

**Fiscal:** No Fiscal Impact

**Revenue:** No Revenue Impact

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**Action Date:** 04/27/15

**Action:** Do Pass.

**Meeting Dates:** 04/27

**Vote:**

Yeas: 4 - Beyer, Girod, Monroe, Riley

Exc: 1 - Thomsen

**Prepared By:** James LaBar, Committee Administrator

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**WHAT THE MEASURE DOES:**

Clarifies that section of statute allowing insurers to use abstract of nonemployment driving record when determining rates applies only to personal insurance policies. Applies to insurance policies issued or renewed on or after effective date.

**ISSUES DISCUSSED:**

- Ambiguity of current law regarding driving records for employees of unincorporated businesses

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

Under current statute, an automobile insurer is limited to looking back three years at the nonemployment driving record of an individual to set the rate, regardless of whether the vehicle to be insured is going to be used for personal or commercial use. House Bill 2258 clarifies that the insurer may only look back three years at an individual's nonemployment driving record only when determining rates for personal insurance. An individual who is insuring a vehicle for commercial use is not purchasing personal insurance, and therefore the insurer is not limited to a three-year "look back."