



February 26, 1999

## SENATE BILL No. 84

DIGEST OF SB 84 (Updated February 25, 1999 3:04 pm - DI 100)

**Citations Affected:** IC 27-1.

**Synopsis:** Insurance rates for returning drivers. Prohibits a motor vehicle insurer from establishing a higher rate or a higher premium rate for an individual policyholder or applicant based on the fact that the individual has not been covered by motor vehicle insurance within the last three years. Requires that the individual have a relatively clean operating record as maintained by the bureau of motor vehicles.

**Effective:** July 1, 1999.

### Wheeler

January 6, 1999, read first time and referred to Committee on Insurance and Financial Institutions.  
February 25, 1999, amended, reported favorably — Do Pass.

SB 84—LS 6253/DI 100+



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February 26, 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.

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## SENATE BILL No. 84

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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; and  
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

SB 84—LS 6253/DI 100+



- 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 rating plan filed under section 4**
- 6           **of this chapter may not establish a higher rate for a policyholder**
- 7           **or an applicant based on the fact that the policyholder or applicant**
- 8           **has not been covered by motor vehicle insurance within the last**
- 9           **thirty-six (36) months.**
- 10           **(d) The premium rate for an individual policy of motor vehicle**
- 11           **insurance may not be higher than the applicable rate in the rating**
- 12           **plan in effect under this chapter based on the fact that the**
- 13           **policyholder or applicant has not been covered by motor vehicle**
- 14           **insurance within the last thirty-six (3) months.**
- 15           **(e) A violation of this section is an unfair and deceptive act or**
- 16           **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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