

SENATE BILL NO. 212

INTRODUCED BY J. COHENOUR

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING MOTOR VEHICLE INSURANCE RATE REDUCTION REQUIREMENTS FOR CERTAIN DRIVERS; INCREASING THE TIME PERIOD THAT A MOTOR VEHICLE INSURANCE POLICY RATE REDUCTION MAY BE IN EFFECT; PROVIDING THAT THE REDUCED RATES APPLY TO DEFENSIVE DRIVERS OF ANY AGE AND MILITARY DEFENSIVE DRIVERS WHO COMPLETE A HIGHWAY TRAFFIC SAFETY PROGRAM; AND AMENDING SECTIONS 33-16-203, 33-16-221, 33-16-222, 33-16-223, AND 33-16-230, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 33-16-203, MCA, is amended to read:

"33-16-203. Rates filed. (1) Every insurer, rating organization, or advisory organization shall file with the commissioner all rates intended for use within this state, together with supporting data sufficient to substantiate the filing. The filing required by this subsection may be made by rating organizations on behalf of their members and subscribers. However, this provision does not prohibit a member or subscriber from filing rates on its own behalf. Any deviations from a rating organization's rates by a member or subscriber must be filed with the commissioner and must be accompanied by supporting data.

(2) Rates filed must provide for a premium reduction to:

- (a) qualified insured operators ~~55 years of age or older~~ in accordance with 33-16-222; or
- (b) qualified members of the Montana national guard in accordance with 33-16-230."

Section 2. Section 33-16-221, MCA, is amended to read:

"33-16-221. Short title. Sections 33-16-221 through 33-16-225 may be cited as the ~~"Mature Defensive Driving Act"~~ "Defensive Driving Act"."

Section 3. Section 33-16-222, MCA, is amended to read:

"33-16-222. Requirement for rate reduction. (1) Any rates, rating schedules, or rating manuals for liability, bodily injury, or collision coverages of a motor vehicle insurance policy filed with the insurance

1 department must provide for an appropriate premium reduction as determined by the insurer for an insured
2 operator of a covered vehicle ~~who is 55 years of age or older and~~ who has successfully completed a highway
3 traffic safety program as provided by 61-2-102 and 61-2-103.

4 (2) In addition to providing a premium reduction, an insurer may reimburse the fee for participating in the
5 highway traffic safety program.

6 (3) The premium reduction used by the insurer is presumed appropriate unless credible data
7 demonstrates otherwise."
8

9 **Section 4.** Section 33-16-223, MCA, is amended to read:

10 **"33-16-223. Effective period of reduction.** (1) The premium reduction required by 33-16-222 is
11 effective for an insured for a ~~2-year~~ 3-year period after successful completion of the approved course. Each
12 person shall take an approved course every ~~2~~ 3 years in order to continue to be eligible for the reduction in
13 premium required by 33-16-222.

14 (2) An insurer may require, as a condition of maintaining the discount, any or all of the following:

15 (a) that the insured not be involved in an accident in which the insured is at fault;

16 (b) that the insured not be convicted of or plead guilty or nolo contendere to a moving traffic violation;

17 or

18 (c) that the insured not have forfeited bail or collateral for a moving traffic violation."
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20 **Section 5.** Section 33-16-230, MCA, is amended to read:

21 **"33-16-230. Rate reduction for military defensive drivers -- effective period -- exclusions.** (1) (a)
22 Any rates, rating schedules, or rating manuals for liability, bodily injury, or collision coverages of a motor vehicle
23 insurance policy filed with the insurance department must provide for an appropriate premium reduction as
24 determined by the insurer for a member of the Montana national guard who is an insured operator of a covered
25 nonmilitary vehicle and who has successfully completed a defensive driving course referred to in 61-2-102(2).

26 (b) Any discount used by the insurer is presumed appropriate unless credible data demonstrates
27 otherwise.

28 (2) The premium reduction required under subsection (1)(a) is effective for an insured for ~~2~~ 3 years after
29 successful completion of the approved course. Each person shall successfully complete a defensive driving
30 course referred to in 61-2-102(2) every ~~2~~ 3 years to remain eligible for the reduction provided in subsection (1)(a).

