

# House Research Act Summary

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**TOPIC:** Auto Insurance

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## Overview

This act involves income loss coverage under no-fault automobile insurance. This covers loss of wage or other labor income if the insured person becomes disabled in an auto accident. This coverage is now mandatory, except for persons over age 65 who have no wage or other labor income. This bill would change the details of this right of seniors to not have income loss coverage.

- 1 **Senior citizens.** Rewords this existing law, which permits persons over 65 to decline no-fault coverage for income loss, as part of their auto insurance. The effect of the changes is to give seniors an unconditional right to decline the coverage. Under current law, the coverage must be there unless the person "will not reasonably be expected to be able to receive" benefits from the coverage, as determined as a result of inquiry by the insurance company. Requires the insurance company to notify seniors of this right, at the first issuance or renewal after age 65 and annually thereafter. Provides that an election by the insured not to have this coverage remains in effect until revoked by the insured.
- 2 **Revisor instruction.** Instructs the revisor to recode section 1 in statutes to put it in a more logical place.