

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 198

BY BUSINESS COMMITTEE

AN ACT

1 RELATING TO DELIVERY OF INSURANCE POLICIES BY INSURERS; AMENDING SECTION
2 41-1824, IDAHO CODE, TO PROVIDE ALTERNATIVE MEANS OF DELIVERY OF PROP-
3 ERTY AND CASUALTY INSURANCE POLICIES AND ENDORSEMENTS THAT DO NOT
4 CONTAIN PERSONALLY IDENTIFIABLE INFORMATION TO THE INSURED, TO PROVIDE
5 CONDITIONS FOR SUCH ALTERNATIVE DELIVERY AND TO MAKE A TECHNICAL COR-
6 RECTION.
7

8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. That Section 41-1824, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 41-1824. DELIVERY OF POLICY. (1) Subject to the insurer's require-
12 ments as to payment of premium, every policy shall be mailed or delivered to
13 the insured or to the person entitled thereto within a reasonable period of
14 time after its issuance except where a condition required by the insurer has
15 not been met by the insured.

16 (2) In event the original policy is delivered or is so required to be de-
17 livered to or for deposit with any vendor, mortgagee, or pledgee of any mo-
18 tor vehicle, and in which policy any interest of the vendee, mortgagor, ~~of~~ or
19 pledgor in or with reference to such vehicle is insured, a duplicate of such
20 policy setting forth the name and address of the insurer, insurance classi-
21 fication of vehicle, type of coverage, limits of liability, premiums for the
22 respective coverages, and duration of the policy, or memorandum thereof con-
23 taining the same such information, shall be delivered by the vendor, mort-
24 gagee, or pledgee to each such vendee, mortgagor, or pledgor named in the
25 policy or coming within the group of persons designated in the policy to be so
26 included. If the policy does not provide coverage of legal liability for in-
27 jury to persons or damage to the property of third parties, adequate notice
28 including, but not limited to, a printed, written, or stamped statement of
29 such fact located conspicuously on the face of such duplicate policy or mem-
30 orandum shall be provided to the insured, pursuant to rules and regulations
31 adopted by the director of the department of insurance. The director shall
32 prescribe a form, which must be signed by the insured stating that he has re-
33 ceived notification as required herein, and by the vendor stating that he has
34 supplied the notification as required herein. This subsection does not ap-
35 ply to inland marine floater policies.

36 (3) For purposes of this section, property and casualty insurance poli-
37 cies and endorsements that do not contain personally identifiable informa-
38 tion may be mailed, delivered or posted on the insurer's website. If the in-
39 surer elects to post insurance policies and endorsements on its website in
40 lieu of mailing or delivering them to the insured, it must comply with all of
41 the following conditions:

- 1 (a) The policy and endorsements must be easily accessible and remain
2 that way for as long as the policy is in force;
- 3 (b) After the expiration of the policy, the insurer must archive its ex-
4 pired policies and endorsements for a period of five (5) years and make
5 them available upon request;
- 6 (c) The policies and endorsements must be posted in a manner that en-
7 ables the insured to print and save the policy and endorsements using
8 programs or applications that are widely available on the internet and
9 free to use;
- 10 (d) The insurer provides the following information in each declara-
11 tions page provided at the time of issuance of the initial policy and any
12 renewals of that policy:
- 13 (i) A description of the exact policy and endorsement forms pur-
14 chased by the insured;
- 15 (ii) A method by which the insured may obtain, upon request and
16 without charge, a paper copy of their policy; and
- 17 (iii) The internet address where their policy and endorsements
18 are posted; and
- 19 (e) The insurer provides notice, in the manner it customarily communi-
20 cates with an insured, of any changes to the forms or endorsements, the
21 insured's right to obtain, upon request and without charge, a paper copy
22 of such forms or endorsements, and the internet address where such forms
23 or endorsements are posted.