

SENATE BILL 8

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C4

1998 Regular Session
(8lr0276)

ENROLLED BILL
-- Finance/Economic Matters --

Introduced by **Senator Boozer**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Private Passenger Motor Vehicle Insurance - Discrimination in**
3 **Underwriting - Credit History of Applicant**

4 FOR the purpose of prohibiting an insurer from refusing to underwrite a private
5 passenger motor vehicle insurance risk solely because of the credit history of the
6 applicant or named insured; authorizing an insurer to request a certain finding
7 by the Insurance Commissioner that certain programs or models used by the
8 insurer for a certain purpose be considered certain confidential information;
9 requiring the Commissioner to submit a certain report by a certain date;
10 providing for the termination of this Act; and generally relating to
11 discrimination in underwriting in private passenger motor vehicle insurance.

12 BY repealing and reenacting, with amendments,
13 Article - Insurance
14 Section 11-307(c) and 27-501(e)
15 Annotated Code of Maryland
16 (1997 Volume)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Insurance**

4 11-307.

5 (c) (1) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION,
6 EACH [Each] filing and any supporting information filed under this subtitle shall be
7 open to public inspection as soon as filed.

8 (2) On request and payment of a reasonable charge, a person may obtain
9 copies of a filing and any supporting information.

10 (3) AN INSURER MAY REQUEST A FINDING BY THE COMMISSIONER
11 THAT A COMPUTER PROGRAM, MODEL, OR ALGORITHM USED TO DEVELOP OR
12 CREATE A CREDIT SCORE FOR RATING PURPOSES BE CONSIDERED CONFIDENTIAL
13 COMMERCIAL INFORMATION UNDER § 10-671(D) OF THE STATE GOVERNMENT
14 ARTICLE.

15 27-501.

16 (e) An insurer may not refuse to underwrite a private passenger motor vehicle
17 insurance risk solely:

18 (1) because the applicant or named insured previously obtained
19 insurance coverage from any authorized insurer or the Maryland Automobile
20 Insurance Fund; OR

21 (2) BECAUSE OF THE CREDIT HISTORY OF THE APPLICANT OR NAMED
22 INSURED.

23 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1,
24 2001, prior to the abrogation of this Act as provided in Section 3 of this Act, the
25 Insurance Commissioner shall conduct a study on the effect, if any, of the provisions of
26 this Act on private passenger motor vehicle insurance premiums and submit a report
27 on the results of the study to the Governor and, subject to § 2-1246 of the State
28 Government Article, the General Assembly.

29 ~~SECTION 2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
30 effect October 1, 1998. It shall remain effective for a period of 4 years and, at the end
31 of September 30, 2002, with no further action required by the General Assembly, this
32 Act shall be abrogated and of no further force and effect.

