

HOUSE BILL NO. 349

INTRODUCED BY RYAN, MCCULLOCH, GILBERT, MENAHAN,
QUILICI, HARP, WILSON, RUSSELL, STRIZICH

IN THE HOUSE

JANUARY 25, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
	FIRST READING.
FEBRUARY 9, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 10, 1993	PRINTING REPORT.
FEBRUARY 13, 1993	SECOND READING, DO PASS.
FEBRUARY 15, 1993	ENGROSSING REPORT.
FEBRUARY 16, 1993	THIRD READING, PASSED. AYES, 67; NOES, 30.
FEBRUARY 17, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 20, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 19, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 20, 1993	ON MOTION, CONSIDERATION PASSED FOR THE DAY.
MARCH 22, 1993	SECOND READING, CONCURRED IN.
MARCH 23, 1993	THIRD READING, CONCURRED IN. AYES, 26; NOES, 23.
	RETURNED TO HOUSE.

IN THE HOUSE

MARCH 24, 1993	RECEIVED FROM SENATE.
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SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 349
 2 INTRODUCED BY Rep. Ryan McCall
 3 Menahaw Gulcher HARP Wilson Russell
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING AN INSURER
 5 FROM CONSIDERING OFF-THE-JOB DRIVING RECORDS OF EMPLOYEES
 6 WITH RESPECT TO ISSUING, RENEWING, CANCELING, OR SETTING
 7 RATES FOR THE EMPLOYER'S COMMERCIAL MOTOR VEHICLE INSURANCE
 8 POLICY."

9
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 NEW SECTION. Section 1. Coverage of employees based on
 12 off-the-job driving records. (1) (a) When an employer
 13 applies for or seeks to renew a motor vehicle insurance
 14 policy, including liability coverage, on the employer's
 15 commercial vehicles, the insurer may not consider the
 16 off-the-job driving records of the employer's employees in
 17 determining whether the policy will be issued or renewed or
 18 in determining the rates for the policy.

19 (b) An insurer may not cancel an employer's insurance
 20 policy on commercial vehicles or discriminate with respect
 21 to other terms and conditions of the policy based on the
 22 off-the-job driving records of the employer's employees.

23 (2) For the purposes of this section:

24 (a) "commercial vehicle" means a motor vehicle designed
 25 or used to transport passengers, property, or employees; and

1 (b) "off-the-job driving record" means that record
 2 maintained by any state agency pertaining to motor vehicle
 3 accidents or convictions for violation of motor vehicle laws
 4 while the employee was driving a motor vehicle other than a
 5 commercial vehicle of the employer.

6 NEW SECTION. Section 2. Codification instruction.
 7 [Section 1] is intended to be codified as an integral part
 8 of Title 33, chapter 23, part 2, and the provisions of Title
 9 33, chapter 23, part 2, apply to [section 1].

-End-

APPROVED BY COMM. ON BUSINESS
AND ECONOMIC DEVELOPMENT

House BILL NO. 349

INTRODUCED BY Mr. Ryan McClure
Menahan Gault HARP Wilson Russell
A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING AN INSURER
FROM CONSIDERING OFF-THE-JOB DRIVING RECORDS OF EMPLOYEES
WITH RESPECT TO ISSUING, RENEWING, CANCELING, OR SETTING
RATES FOR THE EMPLOYER'S COMMERCIAL MOTOR VEHICLE INSURANCE
POLICY."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Coverage of employees based on
off-the-job driving records. (1) (a) When an employer
applies for or seeks to renew a motor vehicle insurance
policy, including liability coverage, on the employer's
commercial vehicles, the insurer may not consider the
off-the-job driving records of the employer's employees in
determining whether the policy will be issued or renewed or
in determining the rates for the policy.

(b) An insurer may not cancel an employer's insurance
policy on commercial vehicles or discriminate with respect
to other terms and conditions of the policy based on the
off-the-job driving records of the employer's employees.

(2) For the purposes of this section:

(a) "commercial vehicle" means a motor vehicle designed
or used to transport passengers, property, or employees; and

(b) "off-the-job driving record" means that record
maintained by any state agency pertaining to motor vehicle
accidents or convictions for violation of motor vehicle laws
while the employee was driving a motor vehicle other than a
commercial vehicle of the employer.

NEW SECTION. Section 2. Codification instruction.
[Section 1] is intended to be codified as an integral part
of Title 33, chapter 23, part 2, and the provisions of Title
33, chapter 23, part 2, apply to [section 1].

