

304.20-042 Termination or refusal to issue insurance due to credit history prohibited.

- (1) No insurer shall decline to issue, cancel, nonrenew, or otherwise terminate property and casualty insurance contracts covering personal risks solely because of credit history, lack of credit history, or the following extraordinary life circumstances that directly influence the credit history of the applicant or insured:
 - (a) Catastrophic event, as declared by the federal or state government;
 - (b) Serious illness or injury, or serious illness or injury to an immediate family member;
 - (c) Death of a spouse, child, or parent;
 - (d) Divorce or involuntary interruption of legally owed alimony or support payments;
 - (e) Identity theft;
 - (f) Temporary loss of employment for a period of three (3) months or more, if it results from involuntary termination;
 - (g) Military deployment overseas; or
 - (h) Other events, as determined by the insurer.
- (2) For purposes of this section, "personal risks" shall have the meaning as defined in KRS 304.13-011.

Effective: July 12, 2012

History: Amended 2012 Ky. Acts ch. 116, sec. 8, effective July 12, 2012. -- Amended 2000 Ky. Acts ch. 540, sec. 4, effective July 14, 2000. -- Created 1998 Ky. Acts ch. 212, sec. 3, effective July 15, 1998.