

YES ON HB 3131

HB 3131 allows insurers to provide more affordable coverage options, rewards the honest, respects the freedom of privacy and retains coverage for loaning your vehicle.

A “YES” vote on HB 3131:

- **Current law allows a named insured to forget or choose not to disclose all drivers within a household**

HB 3131 provides consumers with the incentive to properly disclose and insure all household members. Whether its children starting to drive, live in friends, significant others or new sharing economy arrangements, knowing all of the risks to be insured helps keep insurance available, affordable and fair.

- **Provides the opportunity for new consumer friendly products**

HB 3131 allows insurers to offer new products for a sharing economy without the unfair burden of consumers subsidizing unknown operators. Allows the insured the freedom to choose who is covered on the policy. This helps make insurance more affordable for families.

- **Helps rates for younger drivers**

HB 3131 will result in more people listing and rating useful drivers in their household. Current law encourages not disclosing these drivers as it allows the youthful drivers in a household to receive the same liability limits as the named insured parent without being rated or charged on the policy. If there is an accident, the common outcome is the payment of the back premium for the current term of the policy and coverage is granted. The frequency with which this happens means a large portion of an insurers experience with younger drivers is based on those who have accidents. This makes rates for families who disclose their youthful drivers less affordable. Those who play by the rules subsidize those who do not.

- **Helps keep insurance affordable in new sharing economy**

HB 3131 allows consumers to determine who is covered under an automobile liability policy in situations where people may share a home and a car or cars but the policy is only in the name of one of the drivers. This will help prevent all drivers from paying premiums for those who are on the road but not paying for the risk they represent.

- **Retains permissive use**

HB 3131 retains auto insurance liability coverage for undisclosed and persons to temporarily borrow and drive named insured's covered vehicle if they reside outside of the insured household and do not have regular access to use the vehicle. Persons residing in the household, including children of the named insured, who have their own policy of liability insurance can also borrow and drive the named insured's covered vehicle if they do not have regular access to use the named insured vehicle.