

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

\*\*\*\*\* 500.2156.added *THIS ADDED SECTION IS EFFECTIVE 91 DAYS AFTER ADJOURNMENT OF THE 2012 REGULAR SESSION SINE DIE* \*\*\*\*\*

**500.2156.added Notice of adverse action.**

Sec. 2156. If an insurer takes an adverse action based upon credit information, the insurer shall notify the insured or applicant for insurance in accordance with 15 USC 1681m(a), that an adverse action has been taken. The insurer shall provide notice in clear and specific language of the reasons for the adverse action, including a description of all factors that were the primary or most significant influences for the adverse action and the insured's or the applicant's insurance score if not otherwise provided. However, not more than 4 factors for the adverse action need to be given. The use of generalized terms such as "poor credit history", "poor credit rating", or "poor insurance score" does not meet the description requirements of this section. Standardized credit explanations provided by consumer reporting agencies or other third party vendors meet the description requirements of this section.

**History:** Add. 2012, Act 206, Eff. (sine die).