



Adopted	Rejected
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COMMITTEE REPORT

YES:	12
NO:	0

MR. SPEAKER:

Your Committee on Insurance, to which was referred House Bill 1260, 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:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 27-1-3-22 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) As used in this
- 5 section, "fraudulent insurance act" means:
- 6 (1) the preparation or presentation of a written statement as part
- 7 of, or in support of:
- 8 (A) a fraudulent application for the issuance or rating of a
- 9 policy of commercial insurance; or
- 10 (B) a fraudulent claim under a policy of commercial or
- 11 personal insurance; or
- 12 (2) the concealment, for the purpose of misleading, of information
- 13 concerning any fact material to an application or claim described
- 14 in subdivision (1).

(b) As used in this section, "fraudulent insurance act" includes the act or omission of a person who, knowingly and with intent to defraud, does any of the following:

(1) Presents, causes to be presented, or prepares with knowledge or belief that it will be presented, to or by an insurer, a reinsurer, a purported insurer or reinsurer, a broker, or an agent of an insurer, reinsurer, purported insurer or reinsurer, or broker, an oral or written statement that the person knows to contain materially false information as part of, in support of, or concerning any fact that is material to:

(A) an application for the issuance of an insurance policy;

(B) the rating of an insurance policy;

(C) a claim for payment or benefit under an insurance policy;

(D) premiums paid on an insurance policy;

(E) payments made in accordance with the terms of an insurance policy;

(F) an application for a certificate of authority;

(G) the financial condition of an insurer, a reinsurer, or a purported insurer or reinsurer; or

(H) the acquisition of an insurer or a reinsurer;

or conceals any information concerning a subject set forth in clauses (A) through (H).

(2) Solicits or accepts new or renewal insurance risks by or for an insolvent insurer, reinsurer, or other entity regulated under this title.

(3) Removes or attempts to remove:

(A) the assets;

(B) the record of assets, transactions, and affairs; or

(C) a material part of the assets or the record of assets, transactions, and affairs;

of an insurer, a reinsurer, or another entity regulated under this title, from the home office, other place of business, or place of safekeeping of the insurer, reinsurer, or other regulated entity, or conceals or attempts to conceal from the department assets or records referred to in clauses (A) through (C).

(4) Diverts, attempts to divert, or conspires to divert funds of an insurer, a reinsurer, another entity regulated under the Indiana Code, or other persons, in connection with any of the following:

(A) The transaction of insurance or reinsurance.

(B) The conduct of business activities by an insurer, a reinsurer, or another entity regulated under this title.

(C) The formation, acquisition, or dissolution of an insurer, a reinsurer, or another entity regulated under this title.

(c) A person or entity regulated under this title that has knowledge or a reasonable belief that a fraudulent insurance act is being, will be, or has been committed shall furnish the information to:

(1) the department; or

(2) the National Insurance Crime Bureau;

not later than sixty (60) days after the person receives notice of the fraudulent insurance act. If the National Insurance Crime Bureau receives information under this subsection, the National Insurance Crime Bureau shall disclose the information to the department.

~~(c)~~ **(d)** A person or entity who acts without malice, fraudulent intent, or bad faith is not subject to civil **or criminal** liability for filing a report or furnishing, orally or in writing, other information concerning a suspected, anticipated, or completed fraudulent insurance act if the report or other information is provided to or received from any of the following:

(1) The department or an agent, an employee, or a designee of the department.

(2) Law enforcement officials or an agent or employee of a law enforcement official.

(3) The National Association of Insurance Commissioners.

(4) Any agency or bureau of federal or state government established to detect and prevent fraudulent insurance acts.

(5) Any other organization established to detect and prevent fraudulent insurance acts.

(6) The National Insurance Crime Bureau.

(7) Any person or entity regulated under this title.

~~(6)~~ **(8)** An agent, an employee, or a designee of an entity referred to in subdivisions (3) through ~~(5)~~ **(7)**.

~~(d)~~ **(e)** This section does not abrogate or modify in any way any common law or statutory privilege or immunity.

SECTION 2. IC 27-1-3-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 23. (a) For the purposes

of this section, a party is "substantially justified" in initiating a civil action if the action had a reasonable basis in law or fact at the time the action was initiated.

