

# SENATE BILL No. 191

February 18, 2003, Introduced by Senators LELAND, BERNERO, CHERRY, BASHAM, BRATER, THOMAS, CLARK-COLEMAN, SCHAUER, BARCIA and EMERSON and referred to the Committee on Banking and Financial Institutions.

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 2402a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2110a. (1) ~~If~~ **Except as otherwise provided in**  
2 **subsection (2), if** uniformly applied to all its insureds, an  
3 insurer may establish and maintain a premium discount plan  
4 utilizing factors in addition to those permitted by section 2111  
5 for insurance if the plan is consistent with the purposes of this  
6 act and reflects reasonably anticipated reductions in losses or  
7 expenses. This section does not affect benefits or obligations  
8 required under chapter 31. Nothing in this section authorizes an  
9 insurer to offer or prohibits an insurer from offering premium  
10 discount plans concerning any of the following:

1 (a) Health care services, health care providers, or health  
2 care facilities.

3 (b) Automobile repair providers.

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

5 (2) An insurer shall not establish or maintain a premium  
6 discount plan based in whole or in part upon an applicant's or  
7 insured's credit history or lack of credit history.

8 Sec. 2402a. Home or automobile insurance written on a  
9 group, franchise, blanket policy, or similar basis shall not be  
10 rated, in whole or in part, upon a group member's credit history  
11 or lack of credit history or upon the credit history or lack of  
12 credit history of the group as a whole.