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H.727

Introduced by Representatives Botzow of Pownal, Carr of Brandon, Lanpher
of Vergennes, Marcotte of Coventry, and O’Sullivan of
Burlington

Referred to Committee on

Date:

Subject: Insurance; rates; credit report; study

Statement of purpose of bill as introduced: This bill proposes to require the
Commissioner of Financial Regulation to study the pros and cons of
prohibiting insurers from using credit reports to determine rates.

An act relating to a study of credit-based insurance scores and insurance
rates

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. STUDY OF CREDIT REPORTS AND INSURANCE RATES

The Commissioner of Financial Regulation shall study the pros and cons of
prohibiting insurance companies from considering a consumer’s credit-based
insurance score when determining rates. The Commissioner shall analyze
the effect such a ban would have on the applicable insurance markets in
Vermont – auto, homeowners, and any other type of insurance – and on

1 consumers. The Commissioner shall report his or her findings and
2 recommendations to the General Assembly on or before December 1, 2016.

3 Sec. 2. EFFECTIVE DATE

4 This act shall take effect on passage.