



February 28, 2024

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# ENGROSSED HOUSE BILL No. 1092

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DIGEST OF HB 1092 (Updated February 27, 2024 4:07 pm - DI 140)

**Citations Affected:** IC 8-21.

**Synopsis:** Financial responsibility for aircraft. Amends the definition of "operation of aircraft" or "operate aircraft" for purposes of the aircraft financial responsibility act. Increases the minimum amount of loss resulting from bodily injury, death, or property damage in an aircraft accident required to be reported to the Indiana department of transportation (department) from \$100 to \$7,500. Requires certain information to be included in a report of an aircraft accident. Requires the owner or operator of an aircraft to provide the information required  
(Continued next page)

**Effective:** July 1, 2024.

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## Mayfield, Pressel, Speedy, Johnson B

(SENATE SPONSOR — DONATO)

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January 8, 2024, read first time and referred to Committee on Roads and Transportation.  
January 30, 2024, amended, reported — Do Pass.  
February 1, 2024, read second time, amended, ordered engrossed.  
February 2, 2024, engrossed.  
February 5, 2024, read third time, passed. Yeas 96, nays 2.

SENATE ACTION

February 12, 2024, read first time and referred to Committee on Homeland Security and Transportation.  
February 27, 2024, reported favorably — Do Pass.

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## Digest Continued

to be reported to the department to a damaged or injured party or a damaged or injured party's representative upon request. Removes the department from a provision allowing certain entities to maintain an action to enjoin a person from engaging in the operation of an aircraft for failure to comply with the aircraft financial responsibility requirements. Specifies how payments shall be made from a security deposit. Specifies the fee for service of process on the secretary of state. Adds an additional insured to certain provisions in the aircraft financial responsibility act. Makes corresponding changes. Makes technical corrections.

**EH 1092—LS 6316/DI 141**



February 28, 2024

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1092

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

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

- 1 SECTION 1. IC 8-21-3-1, AS AMENDED BY P.L.136-2018,  
2 SECTION 102, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2024]: Sec. 1. The following words and phrases  
4 when used in this chapter shall, for the purpose of this chapter, unless  
5 a different meaning appears from the context, have the following  
6 meanings:
- 7 (1) The singular shall include the plural; the masculine shall  
8 include the feminine and neuter, as requisite.
  - 9 (2) "Aircraft" means any contrivance used or designed for  
10 navigation of or flight in the air.
  - 11 (3) "Aircraft accident" means any mishap involving an aircraft  
12 resulting in injury or damage to such aircraft or to any person,  
13 property, or thing.
  - 14 (4) "Department" refers to the Indiana department of  
15 transportation; and "state" or "this state" means the state of  
16 Indiana.
  - 17 (5) "Guest" means any person who rides in an aircraft for which