-End-

1 Hoose BILL NO. 349
 2 INTRODUCED BY Wm Ryan McCall Ed Bennett
 3 Menahan Gulick HARP Wilson Russell
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING AN INSURER
 5 FROM CONSIDERING OFF-THE-JOB DRIVING RECORDS OF EMPLOYEES
 6 WITH RESPECT TO ISSUING, RENEWING, CANCELING, OR SETTING
 7 RATES FOR THE EMPLOYER'S COMMERCIAL MOTOR VEHICLE INSURANCE
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 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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 12 off-the-job driving records. (1) (a) When an employer
 13 applies for or seeks to renew a motor vehicle insurance
 14 policy, including liability coverage, on the employer's
 15 commercial vehicles, the insurer may not consider the
 16 off-the-job driving records of the employer's employees in
 17 determining whether the policy will be issued or renewed or
 18 in determining the rates for the policy.

19 (b) An insurer may not cancel an employer's insurance
 20 policy on commercial vehicles or discriminate with respect
 21 to other terms and conditions of the policy based on the
 22 off-the-job driving records of the employer's employees.

23 (2) For the purposes of this section:

24 (a) "commercial vehicle" means a motor vehicle designed
 25 or used to transport passengers, property, or employees; and

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 7 [Section 1] is intended to be codified as an integral part
 8 of Title 33, chapter 23, part 2, and the provisions of Title
 9 33, chapter 23, part 2, apply to [section 1].

-End-

HOUSE BILL NO. 349

INTRODUCED BY RYAN, MCCULLOCH, GILBERT, MENAHAN,
QUILICI, HARP, WILSON, RUSSELL, STRIZICH

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING AN INSURER FROM CONSIDERING OFF-THE-JOB DRIVING RECORDS OF EMPLOYEES WITH RESPECT TO ISSUING, RENEWING, CANCELING, OR SETTING RATES FOR THE EMPLOYER'S COMMERCIAL MOTOR VEHICLE INSURANCE POLICY."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1.** Coverage of employees based on off-the-job driving records. (1) (a) When an employer applies for or seeks to renew a motor vehicle insurance policy, including liability coverage, on the employer's commercial vehicles, the insurer may not consider the off-the-job driving records of the employer's employees in determining whether the policy will be issued or renewed or in determining the rates for the policy.

(b) An insurer may not cancel an employer's insurance policy on commercial vehicles or discriminate with respect to other terms and conditions of the policy based on the off-the-job driving records of the employer's employees.

(2) For the purposes of this section:

(a) "commercial vehicle" means a motor vehicle designed

or used to transport passengers, property, or employees; and

(b) "off-the-job driving record" means that record maintained by any state agency pertaining to motor vehicle accidents or convictions for violation of motor vehicle laws while the employee was driving a motor vehicle other than a commercial vehicle of the employer.

NEW SECTION. **Section 2.** Codification instruction.

[Section 1] is intended to be codified as an integral part of Title 33, chapter 23, part 2, and the provisions of Title 33, chapter 23, part 2, apply to [section 1].

-End-

OFFICE OF THE GOVERNOR

STATE OF MONTANA



MARC RACICOT
GOVERNOR

STATE CAPITOL
HELENA, MONTANA 59620-0801

April 7, 1993

The Honorable John Mercer
Speaker of the House
State Capitol
Helena MT 59620

The Honorable Fred Van Valkenburg
President of the Senate
State Capitol
Helena MT 59620

Dear Speaker Mercer and President Van Valkenburg:

In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby veto House Bill No. 349, "AN ACT PROHIBITING AN INSURER FROM CONSIDERING OFF-THE-JOB DRIVING RECORDS OF EMPLOYEES WITH RESPECT TO ISSUING, RENEWING, CANCELING, OR SETTING RATES FOR THE EMPLOYER'S COMMERCIAL MOTOR VEHICLE INSURANCE POLICY," for the following reasons.

House Bill No. 349 prohibits an insurer from considering the entire driving record of an individual when determining insurance coverage or setting rates for the individual's employer. Under this bill, only those accidents or convictions occurring while driving in one of the employer's vehicles could be considered for insurance purposes. Motor vehicle accidents and convictions in vehicles other than the employer's vehicles could not be considered, even though they may indicate the existence of a safety risk.

Insurance underwriters consider a broad range of behavior when determining rates for insurance, whether it be life or liability insurance. It is not good public policy in my judgment to permit an employer to use "off-the-job" driving records when deciding whether or not to hire a person as a driver, but to prevent an insurer from using that same information to evaluate a risk and determine a fair and equitable rating base.

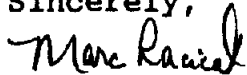
Gov. Veto
HB 349

The Honroable John Mercer
The Honorable Fred Van Valkenburg
April 7, 1993
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Moreover, the approval of the bill sends the wrong message. At a time when there is a growing concern with safety on our highways, I cannot approve legislation which removes a deterrent to unsafe driving.

For these reasons, I veto House Bill No. 349.

Sincerely,

A handwritten signature in cursive script, appearing to read "Marc Racicot".

MARC RACICOT
Governor