

Bill No. SB 420

Barcode 804576

CHAMBER ACTION

Senate

House

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The Committee on Banking and Insurance (Posey) recommended the following **amendment to amendment** (710386):

Senate Amendment (with title amendment)

On page 3, line 24, through
page 4, line 23, delete those lines

and insert:

(2)(4) The inspection allowed ~~required~~ by this section shall be provided by the insurer or by a person or organization authorized by the insurer. The applicant may be required to pay the cost of the inspection, not to exceed \$5. The inspection shall be recorded on a form prescribed by the commission, and the insurer shall be provided with direct and timely access to the complete inspection report via the Internet or the form or a copy shall be retained by the insurer with its policy records for the insured. The insurer shall provide a copy of the form to the insured upon request. Any inspection fee paid directly by the applicant may not be considered part of the premium. However, an insurer that provides the inspection at no cost to the applicant may

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1 include the expense of the inspection within a rate filing.

2 ~~(3)(5)~~ The inspection shall include at least the
3 following:

4 (a) Taking a physical imprint of the vehicle
5 identification number of the vehicle or otherwise recording
6 the vehicle identification number in a manner prescribed by
7 the commission.

8 (b) Recording the presence of accessories required by
9 the commission to be recorded.

10 (c) Recording the locations of and a description of
11 existing damage to the vehicle.

12 (d) Taking two color images at oblique angles, clearly
13 showing all four sides of the vehicle and any observable prior
14 damage, and taking one color image of the Motor Vehicle Safety
15 Standard Label, which includes the vehicle identification
16 number. As used in this paragraph, the term "color image"
17 means any technology producing a clear visual image in color,
18 including, but not limited to, an instant-type photograph, a
19 photograph using the film process, a digital photograph, or
20 other digital-imaging process that may be accessed, stored,
21 and retrieved via the Internet.

22 (4) No expense for preinsurance inspections of motor
23 vehicles may be included in any rate filing by an insurer
24 after the effective date of this act. Each insurer that
25 included the expense for preinsurance inspections of private
26 passenger motor vehicles in rate filings for physical damage
27 coverage, including collision or comprehensive coverage, filed
28 with the office before July 1, 2006, shall make a new rate
29 filing with the office, on or before October 1, 2006, which
30 shall:

31 (a) Identify the expense attributable to preinsurance

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1 inspections in prior rate filings;

2 (b) Eliminate such expense; and

3 (c) Reduce the premiums for physical damage coverage

4 accordingly in policies issued after October 1, 2006.

5

6 This subsection does not apply to an insurer that notifies the

7 office, on or before October 1, 2006, that it will uniformly

8 conduct preinsurance inspections of motor vehicles as a

9 condition of issuance of a policy providing physical damage

10 coverage, including collision and comprehensive coverage, in

11 this state, that such inspections will comply with subsection

12 (3), and that the insurer may include the inspection expense

13 in future rate filings.

14 ~~(6) An insurer may defer an inspection for 30 calendar~~

15 ~~days following the effective date of coverage for a new~~

16 ~~policy, but not for a renewal policy, and for additional or~~

17 ~~replacement vehicles to an existing policy, if an inspection~~

18 ~~at the time of the request for coverage would create a serious~~

19 ~~inconvenience for the applicant and such hardship is~~

20 ~~documented in the insured's policy record.~~

21 ~~(5)(7)~~ The commission may, by rule, establish such

22

23

24 ===== T I T L E A M E N D M E N T =====

25 And the title is amended as follows:

26 On page 5, line 13, after the semicolon,

27

28 insert:

29 requiring insurers to reduce premiums in an

30 amount equal to the expense previously included

31 in their rates for the inspections; providing

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1 that insurers that continue to conduct
2 inspections that comply with this section may
3 continue to include the expense in their rates;

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