

# SENATE BILL No. 329

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-2-20.

**Synopsis:** Personal auto insurance for volunteers. Prohibits an insurer that issues a personal auto policy from: (1) including in the policy a provision that excludes coverage for an automobile while the automobile is used for volunteer purposes; or (2) interpreting an exclusionary provision of the policy in such a way as to exclude coverage for an automobile while the automobile is used for volunteer purposes.

**Effective:** July 1, 2000.

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**Wolf, Alting**

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January 10, 2000, read first time and referred to Committee on Insurance and Financial Institutions.

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Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

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## SENATE BILL No. 329



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 27-2-20 IS ADDED TO THE INDIANA CODE AS  
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2000]:

4 **Chapter 20. Personal Auto Coverage for Volunteers**

5 **Sec. 1. As used in this chapter, "charitable organization" means**  
6 **an organization that is:**

7 (1) a charitable organization, as defined in Section 501(c) of  
8 the Internal Revenue Code; or

9 (2) exempt from the Indiana gross income tax under  
10 IC 6-2.1-3-20.

11 **Sec. 2. (a) As used in this chapter, "personal auto policy" means**  
12 **a policy providing one (1) or more of the types of insurance**  
13 **described in IC 27-1-5-1, Class 2(f) and Class 3(d), with respect to**  
14 **automobiles that are:**

15 (1) owned by individuals and families; and

16 (2) used for personal transportation.

17 (b) The term does not include a commercial auto policy or a



1 policy intended to cover the vehicles that are owned by a business  
 2 firm and used for business purposes.  
 3 Sec. 3. (a) As used in this chapter, "used for volunteer purposes"  
 4 refers to the use by an individual of an automobile owned by or  
 5 leased to the individual to perform a task on behalf of a charitable  
 6 organization.  
 7 (b) For purposes of this chapter, an individual's use of an  
 8 automobile owned by or leased to the individual to perform a task  
 9 on behalf of a charitable organization constitutes "use for  
 10 volunteer purposes", notwithstanding the charitable organization's  
 11 payment of a reasonable sum of money to the individual exclusively  
 12 to defray the expenses associated with the use of the automobile in  
 13 the performance of the task, if the individual receives no other  
 14 payment from the charitable organization for performing the task.  
 15 Sec. 4. A personal auto policy that is:  
 16 (1) issued in Indiana; or  
 17 (2) issued for delivery in Indiana;  
 18 must not contain a provision excluding coverage for an automobile  
 19 while the automobile is used for volunteer purposes.  
 20 Sec. 5. An insurer that:  
 21 (1) issues a personal auto policy in Indiana; or  
 22 (2) issues a personal auto policy for delivery in Indiana;  
 23 shall not interpret an "auto business exclusion," an "other business  
 24 exclusion," or any other exclusionary provision of the policy in  
 25 such a way as to exclude coverage for an automobile while the  
 26 automobile is used for volunteer purposes.

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