Fiscal Note & Local Impact Statement

122 nd General Assembly of Ohio

BILL:	**Sub. H.B. 261 (LSC 122 0993-1)**	DATE:	**April 8, 1997**
STATUS:	**In House Insurance**	SPONSOR:	**Rep. Hottinger**

LOCAL IMPACT STATEMENT REQUIRED: **No — No local cost**

CONTENTS: **Modifies Ohio's Uninsured and Underinsured Motorists Law**

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill allows insurers to sell commercial automobile insurance policies without being required to offer, provide, or make available uninsured and underinsured motorists coverage. The bill limits the scope of the current Uninsured and Underinsured Motorists Law by eliminating some motor vehicles from being classified as uninsured or underinsured motor vehicles. Additionally, the bill limits the right to recover from an insurer in situations involving a statutory or common law immunity. The insured's right to recover from an insurer is unaffected if the immunity is under the Political Subdivision Tort Liability Law (Section 2744. of the Ohio Revised Code).

The bill extends the provision of uninsured and underinsured motorist coverage to include protection for sickness or disease. The amount of coverage shall be equivalent to the automobile or motor vehicle liability coverage, or, in accordance with a schedule approved by the Superintendent of Insurance, may be an amount less than the limit on liability coverage provided by the insured's automobile or motor vehicle liability coverage. This limited coverage shall be filed with the Superintendent of Insurance in writing.

If an insurer chooses to issue a new policy based upon the legal changes contained in this bill, the new policy will have to be filed with the Department of Insurance. This is the current practice when insurers choose to offer a new policy. According to a department spokesperson, the bill should not create an abnormal number of filings, thus any additional work created as a result of this bill will be able to be done without increased expenditures.

❑ *LBO staff: Jeffrey M. Rosa, Budget/Policy Analyst*

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