

1 AN ACT concerning insurance.

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

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 155.38 as follows:

6 (215 ILCS 5/155.38)

7 Sec. 155.38. ~~155.37.~~ Use of Credit report use reports in
8 connection with certain policies.

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

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

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

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

9 (Source: P.A. 92-480, eff. 10-1-01; revised 10-17-01.)