AN ACT concerning insurance.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Illinois Insurance Code is amended by adding Section 155.37 as follows:

(215 ILCS 5/155.37 new)

Sec. 155.37. Use of credit reports in connection with certain policies.

(a) This Section applies to policies of insurance defined in subsections (a), (b), and (c) of Section 143.13, except that this Section does not apply to those personal lines policies defined in subsection (c) of Section 143.13 that could be classified under clause (g) or (i) of Class 2 of Section 4 or to policies of insurance subject to Article IX 1/2.

(b) An insurance company authorized to do business in this State may not refuse to issue or renew a policy of insurance solely on the basis of a credit report. An offer by an insurance company to write a policy through an insurer that is an affiliate, as defined in Section 131.1 of this Code, with continuous coverage does not constitute a refusal to issue a policy or a nonrenewal within the meaning of this Section. "Credit report" means a collection of data regarding a consumer's credit history, credit capacity, or credit worthiness that has been assembled or evaluated by a consumer reporting agency as defined in 15 USC 1681a(f).

(c) If a credit report is used in conjunction with other criteria to underwrite an application or renewal of a policy of insurance, it may not include or be based upon the race, income, gender, religion, or national origin of the applicant or insured.

Clerk of the House
Originated in the House of Representatives
PUBLIC ACT 92-480

(d) If a credit report is used in conjunction with other criteria to refuse to issue or renew a policy of insurance, the insurer shall provide the applicant or policyholder with a notice of the underwriting action taken. For purposes of this Section, compliance with the notification requirements of the federal Fair Credit Reporting Act, 15 U.S.C. 1681 et seq., shall be considered to be in compliance with this Section.

Section 99. Effective date. This Act takes effect on October 1, 2001.

Michael J. Madigan
Speaker, House of Representatives

President of the Senate

APPROVED

this 23rd day of August, 20 01 A.D.,

George H. Ryan
GOVERNOR