(b) If:

(1) a person or entity referred to in section ~~22(c)~~ **22(d)** of this chapter, or an employee or agent of a person or entity referred to in section ~~22(c)~~, **22(d)**, is the prevailing party in a civil action for libel, slander, or any other relevant tort arising out of the filing of a report or the furnishing of information under section ~~22(c)~~ **22(d)** of this chapter; and

(2) the party who initiated the action was not substantially justified in initiating the action;

the person, entity, employee, or agent referred to in subdivision (1) is entitled to an award of attorney's fees and costs.

SECTION 3. IC 27-1-44.5-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 12. (a) Except as provided in subsections (b), (c), and (e), the fee schedule for each type of unrestricted data request is as follows:**

Non-program Affiliated Individual

Data Set	Per Quarter	Per Year
Member Eligibility	\$1,000	\$4,000
Medical Claims	\$1,500	\$6,000
Pharmacy Claims	\$ 500	\$2,000
Hospital Encounters		
Inpatient	\$1,500	\$6,000
Outpatient	\$1,250	\$5,000
Emergency Dept.	\$1,250	\$5,000

Commercial Entity (Non-redistribution)

Data Set	Per Quarter	Per Year
Member Eligibility	\$1,500	\$6,000
Medical Claims	\$2,250	\$9,000
Pharmacy Claims	\$ 750	\$3,000
Hospital Encounters		
Inpatient	\$2,250	\$9,000
Outpatient	\$1,875	\$7,500
Emergency Dept.	\$1,875	\$7,500

Nonprofit/Educational Entity

1	Data Set	Per Quarter	Per Year
2	Member Eligibility	\$ 250	\$1,000
3	Medical Claims	\$ 375	\$1,500
4	Pharmacy Claims	\$ 125	\$ 500
5	Hospital Encounters		
6	Inpatient	\$ 375	\$1,500
7	Outpatient	\$ 312.50	\$1,250
8	Emergency Dept.	\$ 312.50	\$1,250
9	Commercial Redistributor (Resellers)		
10	Data Set	Per Quarter	Per Year
11	Member Eligibility	\$2,500	\$10,000
12	Medical Claims	\$3,750	\$15,000
13	Pharmacy Claims	\$1,250	\$5,000
14	Hospital Encounters		
15	Inpatient	\$3,750	\$15,000
16	Outpatient	\$3,125	\$12,500
17	Emergency Dept.	\$3,125	\$12,500
18	(b) Data files, reports, or tables not otherwise listed in		
19	subsection (a) or custom data sets must be generated at a base rate		
20	of eighty dollars (\$80) per hour with a minimum one (1) hour		
21	charge applied. An additional fee of three (3) cents must be		
22	charged per individual life generated in the data, report, or table.		
23	A written estimate of the total cost must be provided to an entity		
24	that requests data or information under this subsection before the		
25	request is fulfilled.		
26	(c) State or local agencies within the geographical boundaries of		
27	Indiana that request data for public distribution or		
28	non-redistribution purposes may not be charged a fee under this		
29	section.		
30	(d) If it is determined by the data base that access to the analytic		
31	environment is necessary based on the quantity and type of data		
32	requested, the requesting entity will incur an additional licensing		
33	fee of one thousand dollars (\$1,000) per month per user.		
34	(e) Member eligibility data sets for the requested time period		
35	must be provided at no charge if requested along with at least one		
36	(1) other data set.		
37	(f) A requesting entity may submit to the department a request		
38	for a waiver of any applicable fees if the entirety of the entity's		

research findings will be released to the public at no cost to the reader.

(g) A fee collected under this section must be deposited in the department of insurance fund created by IC 27-1-3-28.

SECTION 4. IC 27-2-28-1, AS AMENDED BY P.L.236-2025, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) This chapter applies to a personal automobile or homeowner's policy that is issued, delivered, amended, or renewed **on or after June 30, 2026. January 1, 2027.**

(b) This chapter does not apply to:

(1) notices required by the federal Fair Credit Reporting Act (15 U.S.C. 1681 et seq.); **or**

(2) declinations of coverage.

