

2 SHB 2544 - H AMD Out of Order 0330 February 18, 2002

3 By Representative Benson

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5 Strike everything after the enacting clause and insert the
6 following:

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.18 RCW
8 to read as follows:

9 RESTRICTIONS THAT APPLY TO PERSONAL INSURANCE UNDERWRITING. (1)

10 For the purposes of this section:

11 (a) "Affiliated" has the same meaning as defined in RCW
12 48.31B.005(1).

13 (b) "Credit history" means any written, oral, or other
14 communication of any information by a consumer reporting agency bearing
15 on a consumer's credit worthiness, credit standing, or credit capacity,
16 which is used, or expected to be used, or collected in whole or in part
17 for the purpose of serving as a factor in establishing personal
18 insurance premiums or eligibility for coverage.

19 (c) "Personal insurance" means property and casualty insurance to
20 be used primarily for personal, family, or household purposes, such as
21 homeowner and private passenger auto insurance.

22 (2) An insurer's refusal to issue a policy of personal insurance
23 shall not be based primarily on a person's credit history. However, as
24 part of the initial underwriting decision an insurer may consider
25 credit history in conjunction with other objective criteria, but credit
26 history shall not be the predominant factor. Placement with an
27 affiliated insurer does not constitute denial of coverage under this
28 section.

29 (3) An insurer shall not cancel or refuse to renew personal
30 insurance due in whole or in part to an insured's credit history.

31 (4) The commissioner may adopt rules as necessary to implement this
32 section.

33 NEW SECTION. **Sec. 2.** Captions used in this act are not any part
34 of the law.

1 NEW SECTION. **Sec. 3.** Section 1 of this act takes effect July 1,
2 2002."

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6 On page 1, line 1 of the title, after "purposes;" strike the
7 remainder of the title and insert "adding a new section to chapter
8 48.18 RCW; creating a new section; and providing an effective date."

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