

SENATE BILL No. 1027

January 22, 2008, Introduced by Senators CLARKE, JACOBS, CLARK-COLEMAN, ANDERSON, BRATER, THOMAS, GLEASON, SCHAUER, HUNTER and SCOTT and referred to the Committee on Economic Development and Regulatory Reform.

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.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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1 Sec. 2110a. (1) ~~IF~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION**
2 **(2), IF** uniformly applied to all its insureds **AND SUBJECT TO PRIOR**
3 **APPROVAL BY THE COMMISSIONER**, an insurer may establish and maintain
4 a premium discount plan utilizing factors in addition to those
5 permitted by section 2111. ~~for insurance if~~ **THE COMMISSIONER SHALL**
6 **NOT APPROVE A PREMIUM DISCOUNT PLAN UNLESS** the plan is consistent
7 with the purposes of this act, ~~and~~ reflects reasonably anticipated
8 reductions in losses or expenses, **AND DOES NOT DISCRIMINATE BASED**
9 **ON SOCIOECONOMIC CHARACTERISTICS**. This section does not affect
10 benefits or obligations required under chapter 31. Nothing in this

1 section authorizes an insurer to offer or prohibits an insurer from
2 offering premium discount plans concerning any of the following:

3 (a) Health care services, health care providers, or health
4 care facilities.

5 (b) Automobile repair providers.

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

7 **(2) AN INSURER SHALL NOT ESTABLISH OR MAINTAIN A PREMIUM**
8 **DISCOUNT PLAN BASED IN WHOLE OR IN PART UPON AN APPLICANT'S OR**
9 **INSURED'S CREDIT HISTORY OR LACK OF CREDIT HISTORY.**

10 Enacting section 1. This amendatory act takes effect March 1,
11 2008.

12 Enacting section 2. This amendatory act does not take effect
13 unless Senate Bill No.____ or House Bill No.____ (request no.
14 05757'07) of the 94th Legislature is enacted into law.