SECTION 5. IC 27-2-28-2, AS ADDED BY P.L.226-2023, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. **(a)** As used in this chapter, "automobile policy" means a policy providing one (1) or more of the types of insurance described in Class 2(f) of IC 27-1-5-1.

(b) The term includes an automobile policy under which the insured vehicle designated in the policy is rated as private passenger.

(c) The term does not include personal insurance policies for the coverage of:

(1) boats;

(2) inland marine;

(3) motorcycles;

(4) off-road vehicles;

(5) recreational vehicles;

(6) trailers;

(7) fleets;

(8) antique or collector vehicles;

(9) classic vehicles;

(10) specialty vehicles; or

(11) any other personal insurance policy not listed in subdivisions (1) through (10).

SECTION 6. IC 27-2-28-3, AS ADDED BY P.L.226-2023, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. **(a)** As used in this chapter, "homeowner's

policy" means a policy that provides:

(1) coverage for:

(A) damage to or the destruction of:

(i) a structure; or

(ii) a unit within a structure;

that is used as a residence by one (1) or more individuals; and

(B) damage to or the loss of personal property that is present in the structure or unit described in clause (A);

caused by perils such as fire, hail, and lightning; and

(2) coverage against the civil liability of the policyholder arising from bodily injury or property damage incurred by others.

(b) The term includes a mobile homeowner's policy, manufactured homeowner's policy, condominium homeowner's policy, and renter's coverage.

(c) The term does not include farm policies, non-owner occupied dwellings, other residential policies that are not written on a homeowner's policy form or other landlord policies.

SECTION 7. IC 27-2-28-6, AS ADDED BY P.L.226-2023, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) As used in this chapter, "material change" means

(1) ~~an~~ a premium increase of more than ten percent (10%) over the expiring premium for; or and above the increases in the insurer's filed rate plan, including base rate increases and any other changes to the insurer's filed rate plan.

(2) ~~another adverse or unfavorable change in the terms of coverage or amount of;~~

~~insurance in connection with a personal automobile or homeowner's policy.~~

(b) The term does not include the following:

(1) An increase in the insurer's filed rate plan and automatic inflationary increases.

(2) An additional premium due to a change initiated by the insured, such as:

(A) adding or removing vehicles or drivers;

(B) adding an endorsement;

(C) adding additional coverages;

(D) adding covered premises; or

- 1 (E) increasing coverage limits or deductibles.
- 2 (3) An additional premium due to a change in risk exposure as a
- 3 result of the insured's participation in a usage based or telematics
- 4 insurance program.
- 5 (4) Changes resulting from a property inspection.
- 6 **(5) For purposes of the second or subsequent renewals, rate**
- 7 **increases that are implemented over more than one (1) policy**
- 8 **period if:**
 - 9 **(A) the implementation plan is included in the insurer's**
 - 10 **filed rate plan; or**
 - 11 **(B) the increase for any one (1) policy period is not more**
 - 12 **than ten (10%) over the expiring policy period's premium.**
- 13 **(6) Adverse or unfavorable changes that occur when coverage**
- 14 **has been in effect for less than sixty (60) days."**

15 Page 2, between lines 13 and 14, begin a new paragraph and insert:
 16 "SECTION 8. IC 27-5.1-2-24.5 IS ADDED TO THE INDIANA
 17 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2026]: **Sec. 24.5. (a) The commissioner may**
 19 **waive the requirements of this chapter or IC 27-1-9, whichever is**
 20 **applicable, for a merger or consolidation of a farm mutual**
 21 **insurance company with any other company (as defined in**
 22 **IC 27-1-2-3) if:**

- 23 **(1) the farm mutual insurance company is notified that it will**
- 24 **lose reinsurance coverage within one hundred twenty days**
- 25 **(120) days; or**
- 26 **(2) another emergency event occurs that places the farm**
- 27 **mutual insurance company in imminent danger of insolvency.**
- 28 **(b) A farm mutual insurance company that decides to merge or**
- 29 **consolidate as a result of an emergency event described in**
- 30 **subsection (a) shall provide notice of the emergency event to the**
- 31 **commissioner not later than ten (10) days after the emergency**
- 32 **event occurs.**
- 33 **(c) The commissioner shall issue a decision on the proposed**
- 34 **merger or consolidation not more than ninety (90) days after**
- 35 **receiving notice from a farm mutual insurance company under**
- 36 **subsection (b).**

