Legislative Analysis

INSURANCE: USE OF CREDIT INFORMATION

Senate Bill 300 (S-1)
Sponsor: Sen. John J. Gleason
House Committee: Insurance
Senate Committee: Insurance

Complete to 5-10-12

A SUMMARY OF SENATE BILL 300 AS PASSED BY THE SENATE 5-2-12

Senate Bill 300 is part of a package of bills addressing the use of credit information and credit scores in the transaction of personal insurance. The other bills in the package, at this point, are House Bills 4593, 4594, 4595, and 4596. Those bills have passed the House and the Senate and are awaiting final action on the House Floor. The bills are all tie-barred to one another, including Senate Bill 300, meaning none can take effect unless they all are enacted.

Senate Bill 300, as passed by the Senate, contains the definition of terms section of the package. These definitions were found in House Bill 4593 when it passed the House. The Senate substitute for that bill removed the definitions and placed them in a revised Senate Bill 300. The terms defined include, "adverse action," "consumer reporting agency," "credit information," "credit report," "insurance score," and "personal insurance."

For a detailed description of House Bills 4593-4596, see the House Fiscal Agency legislative analysis dated 9-15-11 at:
http://www.legislature.mi.gov/documents/2011-2012/billanalysis/House/pdf/2011-HLA-4593-3.pdf.

FISCAL IMPACT:

As noted in the analysis of House Bills 4593-4596, the bill package would have no fiscal impact on state and local government. Any additional regulatory oversight activities required of the Office of Financial and Insurance Regulation (OFIR) would be supported by assessment fee revenue and would be reflected in the annual appropriation to the office.

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