



March 24, 1999

**ENGROSSED
SENATE BILL No. 84**

DIGEST OF SB 84 (Updated March 23, 1999 12:18 pm - DI 97)

Citations Affected: IC 27-1.

Synopsis: Insurance rates for returning drivers. Prohibits a motor vehicle insurer from discriminating in establishing a rate for an individual policyholder or applicant based solely on the absence of insurance by the applicant or policyholder. Requires that the individual have a relatively clean operating record as maintained by the bureau of motor vehicles.

Effective: July 1, 1999.

Wheeler

(HOUSE SPONSORS — FRY, SMITH M)

January 6, 1999, read first time and referred to Committee on Insurance and Financial Institutions.

February 25, 1999, amended, reported favorably — Do Pass.

March 1, 1999, read second time, amended, ordered engrossed.

March 2, 1999, engrossed.

March 3, 1999, read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

March 8, 1999, read first time and referred to Committee on Insurance, Corporations and Small Business.

March 23, 1999, amended, reported — Do Pass.

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ES 84—LS 6253/DI 100+



March 24, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

ENGROSSED SENATE BILL No. 84

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-1-22-27 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 1999]: **Sec. 27. (a) This section applies only to a policyholder or
4 an applicant who:**
5 (1) **is an individual; and**
6 (2) **has not:**
7 (A) **been convicted of a moving traffic violation;**
8 (B) **been convicted of operating a motor vehicle without**
9 **financial responsibility in violation of IC 9-25;**
10 (C) **been found liable for damages arising out of a motor**
11 **vehicle accident;**
12 (D) **had an administrative penalty imposed by the bureau**
13 **of motor vehicles; or**
14 (E) **had the individual's driving privileges, license, or**
15 **permit suspended or revoked by the bureau of motor**
16 **vehicles;**
17 **within the last thirty-six (36) months as recorded on the**

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- 1 **individual's operating record maintained by the bureau of**
- 2 **motor vehicles under IC 9-14-3.**
- 3 **(b) As used in this section, "motor vehicle insurance" means any**
- 4 **type of insurance described in IC 27-1-5-1, Class 2(f).**
- 5 **(c) A motor vehicle insurance carrier may not discriminate in**
- 6 **establishing a rate for a policyholder or applicant based solely on**
- 7 **the absence of insurance by the applicant or policy holder.**
- 8 **(d) This section does not apply to applicants who first received**
- 9 **their driver's license within the past thirty-six (36) month period.**
- 10 **(e) A violation of this section is an unfair and deceptive act or**
- 11 **practice in the business of insurance under IC 27-4-1-4.**

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COMMITTEE REPORT

Mr. President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 84, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 4, after "who" insert ":".

Page 1, line 4, delete "is an individual."

Page 1, between lines 4 and 5, begin a new line block indented and insert:

"(1) is an individual; and

(2) has not:

(A) been convicted of a moving traffic violation;

(B) been convicted of operating a motor vehicle without financial responsibility in violation of IC 9-25;

(C) been found liable for damages arising out of a motor vehicle accident;

(D) had an administrative penalty imposed by the bureau of motor vehicles; and

(E) had the individual's driving privileges, license, or permit suspended, or revoked by the bureau of motor vehicles;

within the last thirty-six (36) months as recorded on the individual's operating record maintained by the bureau of motor vehicles under IC 9-14-3."

Page 1, line 11, delete "three (3) years" and insert "**thirty-six (36) months**".

Page 1, line 16, delete "three (3) years" and insert "**thirty-six (36) months**".

and when so amended that said bill do pass.

(Reference is to SB 84 as introduced.)

PAUL, Chairperson

Committee Vote: Yeas 8, Nays 0.

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SENATE MOTION

Mr. President: I move that Senate Bill 84 be amended to read as follows:

Page 2, delete lines 5 through 14, begin a new paragraph and insert the following:

“(c) A motor vehicle insurance policy may not discriminate in establishing a rate for a policyholder or applicant, based solely on the absence of insurance by the applicant or policy holder.

(d) This section does not apply to applicants who first received their driver’s license within the past 36 month period.”

(Reference is to SB 84 as printed February 26, 1999)

WHEELER

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred Senate Bill 84, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 13, delete "and" and insert "**or**".

Page 1, line 15, delete ",".

Page 2, line 5, delete "policy" and insert "**carrier**".

Page 2, line 6, delete ",".

Page 2, line 9, delete "36" and insert "**thirty-six (36)**".

and when so amended that said bill do pass.

(Reference is to SB 84 as reprinted March 2, 1999.)

FRY, Chair

Committee Vote: yeas 10, nays 1.

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