

## HOUSE BILL NO. 382

INTRODUCED BY M. CAFERRO

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING INSURANCE LAWS THAT PROVIDE FOR A DISCOUNT FOR COMPLETING HIGHWAY TRAFFIC SAFETY PROGRAMS; INCREASING THE TIME A TRAFFIC SAFETY PROGRAM MAY BE EFFECTIVE FOR INSURANCE DISCOUNTS; AND AMENDING SECTIONS 33-16-223 AND 33-16-230, MCA."

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

**Section 1.** Section 33-16-223, MCA, is amended to read:

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

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

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

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

or

(c) that the insured not have forfeited bail or collateral for a moving traffic violation."

**Section 2.** Section 33-16-230, MCA, is amended to read:

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

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

(2) The premium reduction required under subsection (1)(a) is effective for an insured for ~~2~~ 3 years after

1 successful completion of the approved course. Each person shall successfully complete a defensive driving  
2 course referred to in 61-2-102(2) every ~~2~~ 3 years to remain eligible for the reduction provided in subsection (1)(a).

3 (3) Subsection (1)(a) does not apply if the approved course is taken as punishment specified by a court  
4 or other governmental entity for a moving traffic violation.

5 (4) An insurer may deny the discount under subsection (1)(a) if within 3 years prior to the insured's  
6 application for the rate reduction or during the period for which the rate reduction is provided:

7 (a) the insured was convicted of or plead guilty or nolo contendere to a moving traffic violation;

8 (b) the insured has forfeited bail or collateral for a moving traffic violation; or

9 (c) the insured was convicted by a court or found at fault in a motor vehicle accident."

10 - END -