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**Insurance, Financial Services &  
Consumer Protection Committee**

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**HB 1953**

**Brief Description:** Requiring premium reductions for older insureds completing an accident prevention course.

**Sponsors:** Representatives Wood, Buri, Wallace, Rodne, Schindler, Ahern, Morrell and Ormsby.

**Brief Summary of Bill**

- Allows for alternative delivery methods for senior driver accident prevention courses, including internet, video, or other technology-based delivery methods.
- Removes certain limitations on courses offered outside of classrooms and the providers of those courses.

**Hearing Date:** 2/15/07

**Staff:** Jon Hedegard (786-7127).

**Background:**

The Office of the Insurance Commissioner (OIC) oversees the insurance industry in this state. Automobile insurance policies and rates are submitted to the OIC for approval. Automobile insurance rates filed with the OIC must provide for an appropriate reduction in premiums for a two-year period for insured drivers who:

- are 55 years of age and older; and
- successfully completed a motor vehicle accident prevention course meeting the criteria of the Department of Licensing (DOL).

The rating discount does not apply to underinsured motorist coverage.

A course must be a minimum of eight hours. It may be for additional hours as determined by rule by the DOL. The course must be offered in a classroom by a public or a private agency approved by the DOL. In areas where a classroom course is not offered, an eight-hour program-learning

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self-instruction course must be made available. The self-instruction course may only be conducted by a public or private agency approved by the DOL to offer a classroom course.

Upon completion of a course, a participant must be issued a certificate that is the basis for qualifying for the premium discount. A driver may take a course every two years to maintain the discount.

**Summary of Bill:**

An eight-hour course meeting the criteria of the DOL may be offered via an alternative delivery method of instruction. An alternative delivery method of instruction may include internet, video, or other technology-based delivery methods.

An agency seeking approval from the DOL to offer an alternative delivery method course of instruction is not required to conduct classroom courses.

An alternative delivery method course of instruction is not limited to areas where a classroom course is not offered.

**Appropriation:** None.

**Fiscal Note:** Requested on February 12, 2007.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.