SENATE BILL NO. 2317

AN ACT TO PROHIBIT INSURERS FROM USING INFORMATION REGARDING A CONSUMER'S CREDITWORTHINESS, CREDIT STANDING OR CREDIT CAPACITY FOR THE PURPOSE OF DETERMINING RATES FOR INSURANCE OR ELIGIBILITY FOR COVERAGE; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. (1) An insurer may not require a particular payment plan for an insured for coverage under a private passenger or homeowner's insurance policy based on the credit history of the insured.

(2) (a) For purposes of this subsection, "credit history" means any written, oral or other communication of any information by a consumer reporting agency bearing on a consumer's creditworthiness, credit standing or credit capacity that is used or expected to be used, or collected in whole or in part, for the purpose of determining personal lines insurance premiums or eligibility for coverage.

(b) With respect to private passenger, residential property and other personal lines of insurance, an insurer may not:

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ST: Insurance; prohibit use of credit information in underwriting and rating.

(i) Refuse to underwrite, cancel, refuse to renew a risk, or increase the renewal premium based, in whole or in part, on the credit history of an applicant or insured;

(ii) Rate a risk based, in whole or in part, on the credit history of an applicant or insured 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;

(iii) Require a particular payment plan based, in whole or in part, on the credit history of the insured or applicant; or

(iv) Use, in whole or in part, insurance scores or consumer reports as a basis to make a written or oral solicitation of insurance that is not initiated by the consumer.

SECTION 2. This act shall take effect and be in force from and after July 1, 2016.