37 SECTION 9. IC 27-6-8-3 IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2026]: Sec. 3. This chapter applies to all kinds

of direct insurance except:

- (1) life, annuity, health, or disability insurance;
- (2) mortgage guaranty, financial guaranty, or other forms of insurance offering protection against investment risks;
- (3) fidelity or surety bonds, or any other bonding obligations;
- (4) credit insurance, vendors' single interest insurance, or collateral protection insurance or similar insurance with the primary purpose of protecting the interests of a creditor arising out of a creditor-debtor transaction;

(5) **other than coverages that may be set forth in a cybersecurity insurance policy, warranty or service contract insurance, including insurance that provides:**

(A) for the repair, replacement, or service of goods or property;

(B) indemnification for repair, replacement, or service for the operational or structural failure of the goods or property due to a defect in materials, workmanship, or normal wear and tear; or

(C) reimbursement for the liability incurred by the issuer of agreements or service contracts that provide the benefits described in clauses (A) and (B);

(6) title insurance;

(7) ocean marine insurance;

(8) a transaction between a person or an affiliate of a person and an insurer or an affiliate of an insurer that involves the transfer of investment or credit risk without a transfer of insurance risk;

(9) insurance provided by or guaranteed by a government entity; and

(10) insurance written on a retroactive basis to cover known losses for which a claim has already been made and the claim is known to the insurer at the time the insurance is bound.

SECTION 10. IC 27-6-8-4, AS AMENDED BY P.L.158-2024, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) As used in this chapter, unless otherwise provided:

(1) The term "account" means any one (1) of the three (3) accounts created by section 5 of this chapter.

(2) The term "association" means the Indiana Insurance Guaranty

1 Association created by section 5 of this chapter.

2 (3) The term "commissioner" means the commissioner of
3 insurance of this state.

4 (4) The term "covered claim" means an unpaid claim which arises
5 out of and is within the coverage and not in excess of the
6 applicable limits of an insurance policy to which this chapter
7 applies issued by an insurer, if the insurer becomes an insolvent
8 insurer after the effective date (January 1, 1972) of this chapter
9 and (a) the claimant or insured is a resident of this state at the
10 time of the insured event or (b) the property from which the claim
11 arises is permanently located in this state. "Covered claim" shall
12 be limited as provided in section 7 of this chapter, and shall not
13 include the following:

14 (A) Any amount due any reinsurer, insurer, insurance pool, or
15 underwriting association, as subrogation recoveries or
16 otherwise. However, a claim for any such amount, asserted
17 against a person insured under a policy issued by an insurer
18 which has become an insolvent insurer, which if it were not a
19 claim by or for the benefit of a reinsurer, insurer, insurance
20 pool or underwriting association, would be a "covered claim"
21 may be filed directly with the receiver or liquidator of the
22 insolvent insurer, but in no event may any such claim be
23 asserted in any legal action against the insured of such
24 insolvent insurer.

25 (B) Any supplementary obligation including but not limited to
26 adjustment fees and expenses, attorney fees and expenses,
27 court costs, interest and bond premiums, whether arising as a
28 policy benefit or otherwise, prior to the appointment of a
29 liquidator.

30 (C) Any unpaid claim that is filed with the association after the
31 final date set by the court for the filing of claims against the
32 liquidator or receiver of an insolvent insurer. For the purpose
33 of filing a claim under this clause, notice of a claim to the
34 liquidator of the insolvent insurer is considered to be notice to
35 the association or the agent of the association and a list of
36 claims must be periodically submitted to the association (or
37 another state's association that is similar to the association) by
38 the liquidator.

