

SENATE BILL No. 1407

September 17, 2002, Introduced by Senator GARCIA and referred to the Committee on Financial Services.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 2110a (MCL 500.2110a), as added by 1996
PA 514, and by adding section 2015.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 2015. A VIOLATION OF SECTION 2110A(2) IS AN UNFAIR
2 METHOD OF COMPETITION AND AN UNFAIR OR DECEPTIVE ACT OR PRACTICE
3 IN THE BUSINESS OF INSURANCE.

4 Sec. 2110a. (1) ~~If~~ EXCEPT AS OTHERWISE PROVIDED IN
5 SUBSECTION (2), IF uniformly applied to all its insureds, an
6 insurer may establish and maintain a premium discount plan uti-
7 lizing factors in addition to those permitted by section 2111 for
8 insurance if the plan is consistent with the purposes of this act
9 and reflects reasonably anticipated reductions in losses or
10 expenses. This section does not affect benefits or obligations

1 required under chapter 31. ~~Nothing in this~~ THIS section
2 ~~authorizes~~ DOES NOT AUTHORIZE an insurer to offer, or
3 ~~prohibits~~ PROHIBIT an insurer from offering, premium discount
4 plans concerning any of the following:

5 (a) Health care services, health care providers, or health
6 care facilities.

7 (b) Automobile repair providers.

8 (c) Materials used in the repair of an automobile.

9 (2) AN INSURER SHALL NOT ESTABLISH, MAINTAIN, OR USE A PRE-
10 MIUM DISCOUNT PLAN BASED IN WHOLE OR IN PART UPON AN APPLICANT'S
11 OR INSURED'S CREDIT HISTORY OR LACK OF CREDIT HISTORY.

12 Enacting section 1. This amendatory act takes effect
13 July 1, 2003.