



**STATE OF NEW YORK
INSURANCE DEPARTMENT**
25 BEAVER STREET
NEW YORK, NEW YORK 10004

Circular Letter No. 19 (2000)
June 5, 2000

TO: All Licensed Life Insurers and Fraternal Benefit Societies

RE: Race-Based Underwriting

The Department is currently investigating allegations of race-based underwriting of life insurance by its licensees. Race-based underwriting may be evidenced by different premium rates, compensation rates and risk classifications (standard vs. substandard), and unequal treatment with regard to dividends, benefits or other policy terms or conditions based solely on an insured's race. It has come to the Department's attention that past race-based underwriting practices may not have been addressed in an appropriate manner.

The Department has already met with a number of life insurers with substantial writings in New York to discuss past and current practices with regard to race-based underwriting.

To address the Department's concerns, in the near future each domestic and foreign life insurer and fraternal benefit society will be required, pursuant to Section 308 of the New York Insurance Law, to review its past and current underwriting practices regarding race-based underwriting and to report its findings to the Department. Filing specifications for the report will be announced shortly.

The purpose of this circular letter is to alert life insurers and fraternal benefit societies of the Department's intention to request this information, so that they will begin to review their past and current underwriting practices in order to ensure a timely response to the Department's request.

Very truly yours,

Neil D. Levin
Superintendent of Insurance