



Reprinted
February 28, 2017

SENATE BILL No. 467

DIGEST OF SB 467 (Updated February 27, 2017 4:53 pm - DI 87)

Citations Affected: IC 27-2.

Synopsis: Fire department reimbursement. Requires payment under a property insurance policy that provides coverage for reimbursement for fire protection services (policy) to pay the fire department's charges, subject to certain limitations, in response to a claim for which the insurer is liable under the policy. Requires notice to the claimant when a fire department is reimbursed under a policy.

Effective: July 1, 2017.

Buck, Holdman

January 12, 2017, read first time and referred to Committee on Local Government.
February 23, 2017, amended, reported favorably — Do Pass.
February 27, 2017, read second time, amended, ordered engrossed.

SB 467—LS 6930/DI 73



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First Regular Session 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

SENATE BILL No. 467

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

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

- 1 SECTION 1. IC 27-2-24 IS ADDED TO THE INDIANA CODE AS
- 2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2017]:
- 4 **Chapter 24. Fire Department Reimbursement**
- 5 **Sec. 1. As used in this chapter, "fire department" means a paid**
- 6 **fire department or a volunteer fire department that provides fire**
- 7 **protection services to a political subdivision.**
- 8 **Sec. 2. As used in this chapter, "political subdivision" has the**
- 9 **meaning set forth in IC 36-1-2-13.**
- 10 **Sec. 3. As used in this chapter, "property insurance" means the**
- 11 **kind of insurance defined in Class 3 of IC 27-1-5-1.**
- 12 **Sec. 4. As used in this chapter, "reimbursement coverage"**
- 13 **means coverage under a property insurance policy issued or**
- 14 **renewed after 2017 that, in addition to coverage for loss or damage**
- 15 **to property, provides for reimbursement to a fire department in**
- 16 **providing fire protection services to the property for an event that**
- 17 **results in the loss or damage.**

SB 467—LS 6930/DI 73



1 **Sec. 5. An insurer that offers reimbursement coverage under a**
2 **property insurance policy may limit the offer to reimbursement**
3 **coverage that applies to fire protection services provided by one (1)**
4 **or both of the following:**

5 **(1) A volunteer fire department.**

6 **(2) A paid fire department.**

7 **Sec. 6. (a) In response to a claim filed after December 31, 2017:**

8 **(1) under a property insurance policy that provides**
9 **reimbursement coverage; and**

10 **(2) under which:**

11 **(A) the insurer is liable to the claimant; or**

12 **(B) the insurer would be liable to the claimant if the policy**
13 **did not include a deductible;**

14 **the insurer shall, subject to subsection (b), pay directly to the fire**
15 **department the amount charged by the fire department for the fire**
16 **protection services provided to the property regardless of whether**
17 **the claim refers to that reimbursement.**

18 **(b) An insurer that makes direct payment to a fire department**
19 **under subsection (a) is not required to pay an amount that exceeds**
20 **either of the following:**

21 **(1) The amount specified in the state fire marshal's**
22 **recommended schedule of charges for the provision of fire**
23 **protection services to the property.**

24 **(2) The amount of reimbursement coverage provided for**
25 **under the property insurance policy.**

26 **(c) The insurer shall provide notification to the claimant when**
27 **the insurer reimburses a fire department for fire protection**
28 **services under the claimant's reimbursement coverage.**



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 467, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 13.

Page 2, line 28, delete "that incurs costs".

Page 2, line 30, after "damage." insert "**The amount charged may not exceed the state fire marshal's recommended schedule for services to the property.**".

Page 2, line 38, after "pay" insert "**directly**".

Page 2, line 40, after "reimbursement." insert "**The insurer shall provide notification to the claimant when the insurer reimburses a fire department for fire protection services under the claimant's reimbursement policy coverage.**".

Page 2, delete lines 41 through 42.

Delete pages 3 through 29.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 467 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 7, Nays 0.

 SENATE MOTION

Madam President: I move that Senate Bill 467 be amended to read as follows:

Page 1, line 12, delete "policy"" and insert "**coverage**".

Page 1, line 13, before "a" insert "**coverage under**".

Page 1, line 17, delete "The amount charged may not exceed the state fire", begin a new paragraph and insert:

"Sec. 5. An insurer that offers reimbursement coverage under a property insurance policy may limit the offer to reimbursement coverage that applies to fire protection services provided by one (1) or both of the following:

(1) A volunteer fire department.

(2) A paid fire department."

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Page 2, delete line 1.

Page 2, line 2, delete "5." and insert **"6. (a)"**.

Page 2, line 3, delete "filed with an insurer that provides insurance".

Page 2, line 3, after "a" insert **"property insurance policy that provides reimbursement coverage; and"**.

Page 2, delete line 4.

Page 2, line 9, after "shall" insert **", subject to subsection (b),"**.

Page 2, line 10, delete "reimbursement referred to in section 4 of this chapter" and insert **"amount charged by the fire department for the fire protection services provided to the property"**.

Page 2, line 11, after "." begin a new paragraph and insert:

"(b) An insurer that makes direct payment to a fire department under subsection (a) is not required to pay an amount that exceeds either of the following:

(1) The amount specified in the state fire marshal's recommended schedule of charges for the provision of fire protection services to the property.

(2) The amount of reimbursement coverage provided for under the property insurance policy.

(c)".

Page 2, line 14, delete "policy".

(Reference is to SB 467 as printed February 24, 2017.)

HOLDMAN

SENATE MOTION

Madam President: I move that Senate Bill 467 be amended to read as follows:

Delete the title and insert the following:

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

(Reference is to SB 467 as printed February 24, 2017.)

BUCK

