

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 521

(First Reading File Bill)

AMENDMENT NO. 1

In the sponsor line, strike “and Kirk” and substitute “, Kirk, Barve, Donoghue, Fulton, and Harrison”; strike beginning with “Discrimination” in line 2 down through “History” in line 3 and substitute “Use of Credit History - Prohibition”; strike beginning with “prohibiting” in line 4 down through “insurance” in line 7 and substitute “altering the termination date of certain provisions of law prohibiting an insurer from refusing to underwrite a certain insurance risk solely because of an applicant’s or named insured’s credit history and authorizing an insurer to request a certain finding; prohibiting an insurer from using the credit history of a certain applicant or insured, in whole or in part, to cancel, refuse to renew, or refuse to underwrite a certain insurance risk; prohibiting an insurer from using the credit history of a certain applicant or insured, in whole or in part, to rate a certain insurance risk in any manner; providing for the application of this Act; and generally relating to prohibiting the use of credit history in the underwriting or rating of personal lines property and casualty insurance”; and after line 7, insert:

“BY repealing and reenacting, with amendments,

Chapter 576 of the Acts of the General Assembly of 1998

Section 3”.

AMENDMENT NO. 2

After line 15, insert:

“Chapter 576 of the Acts of 1998

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1998. It shall remain effective for a period of [4] 3 years AND 9 MONTHS and, at the end of [September] JUNE 30, 2002, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.”;

(Over)

and strike in their entirety lines 22 through 24, inclusive, and substitute:

“(2) AN INSURER MAY NOT USE THE CREDIT HISTORY OF AN APPLICANT OR INSURED, IN WHOLE OR IN PART:

(I) TO CANCEL, REFUSE TO RENEW, OR REFUSE TO UNDERWRITE A PERSONAL LINES PROPERTY AND CASUALTY INSURANCE RISK; OR

(II) TO RATE A PERSONAL LINES PROPERTY AND CASUALTY INSURANCE RISK IN ANY MANNER, INCLUDING:

1. THE PROVISION OR REMOVAL OF A DISCOUNT;
2. ASSIGNING THE INSURED OR APPLICANT TO A RATING TIER; OR
3. PLACING AN INSURED OR APPLICANT WITH AN AFFILIATED COMPANY.”.

AMENDMENT NO. 3

After line 24, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all personal lines property and casualty insurance policies and contracts issued, delivered, or renewed on or after July 1, 2002.”;

in line 25, strike “2.” and substitute “3.”; and in line 26, strike “October 1, 2002” and substitute “July 1, 2002”.