

# SENATE BILL No. 40

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 9-25.

**Synopsis:** Motor vehicle financial responsibility. Increases the financial responsibility requirements that apply to a motor vehicle registration for liability arising out of the ownership, maintenance, or use of the motor vehicle.

**Effective:** July 1, 2016.

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## Miller Pete

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January 5, 2016, read first time and referred to Committee on Insurance & Financial Institutions.

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Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

# SENATE BILL No. 40

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 9-25-2-3 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2016]: Sec. 3. "Proof of financial responsibility"  
3 means proof of ability to respond in damages for each motor vehicle  
4 registered by a person for liability that arises out of the ownership,  
5 maintenance, or use of the motor vehicle in the following amounts:

- 6 (1) ~~Twenty-five~~ **Fifty** thousand dollars (~~\$25,000~~) (**\$50,000**)  
7 because of bodily injury to or death of any one (1) person.
- 8 (2) Subject to the limit in subdivision (1), ~~fifty one hundred~~ **one hundred**  
9 thousand dollars (~~\$50,000~~) (**\$100,000**) because of bodily injury  
10 to or death of two (2) or more persons in any one (1) accident.
- 11 (3) ~~Ten~~ **Twenty-five** thousand dollars (~~\$10,000~~) (**\$25,000**)  
12 because of injury to or destruction of property in any one (1)  
13 accident.

14 SECTION 2. IC 9-25-4-5 IS AMENDED TO READ AS FOLLOWS  
15 [EFFECTIVE JULY 1, 2016]: Sec. 5. Except as provided in section 6  
16 of this chapter, the minimum amounts of financial responsibility are as  
17 follows:



1 (1) Subject to the limit set forth in subdivision (2), ~~twenty-five~~  
 2 **fifty** thousand dollars (~~\$25,000~~) (**\$50,000**) for bodily injury to or  
 3 the death of one (1) individual.

4 (2) **Fifty One hundred** thousand dollars (~~\$50,000~~) (**\$100,000**) for  
 5 bodily injury to or the death of two (2) or more individuals in any  
 6 one (1) accident.

7 (3) ~~For Twenty-five~~ thousand dollars (~~\$10,000~~) (**\$25,000**) for  
 8 damage to or the destruction of property in one (1) accident.

9 SECTION 3. IC 9-25-4-10 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10. (a) A person  
 11 required to give proof of financial responsibility under this article may  
 12 give proof of financial responsibility by delivering to the bureau a  
 13 receipt from the treasurer of state showing a deposit with the treasurer  
 14 of state of one (1) of the following:

15 (1) **Forty Seventy-five** thousand dollars (~~\$40,000~~) (**\$75,000**) in  
 16 cash or securities that may legally be purchased by savings banks.

17 (2) Trust funds with a market value of ~~forty seventy-five~~ thousand  
 18 dollars (~~\$40,000~~) (**\$75,000**).

19 (b) Money and securities deposited under this section are subject to  
 20 execution to satisfy a judgment under this article within the limits of  
 21 coverage and subject to the limits on amounts required by this chapter  
 22 for motor vehicle liability policies. Money and securities deposited  
 23 under this section are not subject to attachment or execution for a  
 24 reason not listed under this article.

25 (c) The treasurer of state may not accept a deposit or issue a receipt  
 26 for a deposit under this section, and the bureau may not accept a receipt  
 27 for a deposit under this section, unless the person making the deposit  
 28 provides evidence that there are no unsatisfied judgments against the  
 29 person making the deposit registered in the office of the circuit court  
 30 clerk of the county where the person making the deposit resides.

31 SECTION 4. IC 9-25-6-5 IS AMENDED TO READ AS FOLLOWS  
 32 [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) A judgment referred to in this  
 33 chapter is considered satisfied only when the following conditions are  
 34 fulfilled as appropriate:

35 (1) Subject to the limit in subdivision (2), ~~twenty-five~~ **fifty**  
 36 thousand dollars (~~\$25,000~~) (**\$50,000**) has been credited upon a  
 37 judgment rendered in excess of that amount because of bodily  
 38 injury to or death of one (1) person as the result of one (1)  
 39 accident.

40 (2) **Fifty One hundred** thousand dollars (~~\$50,000~~) (**\$100,000**) has  
 41 been credited upon a judgment rendered in excess of that amount  
 42 because of bodily injury to or death of two (2) or more persons as



1 the result of any one (1) accident.  
2 (3) ~~Ten~~ **Twenty-five** thousand dollars (~~\$10,000~~) (**\$25,000**) has  
3 been credited upon a judgment or judgments rendered in excess  
4 of that amount because of injury to or destruction of property of  
5 others as a result of any one (1) accident.  
6 (4) The judgment is satisfied by payment accepted by the  
7 judgment creditor in full satisfaction of all claims arising from  
8 bodily injury, death, or property damage arising from the motor  
9 vehicle accident involved in the judgment.  
10 (b) A payment made in settlement of a claim because of bodily  
11 injury, death, or property damage arising from a motor vehicle accident  
12 shall be credited in reduction of the amounts provided for in this  
13 section.

