

Ins 6

Filed 12:30 PM
Monday - Mar 1, '76

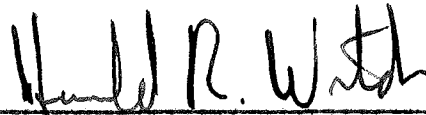
STATE OF WISCONSIN)
) ss.
OFFICE OF THE COMMISSIONER OF INSURANCE)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Harold R. Wilde, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order adopting a rule concerning prohibited classification of risks for rating purposes was issued by this office on March 1, 1976.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 1st day of March, 1976.



Harold R. Wilde
Commissioner of Insurance

STATE OF WISCONSIN
DEPARTMENT OF STATE
RECEIVED AND FILED

MAR 1 1976

DOUGLAS LAFOLLETTE
SECRETARY OF STATE

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE

STATE OF WISCONSIN
DEPARTMENT OF STATE
RECEIVED AND FILED

Adopting Rules

MAR 1 1976

DOUGLAS LAFOLLETTE
SECRETARY OF STATE

Pursuant to authority vested in the Commissioner of Insurance by section 601.41 (3), Wis. Stats., the Commissioner of Insurance hereby adopts a rule as follows:

Section Ins 6.54 of the Wisconsin Administrative Code is adopted to read:

Ins 6.54 Prohibited classification of risks for rating purposes.

(1) PURPOSE. This rule interprets and implements sections 207.09 (1), 601.01 (3) (b), 625.02, 625.11, 625.12 (2), 625.13, and 625.21 (2), Wis. Stats., for the purpose of prohibiting certain practices.

(2) SCOPE. This rule applies to all contracts issued, renewed or amended in Wisconsin affording automobile insurance coverage and all contracts issued, renewed or amended in Wisconsin affording coverage for loss or damage to real property used for residential purposes for not more than four living units or affording coverage for loss or damage to personal property used for residential purposes.

(3) PROHIBITED PRACTICES. (a) No insurance company shall refuse, cancel or deny insurance coverage to a class of risks solely on the basis of any of the following factors (taken individually or in combination), nor shall it place a risk in a rating classification on the basis of any of the following factors without credible information supporting such a classification and demonstrating that it equitably reflects differences in past or expected losses and expenses and unless such information is filed in accordance with sections 625.12, 625.13 and 625.21 (2), Wis. Stats.:

1. The applicant's or insured's past criminal record;
2. The applicant's or insured's physical or developmental disability as defined in section 51.434 (1), Wis. Stats.;
3. The applicant's or insured's past mental disability;
4. The applicant's or insured's age;
5. The applicant's or insured's marital status;
6. The applicant's or insured's sexual preference;
7. The applicant's or insured's "moral" character.

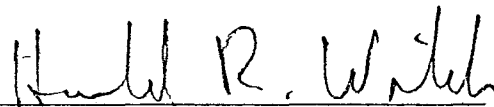
(b) Exceptions. Nothing in paragraph (a) shall be construed as including within the definition of prohibited practices any of the following:

1. Denying, cancelling or non-renewing the automobile or property insurance of a person convicted of an offense if the offense which resulted in the conviction is directly related to the risk to be insured;
2. Establishing a classification system merely for the purpose of developing statistical data;
3. Underwriting only the class of risks which are specified in the insurer's articles of incorporation;
4. Establishing a rate based on the record of all drivers of an insured automobile;
5. Establishing a rate based on the number of people residing in a household.

(c) Nothing in paragraph (a) or (b) shall be interpreted in any way as limiting the prohibitions contained in sections 631.36 (9) and 942.04 (1) (c), Wis. Stats.

(4) PENALTY. Violation of this rule may subject the insurer to the penalties set forth in section 601.64, Wis. Stats.

Dated at Madison, Wisconsin, this 1st day of March, 1976.



Harold R. Wilde
Commissioner of Insurance