



House of Representatives

General Assembly

File No. 21

January Session, 2011

Substitute House Bill No. 6232

House of Representatives, March 1, 2011

The Committee on Insurance and Real Estate reported through REP. MEGNA of the 97th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT PERMITTING SUSPENSION OF PRIVATE PASSENGER
MOTOR VEHICLE INSURANCE COVERAGE BY ELECTRONIC MAIL.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (f) of section 38a-371 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2011*):

4 (f) Upon receipt of a signed written request or a request by
5 electronic mail for suspension from the owner of a registered private
6 passenger motor vehicle stating that such vehicle will not be operated
7 upon any highway during a period of not less than thirty consecutive
8 days, the insurer of such vehicle shall suspend, to the extent requested
9 by the owner, insurance coverage afforded under the policy providing
10 the security required by sections 38a-363 to 38a-388, inclusive, for such
11 vehicle until notified by the owner that the coverage should be
12 reinstated. During the period of suspension only, the provisions of
13 subsections (a) to (e), inclusive, of this section shall not apply with
14 respect to such vehicle, provided, if such vehicle is operated upon any

15 highway by or with the permission of the owner during the period of
16 suspension, the provisions of said subsections (a) to (e), inclusive, of
17 this section, shall thereupon become applicable. As used in this
18 subsection, "highway" shall be defined as in section 14-1. This
19 subsection shall not apply to a motor vehicle for which proof of
20 financial responsibility is required under the provisions of sections 14-
21 112 to 14-133, inclusive.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	38a-371(f)

INS *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

There is no fiscal impact to the state or municipalities as this bill relates only to the interactions between individuals and their automobile insurer.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 6232*****AN ACT PERMITTING SUSPENSION OF PRIVATE PASSENGER MOTOR VEHICLE INSURANCE COVERAGE BY ELECTRONIC MAIL.*****SUMMARY:**

This bill allows the owner of a private passenger motor vehicle to request suspension of his or her automobile insurance policy by electronic mail or in writing. Under current law, a request must be submitted in writing to the insurer. The request must state that the vehicle will not be operated for at least 30 consecutive days. During a period of suspension, the law requiring that a vehicle have insurance will not apply as long as the vehicle is not operated.

EFFECTIVE DATE: October 1, 2011

BACKGROUND***Auto Insurance Requirement***

A person who wants to receive or retain a driver's license or motor vehicle registration in Connecticut must provide and continuously maintain a minimum amount of financial security (e.g., insurance), including liability coverage. Liability insurance covers bodily injury to other people and property damage caused by a driver's negligence. The law requires a minimum of (1) \$20,000 per person and \$40,000 per accident for bodily injury liability and (2) \$10,000 per accident for property damage liability (CGS §§ 38a-371, 38a-335, 14-112).

Private Passenger Motor Vehicle

Under insurance law, "private passenger motor vehicle" excludes a motorcycle or motor vehicle used as a public or livery conveyance (CGS § 38a-363(e)). But it includes a:

1. private passenger-type automobile;
2. station wagon-type automobile;
3. camper-type motor vehicle;
4. high-mileage-type motor vehicle;
5. truck-type motor vehicle with a load capacity of 1,500 pounds or less, registered as a passenger motor vehicle or passenger and commercial (combination) motor vehicle, or used for farming;
and
6. vehicle with a commercial registration.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 15 Nay 4 (02/10/2011)