in person.

I will close the hearing on S.B. 103 and adjourn at 9:26 a.m.

RESPECTFULLY SUBMITTED:

Kim Cadra-Nixon,
Committee Secretary

APPROVED BY:

Senator Pat Spearman, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
S.B.103	B	2	Senator Melanie Scheible	Opposition Letter from Mark Sektnan / American Property Casualty Insurance Association
S.B.103	B	1	Mark Sektnan / American Property Casualty Insurance Association	Opposition Letter
S.B.103	C	2	Senator Melanie Scheible	Opposition Letter from Christian John Rataj / National Association of Mutual Insurance Companies
S.B.103	C	1	Grace Lopez / National Association of Mutual Insurance Companies	Opposition Letter from Christian John Rataj
S.B.103	D	2	Susan Riggs / American Society for the Prevention of Cruelty to Animals	Support Letter
S.B.103	D	1	Jennifer Hauge / Animal Legal Defense Fund	Support Letter
S.B.103	E	1	Ledy Vankavage / Best Friends Animal Society	Written Testimony
S.B.103	F	1	Jeff Dixon / The Humane Society	Support Letter
S.B.103	G	1	Jeff Dixon / The Humane Society	Breed Discrimination Questionnaire Responses
S.B.103	H	1	Jill Vacchina Dobbs / Society for the Prevention of Cruelty to Animals of Northern Nevada	Support Letter

S.B.103	I	1	Stacey Coleman / National Canine Research Council Action Fund	Written Testimony