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SENATE BILL 5733

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State of Washington

52nd Legislature

1991 Regular Session

By Senator Williams.

Read first time February 18, 1991. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to property insurance; adding a new section to  
2 chapter 48.27 RCW; and prescribing penalties.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.27 RCW  
5 to read as follows:

6 (1) The credit history of an applicant for, or holder of, a  
7 property insurance policy shall not be used as a factor by the insurer  
8 in determining the eligibility or rates of the applicant or  
9 policyholder for such insurance. "Credit history" for the purpose of  
10 this section, shall be limited to the financial information on a  
11 consumer credit report, and shall not be construed to include  
12 nonfinancial information. This section shall not be construed to allow  
13 or encourage gathering of other than financial information on credit  
14 reports.

1           (2) Any person who violates this section shall be subject to a  
2 civil penalty not to exceed two hundred fifty dollars for each  
3 violation, to be assessed and collected in a civil action brought by  
4 the person paying with a credit card, by the attorney general, or by  
5 the prosecuting or city attorney of the county or city in which the  
6 violation occurred. However, no civil penalty shall be assessed for a  
7 violation of this section if the defendant shows by a preponderance of  
8 the evidence that the violation was not intentional and resulted from  
9 a bona fide error made notwithstanding the defendant's maintenance of  
10 procedures reasonably adopted to avoid such an error.

11           (3) The attorney general, or any prosecuting or city attorney  
12 within his or her respective jurisdiction, may bring an action in the  
13 superior court in the name of the people of the state of Washington to  
14 enjoin violation of subsection (1) of this section and, upon notice to  
15 the defendant of not less than five days, to temporarily restrain and  
16 enjoin the violation. If it appears to the satisfaction of the court  
17 that the defendant has, in fact, violated subsection (1) of this  
18 section, the court may issue an injunction restraining further  
19 violations without requiring proof that any person has been damaged by  
20 the violation. In these proceedings, if the court finds that the  
21 defendant has violated subsection (1) of this section, the court may  
22 direct the defendant to pay any or all costs incurred by the attorney  
23 general, prosecuting or city attorney in seeking or obtaining  
24 injunctive relief pursuant to this subsection.