- 1 (D) A claim that is excluded under section 11.5 of this chapter
 2 due to the high net worth of an insured.
- 3 (E) Any claim by a person who directly or indirectly controls,
 4 is controlled, or is under common control with an insolvent
 5 insurer on December 31 of the year before the order of
 6 liquidation.
- 7 **(F) Any amount awarded as punitive or exemplary**
 8 **damages.**
- 9 **(G) Any amount sought as a return of premium under any**
 10 **retrospective rating plan.**
- 11 **(H) Any claim filed with the association or a liquidator for**
 12 **protection afforded under the insured's policy for incurred**
 13 **but not reported losses.**
- 14 All covered claims filed in the liquidation proceedings shall be
 15 referred immediately to the association by the liquidator for
 16 processing as provided in this chapter.
- 17 **(5) "Cybersecurity insurance" means first and third party**
 18 **coverage in a policy or endorsement written on a direct,**
 19 **admitted basis for losses and loss mitigation arising out of or**
 20 **relating to:**
- 21 **(A) data privacy breaches;**
 22 **(B) unauthorized information network security intrusions;**
 23 **(C) computer viruses;**
 24 **(D) ransomware;**
 25 **(E) cyber extortion;**
 26 **(F) identity theft; and**
 27 **(G) similar exposures.**
- 28 ~~(5)~~ **(6)** The term "high net worth insured" means the following:
- 29 (A) For purposes of section 11.5(a) of this chapter, an insured
 30 that has a net worth (including the aggregate net worth of the
 31 insured and all subsidiaries and affiliates of the insured,
 32 calculated on a consolidated basis) that exceeds twenty-five
 33 million dollars (\$25,000,000) on December 31 of the year
 34 immediately preceding the year in which the insurer becomes
 35 an insolvent insurer.
- 36 (B) For purposes of section 11.5(b) of this chapter, an insured
 37 that has a net worth (including the aggregate net worth of the
 38 insured and all subsidiaries and affiliates of the insured,

1 calculated on a consolidated basis) that exceeds fifty million
 2 dollars (\$50,000,000) on December 31 of the year immediately
 3 preceding the year in which the insurer becomes an insolvent
 4 insurer.

5 ~~(6)~~ (7) The term "insolvent insurer" means (a) a member insurer
 6 holding a valid certificate of authority to transact insurance in this
 7 state either at the time the policy was issued or when the insured
 8 event occurred and (b) against whom a final order of liquidation,
 9 with a finding of insolvency, to which there is no further right of
 10 appeal, has been entered by a court of competent jurisdiction in
 11 the company's state of domicile. "Insolvent insurer" shall not be
 12 construed to mean an insurer with respect to which an order,
 13 decree, judgment or finding of insolvency whether preliminary or
 14 temporary in nature or order to rehabilitation or conservation has
 15 been issued by any court of competent jurisdiction prior to
 16 January 1, 1972 or which is adjudicated to have been insolvent
 17 prior to that date.

18 **(8) The term "insured" means any named insured, any**
 19 **additional insured, any vendor, lessor, or any other party**
 20 **identified as an insured under the policy.**

21 ~~(7)~~ (9) The term "member insurer" means any person who is
 22 licensed or holds a certificate of authority under IC 27-1-6-18 or
 23 IC 27-1-17-1 to transact in Indiana any kind of insurance for
 24 which coverage is provided under section 3 of this chapter,
 25 including the exchange of reciprocal or inter-insurance contracts.
 26 The term includes any insurer whose license or certificate of
 27 authority to transact such insurance in Indiana may have been
 28 suspended, revoked, not renewed, or voluntarily surrendered. A
 29 "member insurer" does not include farm mutual insurance
 30 companies organized and operating pursuant to IC 27-5.1 other
 31 than a company to which IC 27-5.1-2-6 applies.

32 ~~(8)~~ (10) The term "net direct written premiums" means direct
 33 gross premiums written in this state on insurance policies to
 34 which this chapter applies, less return premiums thereon and
 35 dividends paid or credited to policyholders on such direct
 36 business. "Net direct premiums written" does not include
 37 premiums on contracts between insurers or reinsurers.

38 ~~(9)~~ (11) The term "person" means an individual, an aggregation

of individuals, a corporation, a partnership, or another entity.

(12) The term "receiver" means liquidator, rehabilitator, conservator, or ancillary receiver, as the context requires.

(13) The term "self-insurer" means a person who covers the person's liability through a qualified individual or group self-insurance program or any other formal program created for the specific purpose of covering liabilities typically covered by insurance.

