**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38‑73‑25 SO AS TO PROVIDE A PROPERTY CASUALTY INSURANCE RATE‑MAKING ORGANIZATION MAY NOT USE A CREDIT SCORE OR CREDIT REPORT TO DETERMINE THE RATE FOR A HOMEOWNER’S INSURANCE POLICY; AND BY ADDING SECTION 38‑75‑1235 SO AS TO PROVIDE AN INSURER MAY NOT REFUSE TO ISSUE, REFUSE TO RENEW, OR CANCEL A HOMEOWNER’S INSURANCE POLICY BASED ON A CREDIT SCORE OR CREDIT REPORT.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Article 1, Chapter 73, Title 38 of the 1976 Code is amended by adding:

“Section 38‑73‑25. (A) A property casualty insurance rate‑making organization may not base the rate of a homeowner’s insurance policy on a credit score or credit report.

(B) For the purposes of this article:

(1) ‘Consumer’ means an individual person.

(2) ‘Credit report’ means a written, oral, or other communication of any information produced by a consumer reporting agency that bears on a consumer’s creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living that is used or collected to serve as a factor in establishing the consumer’s eligibility for credit.

(3) ‘Credit score’ or ‘risk predictor’ or ‘risk score’ means a numeric value or categorization derived from a statistical tool or modeling system used to predict the likelihood of a consumer’s credit behavior, including default.

(4) ‘Consumer credit reporting agency’ means an organization that regularly engages in the practice of assembling or evaluating consumer credit information, creating consumer credit reports, or creating consumer credit scores for use by third parties.”

SECTION 2. Article 13, Chapter 75, Title 38 of the 1976 Code is amended by adding:

“Section 38‑75‑1235. (A) An insurer may not refuse to issue, refuse to renew, or cancel a homeowner’s insurance policy based on a credit score or credit report.

(B) For the purposes of this article:

(1) ‘Consumer’ means an individual person.

(2) ‘Credit report’ means a written, oral, or other communication of any information produced by a consumer reporting agency that bears on a consumer’s creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living that is used or collected to serve as a factor in establishing the consumer’s eligibility for credit.

(3) ‘Credit score’ or ‘risk predictor’ or ‘risk score’ means a numeric value or categorization derived from a statistical tool or modeling system used to predict the likelihood of a consumer’s credit behavior, including default.

(4) ‘Consumer credit reporting agency’ means an organization that regularly engages in the practice of assembling or evaluating consumer credit information, creating consumer credit reports, or creating consumer credit scores for use by third parties.”

SECTION 3. This act takes effect upon approval by the Governor.

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