



General Assembly

February Session, 2012

**Raised Bill No. 17**

LCO No. 153

\*00153\_\_\_\_\_INS\*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT CONCERNING MILEAGE-BASED AUTOMOBILE INSURANCE POLICIES.**

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

1 Section 1. Section 38a-686 of the 2012 supplement to the general  
2 statutes is amended by adding subsection (e) as follows (*Effective*  
3 *October 1, 2012*):

4 (NEW) (e) (1) With respect to private passenger nonfleet automobile  
5 insurance, the commissioner shall adopt regulations, in accordance  
6 with chapter 54, to establish standards for policies using verified actual  
7 mileage as a factor in underwriting or rating. Such regulations shall  
8 include, but not be limited to, (A) methods that are available state-  
9 wide for the verification of the mileage of an automobile insured under  
10 such policies, (B) reporting requirements for insureds and insurers for  
11 such policies, and (C) procedures for any proactive or retroactive  
12 premium adjustments insurers may make based on such verified  
13 actual mileage. Such policies shall be subject to all requirements  
14 applicable to private passenger nonfleet automobile insurance.

15 (2) An insurer may offer a verified actual mileage private passenger

16 nonfleet automobile insurance policy in addition to a policy that uses  
17 estimated mileage as a factor in underwriting or rating. No insurer  
18 shall require an insured or an applicant to (A) purchase a verified  
19 actual mileage policy in lieu of an estimated mileage policy, or (B)  
20 provide such insured's or applicant's actual mileage to the insurer as a  
21 condition of purchasing an estimated mileage policy.

22 Sec. 2. Subsection (d) of section 38a-686 of the 2012 supplement to  
23 the general statutes is repealed and the following is substituted in lieu  
24 thereof (*Effective October 1, 2012*):

25 (d) Not later than January 1, 2012, the commissioner shall adopt  
26 regulations, in accordance with the provisions of chapter 54, to  
27 implement the provisions of subsections (a) to (c), inclusive, of this  
28 section and the most current guidelines and bulletins issued by the  
29 Insurance Department and in effect that pertain to territorial  
30 classifications.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2012</i>	38a-686
Sec. 2	<i>October 1, 2012</i>	38a-686(d)

**Statement of Purpose:**

To establish standards for private passenger nonfleet automobile insurance policies that use verified actual mileage as a factor in underwriting or rating.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*