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- 1 no charge is made for such ride or flight.
- 2 ~~(6)~~ (5) "Insured" means the person in whose name there is issued
- 3 an aircraft liability policy (as defined in section 12 of this chapter)
- 4 and any other person insured under the terms of such policy.
- 5 ~~(7)~~ (6) "Judgment" means any judgment, except a judgment
- 6 rendered against this state or any political subdivision of this state
- 7 or any municipality in this state, which shall have become final by
- 8 expiration without appeal of the time within which appeal might
- 9 have been perfected, or by final affirmation on appeal, rendered
- 10 by a court of competent jurisdiction of any state or of the United
- 11 States.
- 12 ~~(8)~~ (7) "Operation of aircraft" or "operate aircraft" means the use
- 13 of aircraft for the purpose of air navigation, and includes the
- 14 navigation or piloting of aircraft. Any person who causes or
- 15 authorizes the operation of aircraft, whether with or without the
- 16 right of legal control (in the capacity of owner, lessee, **aircraft**
- 17 **sales broker**, or otherwise) of the aircraft, including an aircraft
- 18 otherwise considered inventory, if it is operated in flight, shall be
- 19 deemed to be engaged in the operation of aircraft within the
- 20 meaning of the statutes of this state.
- 21 ~~(9)~~ (8) "Operator" means any person who is in actual physical
- 22 control of an aircraft.
- 23 ~~(10)~~ (9) "Owner" means any person in whose name the aircraft is
- 24 certificated, licensed, or registered by appropriate federal or state
- 25 authority.
- 26 ~~(11)~~ "Passenger" means any person:
- 27 (A) in, on or boarding an aircraft for the purpose of riding in
- 28 the aircraft; or
- 29 (B) alighting from the aircraft following a flight or attempted
- 30 flight of the aircraft.
- 31 ~~(12)~~ (10) "Person" means any individual, firm, partnership,
- 32 corporation, company, limited liability company, association, joint
- 33 stock association, or body politic; and includes any trustee,
- 34 receiver, assignee, or other similar representative of an entity
- 35 described in this subdivision.
- 36 ~~(13)~~ (11) "Policy" or "insurance policy" means an aircraft liability
- 37 policy conforming to section 12 of this chapter.
- 38 ~~(14)~~ (12) "Proof of financial responsibility" has the meaning set
- 39 forth in section 8 of this chapter.
- 40 SECTION 2. IC 8-21-3-3 IS AMENDED TO READ AS FOLLOWS
- 41 [EFFECTIVE JULY 1, 2024]: Sec. 3. (a) Any person who, while
- 42 operating any aircraft, shall have been involved in any aircraft accident



1 in this state resulting in bodily injury or death, or in damage to property  
 2 of another in excess of ~~one hundred seven thousand five hundred~~  
 3 dollars ~~(\$100)~~ **(\$7,500)** or the owner of such aircraft, shall within ten  
 4 (10) days following such aircraft accident report the same to the  
 5 department. ~~Aircraft accident reports, as herein required, shall be~~  
 6 ~~submitted in such form as the department may prescribe.~~

7 **(b) A report of an aircraft accident under this section must**  
 8 **include the following information:**

9 **(1) Name of the operator of the aircraft.**

10 **(2) Name of the owner of the aircraft.**

11 **(3) Means of financial responsibility and financial assurance.**

12 **(4) Date of the accident.**

13 **(5) Location of the accident.**

14 **(6) Federal Aviation Administration registration number.**

15 **(c) The owner or operator of an aircraft shall, upon request,**  
 16 **provide the information required in subsection (b) to a damaged or**  
 17 **injured party or a damaged or injured party's representative.**

18 SECTION 3. IC 8-21-3-4 IS AMENDED TO READ AS FOLLOWS  
 19 [EFFECTIVE JULY 1, 2024]: Sec. 4. (a) The department may require,  
 20 within not less than ten (10) days nor more than sixty (60) days after an  
 21 aircraft accident from any person, who, while operating any aircraft  
 22 shall have been involved in any aircraft accident resulting in bodily  
 23 injury or death to any person ~~other than a guest passenger of such~~  
 24 ~~aircraft~~ or in damage to property of another, other than property owned,  
 25 rented, occupied, or used by, or in the care, custody or control of the  
 26 owner or operator or carried in or on the aircraft, in excess of ~~one~~  
 27 ~~hundred seven thousand five hundred~~ dollars ~~(\$100)~~, **(\$7,500)**, or, in  
 28 the discretion of the department, the owner of such aircraft, or both,  
 29 ~~secured security~~ sufficient in the discretion of the department to  
 30 indemnify the injured party against loss and guarantee the payment and  
 31 satisfaction of any judgment or judgments for damages resulting from  
 32 such accident as may be recovered against such owner or operator by  
 33 or on behalf of the injured person or ~~his~~ **the injured person's** legal  
 34 representative, and in addition thereto, the department may require  
 35 such operator, or in the department's discretion, the owner of such  
 36 aircraft, or both, to file proof of financial responsibility for a period of  
 37 one (1) year following the date of the accident: Provided, however, that  
 38 if such owner operator shall satisfy the department that the liability, if  
 39 any, for damages resulting from such accident is insured by an  
 40 insurance policy or bond, the department shall not require security from  
 41 such owner operator.

