

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 38.2-508 of the Code of Virginia, relating to motor vehicle insurance; unfair*  
 3 *discrimination based on an individual's consumer credit information or credit-based insurance score;*  
 4 *report.*

5 [S 693]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**8 **1. That § 38.2-508 of the Code of Virginia is amended and reenacted as follows:**9 **§ 38.2-508. Unfair discrimination.**

10 No person shall:

11 1. Unfairly discriminate or permit any unfair discrimination between individuals of the same class and  
 12 equal expectation of life (i) in the rates charged for any life insurance or annuity contract, or (ii) in the  
 13 dividends or other benefits payable on the contract, or (iii) in any other of the terms and conditions of the  
 14 contract;

15 2. Unfairly discriminate or permit any unfair discrimination between individuals of the same class and of  
 16 essentially the same hazard (i) in the amount of premium, policy fees, or rates charged for any policy or  
 17 contract of accident or health insurance, (ii) in the benefits payable under such policy or contract, (iii) in any  
 18 of the terms or conditions of such policy or contract, or (iv) in any other manner;

19 3. Refuse to insure, refuse to continue to insure, or limit the amount, extent or kind of insurance coverage  
 20 available to an individual, or charge an individual a different rate for the same coverage solely because of  
 21 blindness, or partial blindness, or mental or physical impairments, unless the refusal, limitation or rate  
 22 differential is based on sound actuarial principles. This paragraph shall not be interpreted to modify any other  
 23 provision of law relating to the termination, modification, issuance or renewal of any insurance policy or  
 24 contract;

25 4. Unfairly discriminate or permit any unfair discrimination between individuals or risks of the same class  
 26 and of essentially the same hazards by refusing to issue, refusing to renew, cancelling or limiting the amount  
 27 of insurance coverage solely because of the geographic location of the individual or risk, unless:

28 a. The refusal, cancellation or limitation is for a business purpose that is not a mere pretext for unfair  
 29 discrimination; or

30 b. The refusal, cancellation or limitation is required by law or regulatory mandate;

31 5. Make or permit any unfair discrimination between individuals or risks of the same class and of  
 32 essentially the same hazards by refusing to issue, refusing to renew, cancelling or limiting the amount of  
 33 insurance coverage on a residential property risk, or the personal property contained in a residential property  
 34 risk, solely because of the age of the residential property, unless:

35 a. The refusal, cancellation or limitation is for a business purpose that is not a mere pretext for unfair  
 36 discrimination; or

37 b. The refusal, cancellation or limitation is required by law or regulatory mandate;

38 6. Refuse to issue or renew any individual accident and sickness insurance policy or contract for coverage  
 39 over and above any lifetime benefit of a group accident and sickness policy or contract solely because an  
 40 individual is insured under a group accident and sickness insurance policy or contract, provided that medical  
 41 expenses covered by both individual and group coverage shall be paid first by the group policy or contract to  
 42 the extent of the group coverage;

43 7. Consider the status of a victim of domestic violence as a criterion in any decision with regard to  
 44 insurance underwriting, pricing, renewal, scope of coverage, or payment of claims on any and all insurance  
 45 defined in § 38.2-100 and further classified in Article 2 (§ 38.2-101 et seq.) of Chapter 1 of this title, other  
 46 than (i) legal services plans as provided for in Chapter 44 (§ 38.2-4400 et seq.) of this title and (ii) the  
 47 insurance classified in §§ 38.2-110 through 38.2-133. The term "domestic violence" means the occurrence of  
 48 one or more of the following acts by a current or former family member, household member as defined in  
 49 § 16.1-228, person against whom the victim obtained a protective order or caretaker:

50 a. Attempting to cause or causing or threatening another person physical harm, severe emotional distress,  
 51 psychological trauma, rape or sexual assault;

52 b. Engaging in a course of conduct or repeatedly committing acts toward another person, including  
 53 following the person without proper authority, under circumstances that place the person in reasonable fear of  
 54 bodily injury or physical harm;

55 c. Subjecting another person to false imprisonment; or

56 d. Attempting to cause or causing damage to property so as to intimidate or attempt to control the

57 behavior of another person.

58 Nothing in this subsection shall prohibit an insurer or insurance professional from asking about a medical  
59 condition or from using medical information to underwrite or to carry out its duties under an insurance policy  
60 even if the medical information is related to a medical condition that the insurer or insurance professional  
61 knows or has reason to know resulted from domestic violence, to the extent otherwise permitted under this  
62 section and other applicable law; ~~or~~

63 8. Refuse to insure, refuse to continue to insure, or limit the amount or extent of life insurance, disability  
64 insurance, or long-term care insurance coverage available to an individual or charge an individual a different  
65 rate for the same coverage based solely and without any additional actuarial risks upon the status of such  
66 individual as a living organ donor. For the purposes of this subdivision, "living organ donor" means a living  
67 individual who donates one or more of such individual's human organs, including bone marrow, to be  
68 medically transplanted into the body of another individual; *or*

69 *9. Refuse to insure, refuse to continue to insure, or limit the amount or extent of motor vehicle insurance*  
70 *coverage, or charge an individual a different rate for the same motor vehicle insurance coverage, solely*  
71 *because of such individual's consumer credit information or credit-based insurance score.*

72 **2. That the State Corporation Commission's Bureau of Insurance (the Bureau) shall study the use by**  
73 **insurers of an insured's or applicant's consumer credit information or credit-based insurance score in**  
74 **connection with underwriting motor vehicle insurance policies. In conducting its study, the Bureau**  
75 **shall (i) examine §§ 38.2-2212, 38.2-2213, and 38.2-2234 of the Code of Virginia to determine if those**  
76 **provisions unfairly burden motor vehicle insurance policyholders and (ii) determine whether the use of**  
77 **an insured's or applicant's consumer credit information or credit-based insurance score, rather than**  
78 **relying on the insured's or applicant's driving record and other factors proximately related to risks of**  
79 **operating a motor vehicle, in setting insurance premiums and tier ratings is appropriate. The**  
80 **Department of Motor Vehicles shall assist the Bureau in conducting its study. The Bureau shall submit**  
81 **a report of its findings and recommendations to the Chairs of the House Committee on Labor and**  
82 **Commerce and the Senate Committee on Commerce and Labor by October 1, 2027.**