

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2592 Session of
2002

INTRODUCED BY GODSHALL, BARRAR, BELFANTI, BISHOP, CLARK,
M. COHEN, CORRIGAN, COSTA, CREIGHTON, DeLUCA, FICHTER,
GEORGE, GORDNER, HARHAI, HORSEY, HUTCHINSON, JAMES, KELLER,
KENNEY, KIRKLAND, LAUGHLIN, LEH, MAITLAND, MANDERINO, MCGILL,
McILHATTAN, MELIO, MICHLOVIC, NAILOR, SANTONI, SATHER,
SAYLOR, SOLOBAY, STABACK, J. TAYLOR, THOMAS, TIGUE, WALKO,
WASHINGTON, WATSON, M. WRIGHT, G. WRIGHT AND YOUNGBLOOD,
APRIL 18, 2002

REFERRED TO COMMITTEE ON INSURANCE, APRIL 18, 2002

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
2 act relating to insurance; amending, revising, and
3 consolidating the law providing for the incorporation of
4 insurance companies, and the regulation, supervision, and
5 protection of home and foreign insurance companies, Lloyds
6 associations, reciprocal and inter-insurance exchanges, and
7 fire insurance rating bureaus, and the regulation and
8 supervision of insurance carried by such companies,
9 associations, and exchanges, including insurance carried by
10 the State Workmen's Insurance Fund; providing penalties; and
11 repealing existing laws," prohibiting the use of credit
12 scoring.

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. The act of May 17, 1921 (P.L.682, No.284), known
16 as The Insurance Company Law of 1921, is amended by adding a
17 section to read:

18 Section 2003.1. Use of Credit Scoring Prohibited.--An
19 insurer shall not cancel, or refuse to issue or renew a policy
20 of automobile insurance based on the credit rating of a

1 policyholder or applicant which the insurer deems to be
2 unsatisfactory. An insurer shall also be prohibited from
3 imposing a surcharge or applying a rating factor on a policy
4 based on the use of a credit rating as an underwriting standard.

5 Section 2. This act shall take effect in 60 days.