

State Corporation Commission 2010 Fiscal Impact Statement

1. Bill Number: SB399

House of Origin	<u> X </u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Wagner

3. Committee: Commerce and Labor

4. Title: Motor vehicle insurance; premiums based on credit information.

5. Summary: Provides that no insurer issuing a motor vehicle policy as defined in § 38.2-2212 (private passenger policies excluding policies issued by the Virginia Automobile Insurance Plan) shall base the premium charged, set rates, or make pricing or underwriting decisions based on a person's credit history, lack of credit history, or credit score.

6. No Fiscal Impact on the State Corporation Commission

7. Budget amendment necessary: No

8. Fiscal implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: The Bureau of Insurance offered the following technical comments to the patron of Senate Bill 399:

- In order to be consistent with the provision on Lines 206-208, which prohibits insurers from using credit information in underwriting, the Bureau recommended deleting the sentences on Lines 77-80 since the provision allows insurers to use credit information in part as the basis for a non-renewal.
- In addition, in order to be consistent with the provision on Lines 206-208, which prohibits insurers from using credit information in underwriting, the Bureau recommended including the words "credit information" on Line 197 after the words "marital status" in order to make it clear that insurers may not refuse to issue a motor vehicle insurance policy solely because of a person's credit information.

11. Other comments: Senate Bill 399 is identical to House Bill 1075.

Date: 01/24/10/V. Tompkins

cc: Secretary of Commerce and Trade