42 (b) Such security, where ordered, shall be in such form and in such



1 amount as the department may require, but in no case in excess of the  
 2 amount of proof required by section 8 of this chapter. The department  
 3 may modify the amount of security ordered in any case, if after further  
 4 investigation it shall determine that the amount ordered is improper.

5 SECTION 4. IC 8-21-3-5 IS AMENDED TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2024]: Sec. 5. If the person required to furnish  
 7 proof of financial responsibility in the future or if the person required  
 8 to furnish financial security under this chapter, neglects or refuses to  
 9 comply with such requirements, ~~the department,~~ the attorney general  
 10 or the prosecuting attorney of the county in which such party resides,  
 11 may, in accordance with the laws of the state of Indiana governing  
 12 injunctions, maintain an action in the name of the state of Indiana to  
 13 enjoin such person neglecting or refusing to comply with the financial  
 14 responsibility or security requirements of this chapter from engaging  
 15 in the operation of any aircraft or causing to be operated any aircraft  
 16 within this state until such person has complied with such requirements  
 17 or until such person has, by final judicial determination, been proved  
 18 not legally liable for, or has been released from all liability for damages  
 19 resulting from such aircraft accident.

20 SECTION 5. IC 8-21-3-6, AS AMENDED BY P.L.136-2018,  
 21 SECTION 103, IS AMENDED TO READ AS FOLLOWS  
 22 [EFFECTIVE JULY 1, 2024]: Sec. 6. (a) Security furnished in  
 23 compliance with the requirements of this chapter shall be placed by the  
 24 department in the custody of the treasurer of state and shall be  
 25 applicable only to the payment of a judgment **or claimant settlement**  
 26 **agreement** against the depositor for damages arising out of the  
 27 accident in question in an action at law in a court of this state begun not  
 28 later than one (1) year after the date of such accident or, upon  
 29 assignment of the depositor. All such payments made out of the  
 30 deposited security shall be made ~~as follows:~~ **subject to proration by**  
 31 **court order or claimant settlement agreement if there is more than**  
 32 **one (1) claimant.**

33 (1) Payment shall first be made to each of the judgment creditors  
 34 in the order of judgment entry and to each of the claimants who  
 35 have agreed to settle their claims; whose damages were evaluated  
 36 by the department, in an amount not greater than the amount fixed  
 37 in their respective evaluations:

38 (2) Whenever the department shall be given evidence, satisfactory  
 39 to it, that the amounts of all claims for damages against the  
 40 depositor arising out of such accident are fixed; either by  
 41 judgment or settlement agreement, payment shall be made out of  
 42 any balance remaining after the first distribution to each of those



1 persons whose judgments or settlement amounts have not been  
 2 fully paid but whose damages were evaluated by the department;  
 3 in proportion to the amounts of their respective evaluations unless  
 4 there is a sufficient amount to make payment in full.

5 (3) Any balance remaining after the first and second distributions  
 6 are completed shall be paid to those judgment creditors and those  
 7 claimants who have agreed to settle their claims but whose  
 8 damages were not evaluated; in proportion to the amounts of their  
 9 respective judgments or settlement amounts unless there is a  
 10 sufficient amount to make payment in full.

11 Such deposit, or any balance of the amount deposited, shall be returned  
 12 to the depositor or the depositor's personal representative whenever  
 13 after the expiration of such year the department shall be given  
 14 evidence, satisfactory to it, that there is no such judgment unsatisfied  
 15 and that there is no pending action against the depositor for damages  
 16 arising out of such accident.

17 (b) Neither the action taken by the department pursuant to this  
 18 chapter, the findings, if any, of the department upon which such action  
 19 is based, nor the security filed by the owner or operator as provided in  
 20 this chapter shall be referred to in any way, nor be any evidence of the  
 21 negligence or due care of either party at the trial of any action at law to  
 22 recover damages.