(b) Notwithstanding any other provision in this chapter, an insurance policy that is issued by a member insurer and later allocated, transferred, assumed by, or otherwise made the sole responsibility of another insurer, pursuant to a state statute providing for the division of an insurance company or the statutory assumption or transfer of designated policies and under which there is no remaining obligation to the transferring entity, shall be considered to have been issued by a member insurer which is an insolvent insurer for the purposes of this chapter in the event that the insurer to which the policy has been allocated, transferred, assumed by, or otherwise made the sole responsibility of is placed in liquidation.

(c) An insurance policy that was issued by a nonmember insurer and later allocated, transferred, assumed by, or otherwise made the sole responsibility of a member insurer under a state statute shall not be considered to have been issued by a member insurer for the purposes of this chapter.

SECTION 11. IC 27-6-8-5, AS AMENDED BY P.L.158-2024, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. There is created a nonprofit unincorporated legal entity to be known as the Indiana Insurance Guaranty Association (referred to in this chapter as the "association"). All insurers defined as member insurers in section ~~4(a)(7)~~ **4(a)(9)** of this chapter shall be and remain members of the association as a condition of their authority to transact insurance in this state. The association shall perform its functions under a plan of operation established and approved under section 8 of this chapter and shall exercise its powers through a board of directors established under section 6 of this chapter. For purposes of administration and assessment, the association shall be divided into three (3) separate accounts:

(1) The worker's compensation insurance account.

(2) The automobile insurance account.

(3) The account for all other insurance to which this chapter applies.

SECTION 12. IC 27-6-8-7, AS AMENDED BY P.L.52-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) The association shall do all of the following:

(1) Be obligated to pay covered claims existing before the order of liquidation, or arising within thirty (30) days after the order of liquidation, or before the policy expiration date if less than thirty (30) days after the order of liquidation, or before the insured replaces the policy or causes its cancellation, if the insured does so within thirty (30) days of the order of liquidation. The obligation shall be satisfied by paying to the claimant an amount as follows:

(A) The full amount of a covered claim for benefits under worker's compensation insurance.

(B) With respect to a claim for the return of unearned premium, ~~the lesser of: an amount not exceeding ten thousand dollars (\$10,000) per policy for a covered claim for the return of unearned premium, but the obligation shall include only the amount of each covered claim that is in excess of fifty dollars (\$50).~~

~~(i) eighty percent (80%) of the paid but unearned premium; or~~

~~(ii) six hundred fifty dollars (\$650) multiplied by the number of months or partial months remaining in the policy term; not to exceed twelve (12) months.~~

(C) An amount not to exceed three hundred thousand dollars (\$300,000) per covered claim. For purposes of this clause, all claims of any kind that arise out of or are related to the bodily injury to or death of one (1) person constitute a single claim, regardless of the number of claims made or the number of claimants.

(D) In no event shall the association be obligated to pay an amount in excess of three hundred thousand dollars (\$300,000) for all first and third party claims under a policy or endorsement providing, or that is found to provide, cybersecurity insurance coverage and arising out

1 **of or related to a single insured event, regardless of the**
 2 **number of claims made or the number of claimants.**

3 The association is not, in any event, obligated to pay a claimant
 4 any amount in excess of the obligation of the insolvent insurer
 5 under the policy or coverage from which the claim arises.
 6 **Notwithstanding any other provision in this chapter, a**
 7 **covered claim may not include a claim filed with the guaranty**
 8 **fund after the final date set by the court for the filing of**
 9 **claims against the liquidator or receiver of an insolvent**
 10 **insurer.**

11 In the case of a claim for wrongful death, the foregoing obligation
 12 of the association shall, in addition to the limits set forth above,
 13 be subject to the limitations provided by the wrongful death
 14 statutes of the state. Such amounts which are legally payable
 15 because of the death of a claimant shall be paid to the claimant's
 16 estate, to the claimant's father or mother or guardian, to the
 17 surviving spouse or children, or to the next of kin as set out in
 18 IC 34-23-1 and IC 34-23-2.

19 The amount for which the association shall be obligated may also
 20 include payments in fact made to others, not members of
 21 claimant's household, which were reasonably incurred to obtain
 22 from such other persons ordinary and necessary services for the
 23 production of income in lieu of those services the claimant would
 24 have performed for the claimant had the claimant not been
 25 injured.

