



Whitepaper on Breed Discrimination in Insurance Coverage



In support of A.4075/S.4254
To ensure a more equitable homeowners
insurance market for dog owners.

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DOG BREED DISCRIMINATION IN INSURANCE POLICIES

One of the most unfair injustices that pet owners are subjected to today is insurance policy breed discrimination. Currently, home insurance providers have the ability to refuse or cancel someone's home insurance if the policy holder owns a dog breed that is considered aggressive by the insurance company. It is also legal for home insurance premiums to be raised based on the breed of the dog owned. There is no law prohibiting this practice or specifying which breeds would be considered grounds for policy cancellation. Some breeds that are discriminated against the most are Pit Bulls, Great Danes, Rottweilers, and other dogs that are stereotypically considered aggressive.

ORIGINS OF BREED DISCRIMINATION

Part of this problem can be attributed to media coverage of dog bites. People are bitten by dogs every day, but certain breeds get more news coverage than others. Starting in the 1980s, highly publicized pitbull attacks served to create negative sentiment against pits. A chihuahua bite is not likely to make the news, but a rottweiler or pit bite is sure to get covered. This only serves to reinforce bias that the general public has against certain breeds that are characterized as aggressive, and this may serve as the basis for insurance discrimination.

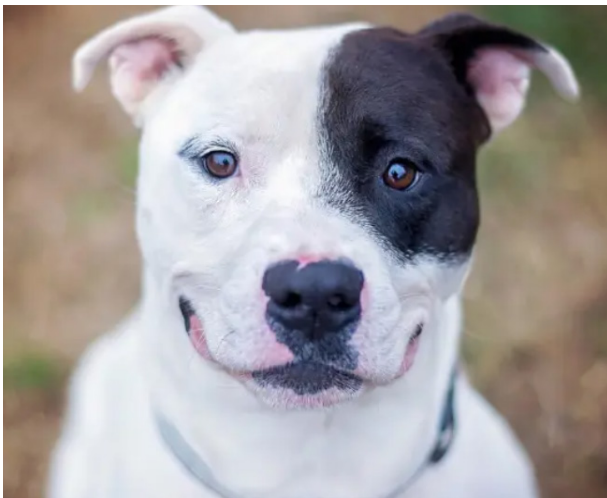
A few sensationalized dog bite stories do not serve as a good representation of a breed as a whole.

A few sensationalized dog bite stories do not serve as a good representation of a breed as a whole. A little research shows that there are a multitude of cases where supposedly aggressive breeds have gotten help for their owners in emergency situations or protected their owners from assault.

The latter contributes to an issue Dr. Larry Cunningham calls "just cause bites" in his 2006 monograph on breed discrimination. Cunningham makes the salient point that dog bites which result from robberies, burglaries, or other violent crimes attempted upon a dog owner are included in the general statistics. Seeing as how many people adopt "more aggressive" breeds for protection, it is almost certain that dog bite statistics for these breeds are skewed. Therefore, data on dog bites by breed cannot be an accurate representation of cases where insurance companies would need to pay out for unprovoked bites.

POLICIES BUILT ON FAULTY EVIDENCE

In the broader context of all claims paid under homeowners insurance policies, dog incidents are only a small portion of those claims and the breed discrimination included in those policies is not based on statistical evidence. In fact, dog bites claims actually decreased by 4.6% from 2019 to 2020, to the lowest amount since 2015.



According to Cunningham's analysis, the assertion by the Insurance Information Institute (III) stating that dog bites account for nearly a quarter or all homeowner's insurance liability claims is misleading. In reality, liability claims account for approximately 6.5% of total claims paid out and dog bite claims are negligible when compared to the overall amount of money paid out for other types of claims.