23 (c) In lieu of deposit of security when required pursuant to this  
 24 chapter the aircraft owner or operator may, if the person who has  
 25 sustained bodily injury, including death, or damage to the person's  
 26 property or the person's legal representative consents, effect and deliver  
 27 a consent judgment or release for such amount and payable when and  
 28 in such installments as the judgment creditor or claimant may agree to.  
 29 In the event the judgment debtor fails to pay any installment as agreed,  
 30 then upon notice of such default, ~~the department~~, the attorney-general  
 31 or the prosecuting attorney may pursuant to section 5 of this chapter  
 32 maintain an action to enjoin such person from engaging in the  
 33 operation of any aircraft or causing to be operated any aircraft within  
 34 this state until such judgment is appropriately satisfied as required  
 35 under this chapter.

36 (d) Information regarding security taken under this section shall be  
 37 available to the person injured or the representative of any person  
 38 killed and their duly authorized agents or attorney.

39 SECTION 6. IC 8-21-3-7 IS AMENDED TO READ AS FOLLOWS  
 40 [EFFECTIVE JULY 1, 2024]: Sec. 7. (a) The provisions of this chapter  
 41 shall apply to any person who is not a resident of this state under the  
 42 same circumstances as they would apply to a resident, and, in such



1 event, such a nonresident shall not operate any aircraft in this state nor  
 2 shall any aircraft owned by ~~him~~ **the nonresident** be operated in this  
 3 state, unless and until such nonresident, or the owner of the aircraft, if  
 4 another person, has complied with the requirements of this chapter with  
 5 respect to security and proof of financial responsibility covering such  
 6 aircraft.

7 (b) The operation by a nonresident, or by ~~his~~ **the nonresident's** duly  
 8 authorized agent, of an aircraft in this state shall be deemed equivalent  
 9 to an appointment by such nonresident of the secretary of state, or ~~his~~  
 10 **the secretary of state's** successor in office, to be ~~his~~ **the nonresident's**  
 11 true and lawful attorney upon whom may be served all lawful processes  
 12 in any action or proceeding against ~~him~~; **the nonresident**, growing out  
 13 of any aircraft accident in which such nonresident may be involved  
 14 while so operating or so permitting to be operated an aircraft in this  
 15 state, and such operation shall be signification of ~~his~~ **the nonresident's**  
 16 agreement that any such process against ~~him~~; **the nonresident**, which  
 17 is so served, shall be of the same legal force and validity as if served  
 18 upon ~~him~~ **the nonresident** personally. Such action may be filed in the  
 19 county of the residence of the plaintiff or in the county where the  
 20 accident occurred, at the election of the plaintiff, and service of such  
 21 process shall be made by leaving a copy thereof, with ~~a~~ **the** fee of ~~two~~  
 22 ~~dollars (\$2)~~; **set forth in IC 23-0.5-9-56**, for such defendant to be  
 23 served, with the secretary of state, or in ~~his~~ **the secretary of state's**  
 24 office, and such service shall be sufficient service upon such  
 25 nonresident, provided that notice of such service and a copy of the  
 26 process are forthwith sent by registered mail to the defendant and the  
 27 defendant's return receipt is appended to the original process and filed  
 28 therewith in the court. In the event that the defendant refuses to accept  
 29 or claim such registered mail, then such registered mail shall be  
 30 returned by the secretary of state to the plaintiff or to ~~his~~ **the plaintiff's**  
 31 attorney, and the same shall be appended to the original process,  
 32 together with an affidavit of the plaintiff or of ~~his~~ **the plaintiff's**  
 33 attorney or agent to the effect that such summons was delivered to the  
 34 secretary of state, together with ~~a~~ **the** fee of ~~two~~ **dollars (\$2)**; **set forth**  
 35 **in IC 23-0.5-9-56**, and was thereafter returned unclaimed by the  
 36 postoffice department, and such affidavit, together with the returned  
 37 affidavit including said summons, shall be considered sufficient service  
 38 upon such nonresident defendant. The court in which the action is  
 39 brought may order such continuances as may be reasonable to afford  
 40 the defendant opportunity to defend the action.

