HOUSE BILL 80

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

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AN ACT

RELATING TO INSURANCE; PROHIBITING THE USE OF CREDIT, EDUCATION
AND OCCUPATION INFORMATION IN UNDERWRITING, RATING AND RENEWING
CERTAIN INSURANCE POLICIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 59A-17A-1 NMSA 1978 (being Laws 2005,
Chapter 275, Section 1) is amended to read:

"59A-17A-1. SHORT TITLE.--[This act] Chapter 59A, Article
17A NMSA 1978 may be cited as the "Personal Insurance Credit
Information Act"."

SECTION 2. Section 59A-17A-4 NMSA 1978 (being Laws 2005,
Chapter 275, Section 4) is amended to read:

"59A-17A-4. USE OF CREDIT INFORMATION--LIMITS ON USE.--An
insurer or group of affiliated insurers authorized to do
business in New Mexico that uses credit information to

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underwrite, rate or renew personal insurance coverage shall not:

A. use an insurance score that is calculated using income, gender, address, race, color, national origin, religion or marital status of the consumer as a factor;

B. deny, cancel or fail to renew coverage, or base a consumer's company placement, tier placement or rates, on the basis of credit information or an insurance score without consideration of other underwriting factors permitted by state law;

C. consider an absence of credit information or an inability to calculate an insurance score in underwriting, rating or renewing personal insurance coverage unless the insurer:

(1) classifies the consumer as having average or better than average credit information for that insurer or group of affiliated insurers; or

(2) excludes the use of credit information as a factor in rating or underwriting personal insurance coverage;

D. take adverse action against a consumer based upon credit information, or upon an insurance score calculated from credit information, submitted more than ninety days before the date of notice of the adverse action;

E. use credit information upon renewal unless the insurer obtains current credit information and recalculates the

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insurance score at least every thirty-six months. Upon the

request of a consumer, an insurer that uses credit information

upon renewal shall obtain current credit information and

recalculate an insurance score. An insurer shall not be

required to obtain current credit information or recalculate an

insurance score more frequently than every twelve months except

for the correction of an error as described in Section [6 of

the Personal Insurance Credit Information Act] 59A-17A-6 NMSA

1978. The Personal Insurance Credit Information Act does not

require an insurer to obtain current credit information or

recalculate an insurance score if:

(1)   an improved insurance score would not

cause the consumer to be placed in a more favorably priced

company or tier of the insurer; or

(2)   the insurer does not rely upon credit

information or an insurance score to underwrite, rate or renew

the consumer's personal insurance coverage;

F.   use an insurance score in whole or in part to

deny, restrict or alter the fees charged for a premium payment

plan; [or]

G.   use credit inquiries as a factor in any

insurance scoring methodology or to underwrite, rate or renew

personal insurance coverage; or

H.   use credit information, insurance scores or an

applicant's education or occupation to underwrite, rate or

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renew an insurance policy for a private passenger automobile,

motorcycle or recreational vehicle for personal use."

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