

# SB1706



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

SB1706

Introduced 2/9/2017, by Sen. Jacqueline Y. Collins

#### SYNOPSIS AS INTRODUCED:

215 ILCS 157/15

Amends the Use of Credit Information in Personal Insurance Act. Makes a technical change in a Section concerning definitions.

LRB100 11335 SMS 21712 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Use of Credit Information in Personal  
5 Insurance Act is amended by changing Section 15 as follows:

6 (215 ILCS 157/15)

7 Sec. 15. Definitions. For ~~the~~ the purposes of this Act,  
8 these defined words have the following meanings:

9 "Adverse action" means a denial or cancellation of, an  
10 increase in any charge for, or a reduction or other adverse or  
11 unfavorable change in the terms of coverage or amount of, any  
12 insurance, existing or applied for, in connection with the  
13 underwriting of personal insurance.

14 "Affiliate" means any company that controls, is controlled  
15 by, or is under common control with another company.

16 "Applicant" means an individual who has applied to be  
17 covered by a personal insurance policy with an insurer.

18 "Consumer" means an insured or an applicant for a personal  
19 insurance policy whose credit information is used or whose  
20 insurance score is calculated in the underwriting or rating of  
21 a personal insurance policy.

22 "Consumer reporting agency" means any person that, for  
23 monetary fees or dues or on a cooperative nonprofit basis,

1 regularly engages in whole or in part in the practice of  
2 assembling or evaluating consumer credit information or other  
3 information on consumers for the purpose of furnishing consumer  
4 reports to third parties.

5 "Credit information" means any credit-related information  
6 derived from a credit report, found on a credit report itself,  
7 or provided on an application for personal insurance.  
8 Information that is not credit-related shall not be considered  
9 "credit information," regardless of whether it is contained in  
10 a credit report or in an application or is used to calculate an  
11 insurance score.

12 "Credit report" means any written, oral, or other  
13 communication of information by a consumer reporting agency  
14 bearing on a consumer's credit worthiness, credit standing, or  
15 credit capacity, that is used or expected to be used or  
16 collected in whole or in part for the purpose of serving as a  
17 factor to determine personal insurance premiums, eligibility  
18 for coverage, or tier placement.

19 "Department" means the Department of Insurance.

20 "Insurance score" means a number or rating that is derived  
21 from an algorithm, computer application, model, or other  
22 process that is based in whole or in part on credit information  
23 for the purposes of predicting the future insurance loss  
24 exposure of an individual applicant or insured.

25 (Source: P.A. 93-114, eff. 10-1-03.)