



## Fiscal Estimate Narratives

OCI 2/9/2016

LRB Number	<b>15-4645/1</b>	Introduction Number	<b>AB-0838</b>	Estimate Type	<b>Original</b>
<b>Description</b> Motor vehicle event data recorders, prohibited insurance practices related to accessing or using information collected by event data recorders, and providing a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

The bill prohibits an insurer from conditioning the issuance or renewal of a motor vehicle liability insurance policy on whether the insured vehicle or vehicle to be insured is equipped with an event data recorder (EDR) or whether, if it is so equipped, the insured or applicant for insurance authorizes the insurer to access or use information collected by the EDR. The bill also prohibits an insurer from canceling, excluding or limiting coverage, or denying a claim under a motor vehicle liability insurance policy, on the basis of whether the insured vehicle is equipped with an EDR or whether, if it is so equipped, the insured authorizes the insurer to access or use information collected by the EDR. The bill makes an exception from these prohibitions for a usage-based motor vehicle liability insurance policy, which is an insurance policy for which the premium is based on the active, digital monitoring of how the insured drives.

While this bill imposes new restrictions on insurers' activities with regards to motor vehicle liability insurance policies, it does not impose any new requirements on the Office of the Commissioner of Insurance. Our analysis indicates that the agency can absorb any potential cost of enforcing the bill's requirements and that the bill will have negligible financial impact on the agency.

### Long-Range Fiscal Implications

None