26 In the case of claims arising from bodily injury, sickness, or
 27 disease, including those in which death results, under IC 22-3 or
 28 similar state or federal laws providing benefits for occupational
 29 injury or disease, the association is obligated only to the extent
 30 provided under IC 22-3.

31 A third party having a covered claim against any insured of an
 32 insolvent member insurer may file such claim in the liquidation
 33 proceeding under IC 27-9-3 if such insolvent member insurer is
 34 a domestic insurer and pursuant to the applicable provisions of
 35 law of the state of domicile if such insolvent member insurer is
 36 not a domestic insurer. The liquidator shall immediately refer said
 37 claim to the association to process as provided in this chapter
 38 unless the claimant shall within thirty (30) days from the date of

1 filing said claim in the liquidation proceeding, file with the
 2 commissioner as liquidator a written demand that said claim be
 3 processed in liquidation proceedings as a claim not covered by
 4 this chapter.

5 (2) Be deemed the insurer to the extent of its obligation on the
 6 covered claims as limited by this chapter and to this extent shall
 7 have all rights, duties, and obligations of the insolvent insurer as
 8 if the insurer had not become insolvent, including those relating
 9 to reinsurance contracts and treaties entered into by the insolvent
 10 insurer. However, the association's obligation to defend any
 11 insured of the insolvent insurer or to ~~indemnify~~ **indemnify** against
 12 the costs of such defense terminates as soon as the claimant or
 13 claimants have been paid all benefits that they are entitled to
 14 under this chapter.

15 (3) Allocate claims paid and expenses incurred among the three
 16 (3) accounts separately, and assess member insurers separately for
 17 each account amounts necessary to pay the obligation of the
 18 association under subdivision (1) subsequent to an insolvency, the
 19 expenses of handling covered claims subsequent to an insolvency,
 20 the cost of examination under IC 27-6-8-12 and other expenses
 21 authorized by this chapter. **There are two (2) classes of**
 22 **assessments as follows:**

23 **(A) Class A assessments are assessments that are**
 24 **authorized and called by the board for the purpose of**
 25 **meeting administrative and legal costs and other expenses.**
 26 **Class A assessments may be authorized and called whether**
 27 **or not related to a particular impaired insurer or insolvent**
 28 **insurer.**

29 **(B) Class B assessments are assessments that are**
 30 **authorized and called by the board to the extent necessary**
 31 **to carry out the powers and duties of the association under**
 32 **this chapter with regard to an impaired insurer or**
 33 **insolvent insurer.**

34 **The amount of a Class A assessment must be determined by**
 35 **the board and may be authorized and called on a pro rata or**
 36 **non-pro rata basis. If pro rata, the board may provide that**
 37 **the assessment be credited against future Class B assessments.**
 38 **The amount of a Class B assessment assessments of each**

1 member insurer shall be on a uniform percentage basis in the
 2 proportion that the net direct written premiums in this state of the
 3 member insurer for the preceding calendar year on the kinds of
 4 insurance in the account bears to the net direct written premiums
 5 of all member insurers for the preceding calendar year on the
 6 kinds of insurance in the account. ~~However, in addition to the pro~~
 7 ~~rata assessments already described, an assessment may be made~~
 8 ~~against each member insurer in a stated amount up to fifty dollars~~
 9 ~~(\$50) per year for the purpose of paying the administrative~~
 10 ~~expenses of the association.~~ There shall be no **Class B** assessment
 11 for any account so long as assets held in such account are
 12 sufficient to cover all estimated payments for liquidation in
 13 process under such account. Each member insurer shall be
 14 notified of the assessment not later than thirty (30) days before it
 15 is due. No member insurer may be assessed in any year on any
 16 account an amount greater than one percent (1%) of that member
 17 insurer's net direct written premiums in this state for the
 18 preceding calendar year on the kinds of insurance in the account.
 19 If the maximum assessment, together with the other assets of the
 20 association in any account, does not provide in any one (1) year
 21 in any account an amount sufficient to make all necessary
 22 payments from that account, the funds available shall be prorated
 23 and the unpaid portion shall be paid as soon thereafter as funds
 24 become available. The association may exempt or defer, in whole
 25 or in part, the assessment of any member insurer, if the
 26 assessment would cause the member insurer's financial statement
 27 to reflect amounts of capital or surplus less than the minimum
 28 amounts required for a certificate of authority by any jurisdiction
 29 in which the member insurer is authorized to transact insurance.
 30 However, during the period of deferment no dividends shall be
 31 paid to shareholders or policyholders by a company whose
 32 assessment has been deferred. A deferred assessment shall be
 33 paid when such payment will not reduce capital or surplus below
 34 required minimums. Such payments shall be refunded to those
 35 companies whose assessments were increased as the result of
 36 such deferment, or at the option of any such company, shall be
 37 credited to future assessments against such company.
 38 (4) Investigate, adjust, compromise, settle, and pay covered

