

**H. B. 2063**

1  
2  
3  
4  
5  
6  
7  
8  
9

(By Delegate Caputo)  
[Introduced January 15, 2015; referred to the  
Committee on Banking and Industry then the Judiciary.]

10 A BILL to amend and reenact §33-20-5 of the Code of West Virginia, 1931, as amended, relating  
11 to insurance generally; and prohibiting the use of a credit score in casualty insurance rate  
12 filings.

13 *Be it enacted by the Legislature of West Virginia:*

14 That §33-20-5 of the Code of West Virginia, 1931, as amended, be amended and reenacted  
15 to read as follows:

16 **ARTICLE 20. RATES AND RATING ORGANIZATIONS.**

17 **§33-20-5. Disapproval of filings.**

18 (a) If within the waiting period or any extension ~~thereof~~ as provided in subsection (e) of  
19 section four of this article, the commissioner finds that a filing does not meet the requirements of this  
20 article, he or she shall send to the insurer or rating organization which made ~~such the~~ the filing, written  
21 notice of disapproval of ~~such the~~ the filing specifying ~~therein~~ in what respects he or she finds ~~such the~~ the  
22 filing fails to meet the requirements of this article and stating that ~~such the~~ the filing ~~shall~~ does not

1 become effective.

2 (b) If within thirty days after a special surety filing subject to subsection (f) of section four  
3 of this article or if within thirty days after a specific inland marine rate on a risk specially rated by  
4 a rating organization subject to subsection (g) of section four of this article has become effective, the  
5 commissioner finds that ~~such~~ the filing does not meet the requirements of this article, he or she shall  
6 send to the rating organization which made ~~such~~ the filing written notice of disapproval of ~~such~~ the  
7 filing specifying ~~therein~~ in what respects he or she finds that ~~such~~ the filing fails to meet the  
8 requirements of this article and stating when, within a reasonable period, ~~thereafter, such filing shall~~  
9 ~~be deemed the filing is~~ no longer effective. ~~Said~~ The disapproval ~~shall~~ does not affect any contract  
10 made or issued prior to the expiration of the period set forth in ~~said~~ the notice.

11 (c) If ~~at any time~~ subsequent to the applicable review period provided ~~for~~ in subsection (a)  
12 or (b) of this section, the commissioner finds that a filing does not meet the requirements of this  
13 article, he or she shall, after notice and hearing to every insurer and rating organization which made  
14 ~~such~~ the filing, issue an order specifying in what respects he or she finds that ~~such~~ the filing fails to  
15 meet the requirements of this article and ~~stating when, within a reasonable period thereafter, such~~  
16 ~~filing shall be deemed~~ state when, within a reasonable period, the filing is no longer effective.  
17 Copies of ~~said~~ the order shall be sent to every such insurer and rating organization. ~~Said~~ The order  
18 ~~shall~~ does not affect any contract or policy made or issued prior to the expiration of the period set  
19 forth in ~~said~~ the order.

20 (d) ~~Any~~ A person or organization aggrieved with ~~respect to~~ any filing ~~which is~~ in effect may  
21 demand a hearing. ~~thereon.~~ If, after ~~such~~ the hearing, the commissioner finds that the filing does not  
22 meet the requirements of this article, he or she shall issue an order specifying in what respects he or

1 ~~she~~ finds that ~~such the~~ filing fails to meet the requirements of this article and ~~stating when, within~~  
2 ~~a reasonable period thereafter, such filing shall be deemed~~ state when, within a reasonable period,  
3 the filing is no longer effective. ~~Said The order shall~~ does not affect any contract or policy made or  
4 issued prior to the expiration of the period set forth in ~~said the~~ the order.

5 (e) Any insurer or rating organization, in respect to any filing made by it which is not  
6 approved by the commissioner, may demand a hearing. ~~thereon.~~

7 (f) No manual of classifications, rules, rating plans or any modification of any of the  
8 foregoing which establishes standards for measuring variations in hazards or expense provisions, or  
9 both, in the case of casualty insurance to which this article applies and no manual, minimum, class  
10 rate, rating schedule, rating plan, rating rule or any modification of any of the foregoing, in the case  
11 of fire insurance to which this article applies, and which has been filed pursuant to the requirements  
12 of section four of this article, shall be disapproved if the rates thereby produced meet the  
13 requirements of this article. None of the foregoing may consider credit scores as a factor.

14 (g) If, in the opinion of the commissioner, the rate or form filing made by an insurer is of  
15 such import that it will affect the public, he or she may, at his or her discretion, issue notice to ~~such~~  
16 the insurer of a public hearing. The notice of public hearing to the insurer making ~~such the~~ form or  
17 rate filing shall be made by United States mail at least fifteen days prior to the hearing date. Notice  
18 to the public shall be given by ~~appropriate~~ publication in a newspaper in the form and manner  
19 prescribed by chapter twenty-nine-a of this code. The holding of a public hearing as outlined in this  
20 subsection ~~shall have the effect of eliminating~~ eliminates the right of the party making ~~such the~~ filing  
21 to demand a hearing as stated in subsections (d) and (e) of this section.

NOTE: The purpose of this bill is to prohibit the use of a credit score in casualty insurance rate filings.

Strike-throughs indicate language that would be stricken from the present law and underscoring indicates new language that would be added.