41 (c) No insurance policy or bond shall be effective under section 4  
 42 of this chapter in the case of an aircraft owned or operated by a





1 nonresident in this state at the time of the accident or at the effective  
2 date of the policy or bond, or the most recent renewal thereof, unless  
3 the insurance company or surety company, if not authorized to do  
4 business in this state, shall execute a power of attorney authorizing the  
5 secretary of state to accept service on its behalf of notice or process in  
6 any action upon such policy or bond arising out of such accident.

7 SECTION 7. IC 8-21-3-10 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 10. (a) Proof of  
9 financial responsibility may be made by filing with the department the  
10 written certificate or certificates of any insurance carrier certifying that  
11 it has issued to or for the benefit of the person furnishing such proof  
12 and named as the insured **or additional insured**, an aircraft liability  
13 policy or policies meeting the requirements of this chapter, and such  
14 other information as the department may require.

15 (b) When the person required to give proof of financial  
16 responsibility, is not the owner of an aircraft, then an operator's policy  
17 of liability insurance as defined in this chapter shall be sufficient proof  
18 of financial responsibility.

19 SECTION 8. IC 8-21-3-12 IS AMENDED TO READ AS  
20 FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 12. An aircraft liability  
21 policy as said term is used in this chapter, shall mean an owner's policy  
22 of liability insurance or an operator's policy of liability insurance for  
23 which a certificate has been filed with the department by an insurance  
24 carrier authorized to do business in this state pursuant to the insurance  
25 laws of this state for the benefit of the person named therein as insured  
26 **or additional insured**; which policy shall contain the terms, conditions  
27 and provisions required by the laws of this state and with sufficient  
28 liability coverage to meet the security and proof of financial  
29 responsibility requirements established within the purview of section  
30 4 of this chapter and pursuant to this chapter by the department as a  
31 result of an aircraft accident occurring within this state and shall be  
32 approved by the insurance commissioner of the state of Indiana.

33 SECTION 9. IC 8-21-3-13 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 13. An insurance  
35 carrier which has issued an aircraft liability policy or policies meeting  
36 the requirements of this chapter shall, upon request of the named  
37 insured **or additional insured**, deliver to such insured **or additional**  
38 **insured** for filing or at the request of such insured **or additional**  
39 **insured** shall file direct with the department, an appropriate certificate  
40 showing that such policy or policies have been issued, which certificate  
41 shall meet the requirements of this chapter. The issuance of a  
42 certificate to serve as proof of financial responsibility under this



1 chapter shall be conclusive evidence that every aircraft liability policy  
2 therein cited conforms to all the requirements of this chapter.

3 SECTION 10. IC 8-21-3-20 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 20. A person who fails  
5 to submit an accident report to the department **or to a damaged or**  
6 **injured party or a damaged or injured party's representative** as  
7 provided in section 3 of this chapter commits a Class C infraction.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1092, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 40 through 42.

Page 3, delete line 1.

Page 3, between lines 18 and 19, begin a new paragraph and insert:

**"(c) The owner or operator of an aircraft shall, upon request, provide the information required in subsection (b) to a damaged or injured party or a damaged or injured party's representative."**

Page 3, line 20, reset in roman "may".

Page 3, line 21, delete "shall".

Page 3, line 36, reset in roman "may" and delete "shall".

Page 8, after line 4, begin a new paragraph and insert:

"SECTION 10. IC 8-21-3-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025]: Sec. 20. A person who fails to submit an accident report to the department **or to a damaged or injured party or a damaged or injured party's representative** as provided in section 3 of this chapter commits a Class C infraction."

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1092 as introduced.)

PRESSEL

Committee Vote: yeas 10, nays 0.

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 HOUSE MOTION

Mr. Speaker: I move that House Bill 1092 be amended to read as follows:

Replace the effective dates in SECTIONS 1 through 10 with "[EFFECTIVE JULY 1, 2024]".

(Reference is to HB 1092 as printed January 30, 2024.)

MAYFIELD

**EH 1092—LS 6316/DI 141**



COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security and Transportation, to which was referred House Bill No. 1092, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to HB 1092 as reprinted February 2, 2024.)

CRIDER, Chairperson

Committee Vote: Yeas 8, Nays 0

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