In his paper, Cunningham writes "The III states, '[d]og bites now account for almost one quarter of all homeowner's insurance liability claims costing \$345.5 million.' Some perspective is in order. For every \$100 in premiums, insurers spend \$77 paying claims. Of that \$77,

the overwhelming majority (\$72, or 93.5%) is spent on paying property damage claims. Liability claims only amount to \$5, or 6.5%, of total claims. Even then, dog bites only constitute a percentage of that figure.



“Put into perspective, the money paid out in dog bite claims is negligible when compared to the overall amount of money paid out for other types of claims. Damage due to lightning, fire, and mold all individually account for more claims payouts than all liability claims combined.”

The November 2020 Study, “Breed Discrimination in the Homeowners Insurance Industry” authored by the American Dog Breeders Association, American Kennel Club, Animal Legal Defense Fund, Association for Animal Welfare Advancement, Best Friends Animal Society, Humane Rescue Alliance and the Humane Society of the United States, stated

“ . . . in the broader context of all claims paid under homeowners insurance policies, claims based on dog incidents are only a small portion. Making wholesale exclusions of dogs based on breed makes little difference to the overall losses faced by the insurance industry.

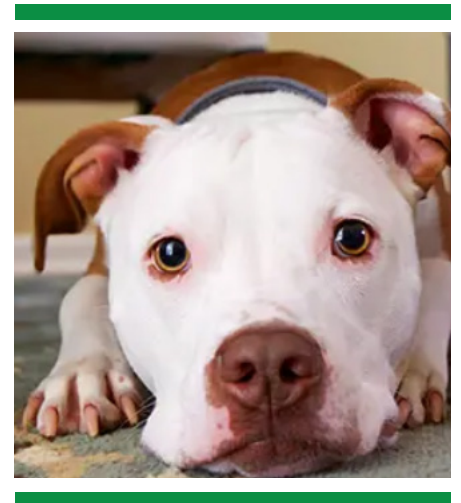
Corgis and Chihuahuas are statistically more aggressive than Great Danes. Yet, one would be hard pressed to find an insurance company denying someone homeowner’s insurance because they owned a Corgi.

“And liability for dog bite claims can still be mitigated by exclusions and limitations based on actual risks presented by an insured’s dog. In addition, insufficient actuarial data exists as to the impact of claims caused by listed versus unlisted dogs. If listed breeds do not actually increase claims higher than those for unlisted breeds, than the breed list has no rational basis.”

Great Danes, who are frequently included among insurance companies’ “banned breeds,” are the breed with the lowest probability of biting someone, according to a 2019 meta-analysis of dog bites to the face. The study also found that Corgis and Chihuahuas are statistically more aggressive than Great Danes. Yet, one would be hard pressed to find an insurance company denying someone homeowner’s insurance because they owned a Corgi.

These policies seem to be based on the reputation of certain breeds rather than actual data on dog bites. Additionally, most studies of dog bites have a high percentage of bites with no breed attributed to them, up to 60% in the 2019 meta-analysis.

A study from a large Canadian city found that because “only mixed and German Shepherd breeds had a PAF% (population attributable fraction percent) in excess of 2%, the breed effect could not be considered a major determining factor for the biting incidents” Additionally, the researchers concluded that “the incidence of dog bites would not be markedly reduced by . . . restricting or preventing the ownership of certain breeds of dog.”



In a 20-year study conducted by the CDC, focusing on dog bites and fatalities, researchers found that 92 deaths were excluded because the breed was “unavailable”. This raises the question--how many of these attacks could have actually been caused by dogs that are generally not associated as being “dangerous” and considered “low risk” for insurance companies?

An Irish study found that breed-specific legislation was ineffective and may have actually contributed to an increase in dog bite hospitalizations.

Another part of the problem is misidentification. Many scientists believe that misidentification is likely to occur given the stress of a dog attack. As a result of particular breeds getting a reputation for being dangerous, the victim may believe they were bitten by a dog of that breed.



