# STATE OF NEW YORK

8126

2021-2022 Regular Sessions

# IN ASSEMBLY

June 11, 2021

Introduced by M. of A. NIOU -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, the financial services law, the executive law and the general business law, in relation to prohibiting using a consumer's credit score to determine such consumer's access, price, or premium for any insurance policy or other service such consumer is mandated by the state to purchase

**The People of the State of New York, represented in Senate and Assembly, do enact as follows:**

Section 1. Section 2802 of the insurance law is amended by adding a new subsection (i) to read as follows:

**(i) use a consumer's credit score to determine such consumer's access, price, or premium for any insurance policy mandated by the state.**

§ 2. The financial services law is amended by adding a new section 312 to read as follows:

**§ 312. State mandated insurance and services. The superintendent shall promulgate rules and regulations prohibiting the use of a consumer's credit score to determine such consumer's access, price, or premium for any insurance policy or other service such consumer is mandated by the state to purchase.**

§ 3. Subparagraphs 14 and 15 of paragraph (a) of subdivision 3 of section 94-a of the executive law, as added by section 21 of part A of chapter 62 of the laws of 2011, are amended and a new subparagraph 16 is added to read as follows:

(14) cooperate with and assist consumers in class actions in proper cases; [~~and~~]

(15) create an internet website or webpage pursuant to section three hundred ninety-c of the general business law[~~.~~]**; and**

**(16) promulgate rules and regulations prohibiting the use of a consumer's credit score to determine such consumer's access, price, or premium**

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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for any insurance policy or other service such consumer is mandated by the state to purchase.

§ 4. The general business law is amended by adding a new section 399-eee to read as follows:

§ 399-eee. State mandated services. No person, firm, corporation, partnership or other association may deny credit, reduce the credit limit, or raise the cost of credit of a consumer for any service such consumer is mandated by the state to purchase based on such consumer's credit score. Actions taken by a creditor to assist a consumer regarding his or her credit report, credit score or credit history or to limit credit or financial losses to the consumer, including the cancellation, monitoring or restructuring of consumer credit accounts, shall not be considered violations of this section.

§ 5. This act shall take effect on the ninetieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rules or regulations necessary for the implementation of the foregoing sections of this act on the effective date of this act are authorized and directed to be made and completed on or before such effective date.