



1 information and not expressly prohibited by paragraph 1 of this  
2 section;

3 3. Base renewal rates for personal insurance of an insured  
4 solely upon credit information, without consideration of any other  
5 applicable factor independent of credit information;

6 4. Take adverse action against a consumer solely because the  
7 consumer does not have a credit card account, without consideration  
8 of any other applicable factor independent of credit information;

9 5. Consider an absence of credit information or an inability to  
10 calculate an insurance score in underwriting or rating personal  
11 insurance, unless the insurer does one of the following:

12 a. treats the consumer as otherwise approved by the  
13 Insurance Commissioner, if the insurer presents  
14 information that an absence or inability relates to  
15 the risk for the insurer,

16 b. treats the consumer as if the applicant or insured had  
17 neutral credit information, as defined by the insurer,  
18 or

19 c. excludes the use of credit information as a factor and  
20 use only other underwriting criteria;

21 6. Take an adverse action against a consumer based on credit  
22 information, unless an insurer obtains and uses a credit report  
23 issued or an insurance score calculated within one (1) year ~~ninety~~

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1 ~~(90) days~~ from the date the policy is first written or renewal is  
2 issued;

3 7. Use credit information unless not later than every thirty-  
4 six (36) months following the last time that the insurer obtained  
5 current credit information for the insured, the insurer recalculates  
6 the insurance score or obtains an updated credit report. Regardless  
7 of the requirements of this subsection:

8 a. at annual renewal, upon the request of a consumer or  
9 the agent of the consumer, the insurer shall  
10 reunderwrite and rerate the policy based upon a  
11 current credit report or insurance score. An insurer  
12 need not recalculate the insurance score or obtain the  
13 updated credit report of a consumer more frequently  
14 than once in a twelve-month period,

15 b. the insurer shall have the discretion to obtain  
16 current credit information upon any renewal before the  
17 thirty-six (36) months, if consistent with its  
18 underwriting guidelines, and

19 c. no insurer need obtain current credit information for  
20 an insured, despite the requirements of paragraph 7 of  
21 this section, if one of the following applies:

22 (1) the insurer is treating the consumer as otherwise  
23 approved by the Commissioner,

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1 (2) the insured is in the most favorably priced tier  
2 of the insurer, within a group of affiliated  
3 insurers. However, the insurer shall have the  
4 discretion to order a report, if consistent with  
5 its underwriting guidelines,

6 (3) credit was not used for underwriting or rating  
7 the insured when the policy was initially  
8 written. However, the insurer shall have the  
9 discretion to use credit for underwriting or  
10 rating the insured upon renewal, if consistent  
11 with its underwriting guidelines, or

12 (4) the insurer reevaluates the insured beginning no  
13 later than thirty-six (36) months after inception  
14 and thereafter based upon other underwriting or  
15 rating factors, excluding credit information; and

16 8. Use the following as a negative factor in any insurance  
17 scoring methodology or in reviewing credit information for the  
18 purpose of underwriting or rating a policy of personal insurance:

- 19 a. credit inquiries not initiated by the consumer or  
20 inquiries requested by the consumer for the credit  
21 information of the consumer,  
22 b. inquiries relating to insurance coverage, if so  
23 identified on a credit report of the consumer,  
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- 1 c. collection accounts with a medical industry code, if  
2 so identified on the credit report of the consumer,  
3 d. multiple lender inquiries, if coded by the consumer  
4 reporting agency on the credit report of the consumer  
5 as being from the home mortgage industry and made  
6 within thirty (30) days of one another, unless only  
7 one inquiry is considered, and  
8 e. multiple lender inquiries, if coded by the consumer  
9 reporting agency on the credit report of the consumer  
10 as being from the automobile lending industry and made  
11 within thirty (30) days of one another, unless only  
12 one inquiry is considered.

13 SECTION 2. This act shall become effective November 1, 2017.

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15 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
16 04/04/2017 - DO PASS, As Amended.  
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