A Michigan family in 2015 was forced to get rid of their Lab mix simply because it looked like a pit bull. Incidents like this make it abundantly clear that breed discrimination should be avoided in favor of a case-by-case appraisal. There is no reason that a mild-mannered pit should cause its owners to be denied insurance while a terrier with a history of biting is allowed. In fact, an Irish study found that breed-specific legislation was ineffective and may have actually contributed to an increase in dog bite hospitalizations. That same study found that the five “bully breeds” which had

been restricted were collectively responsible for only 27.7% of total bites, while the top two non-regulated breeds were responsible for 28.5%.

A study of two Air Force bases found that the “sporting” breed grouping bit people the most frequently, at a rate of 12.3 bites for every 100 dogs owned on base. The American Kennel Association “sporting” grouping includes breeds like Retrievers and Spaniels. By contrast, the “working” group, which includes Boxers, Great Danes, Rottweilers, and Pinschers, had a statistically lower bite rate than the sporting group. A study of dog bites over a six-month period in Norfolk County, VA found that Poodles bit more people than Great Danes, Bulldogs, Chow Chows, Boxers, and Dobermans combined.

ADDITIONAL CONSEQUENCES OF BREED DISCRIMINATION

These practices unfortunately lead to many dogs being given up to shelters so their owners can remain in their homes. Pit bulls are considered by many insurance companies to be “dangerous”, and subsequently they are one of the most common breeds in NYS shelters.



The financial stress on shelters cannot be understated considering it costs shelters an average of \$15 a day to care for dogs—this includes food, shelter, medical care and quality of life activities. New York’s animal shelters do not receive direct operational support from the state and rely on individual philanthropy to cover their costs. The shelters that provide services to local municipalities do so at an overall financial loss but continue to provide those services to live up to their mission of serving homeless animals.

Breed discrimination contributes to the financial strain shelters experience—go into any shelter in New York State and you’ll find a preponderance of Pit Bulls. Banning discriminatory insurance policies would not only benefit insurance holders and their pets, it would reduce the current burden on animal shelters.

CONCLUSION

The fact remains that insurance companies which discriminate against dog breeds are not basing these policies on sound data. Breeds such as Shih Tzus and St. Bernard’s bite people at a higher rate than Dobermans and Dalmatians, but insurance companies rarely, if ever, discriminate against St. Bernard owners.

Insurance companies have a duty to make sure that their policies are actuarially sound, but the evidence points to policies that are based on stereotypes of breeds rather than statistical facts. Stereotypes fail to paint the full picture of breeds. There are so many stories of supposedly “vicious” breeds who came to their owner’s rescue and saved their life.

For example, in 2017, a pit mix named Major saved his owner’s life during a seizure by pulling a cell phone out of his owner’s pocket and dialing 911—as it was trained to do.



Breed discrimination in insurance policies is based on unsound data and is a practice that is unfair to pet owners. The practice forces responsible pet owners to choose between their companion animal and insurance for their home and increases the burden on animal shelters.

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Insurance companies have the right to take dogs into account, but this practice should be done on a case-by-case basis.

At least 22 states ban breed discrimination in some fashion and focus instead on the behavior of individual dogs. Pennsylvania and Michigan have laws prohibits canceling, denying or increasing premiums based solely on the type of dog owned by the insured. Vermont, Connecticut and Massachusetts ban the practice through regulation.

National organizations that oppose breed discrimination include:

- American Kennel Club
- American Veterinary Medical Association
- American Veterinary Society of Animal Behavior
- American Bar Association
- Association for the Prevention of Cruelty to Animals
- Association of Professional Dog Trainers
- Best Friends Animal Society
- Humane Society of the United States
- National Animal Care & Control Association, and
- National Canine Research Council

It is time for New York State to take the pro-active step and ban insurance companies from discriminating against homeowners based on dog breed. The passage of A.4075/S.4254 would ensure a more equitable market for dog owners and create a safer and fairer New York for maligned dog breeds and their owners.



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