1 claims to the extent of the association's obligation and deny all
2 other claims and may review settlements, releases, and judgments
3 to which the insolvent insurer or its insured were parties to
4 determine the extent to which such settlements, releases, and
5 judgments may be properly contested, and as appropriate to
6 contest them. **The association shall pay claims in any order**
7 **that it may deem reasonable, including the payment of claims**
8 **as they are received from the claimants or in groups or**
9 **categories of claims. The association shall have the right to**
10 **appoint and to direct legal counsel retained under liability**
11 **insurance policies for the defense of covered claims and to**
12 **appoint and direct other service providers for covered**
13 **services.**

14 (5) Notify such persons as the commissioner directs under
15 IC 27-6-8-9(b)(i).

16 (6) Handle claims through its employees or through one (1) or
17 more insurers or other persons designated as servicing facilities.
18 Designation of a servicing facility is subject to the approval of the
19 commissioner, but such designation may be declined by a member
20 insurer.

21 (7) Reimburse each servicing facility for obligations of the
22 association paid by the facility and for expenses incurred by the
23 facility while handling claims on behalf of the association and
24 shall pay the other expenses of the association authorized by this
25 chapter. Any unreimbursed obligation of the association to a
26 member insurer designated a servicing facility shall constitute an
27 admitted asset of such member insurer.

28 (8) Be entitled to and permitted to examine all claims, files, and
29 records of an insolvent insurer at such times and to such extent as
30 necessary or appropriate to obtain information regarding covered
31 claims individually and in the aggregate, and to establish such
32 procedures as appropriate to obtain prompt notice of all covered
33 claims and information pertaining thereto during the course of
34 liquidation.

35 **(9) Have the right to review and contest, as set forth in this**
36 **subsection, settlements, releases, compromises, waivers, and**
37 **judgments to which the insolvent insurer or its insureds were**
38 **parties before the entry of the order of liquidation. In an**

1 action to enforce settlements, releases, and judgments to
2 which the insolvent insurer or its insureds were parties before
3 the entry of the order of liquidation, the association shall have
4 the right to assert the following defenses, in addition to the
5 defenses available to the insurer:

6 (A) The association is not bound by a settlement, release,
7 compromise, or waiver executed by an insured or the
8 insurer or any judgment entered against an insured or the
9 insurer by consent or through a failure to exhaust all
10 appeals, if the settlement, release, compromise, waiver, or
11 judgment was:

12 (i) executed or entered within one hundred twenty (120)
13 days before the entry of an order of liquidation and the
14 insured or insurer did not use reasonable care in
15 entering into the settlement, release, compromise,
16 waiver, or judgment or did not pursue all reasonable
17 appeals of an adverse judgment; or

18 (ii) executed by or taken against an insured or the
19 insurer based on default, fraud, collusion, or the
20 insurer's failure to defend.

21 (B) If a court of competent jurisdiction finds that the
22 association is not bound by a settlement, release,
23 compromise, waiver, or judgment for the reasons
24 described in clause (A), the settlement, release,
25 compromise, waiver, or judgment shall be set aside and the
26 association shall be permitted to defend any covered claim
27 on the merits. The settlement, release, compromise, waiver,
28 or judgment may not be considered as evidence of liability
29 or damages in connection with any claim brought against
30 the association or any other party under this chapter.

31 (C) The association shall have the right to assert any
32 statutory defenses or rights of offset against any
33 settlement, release, compromise, or waiver executed by an
34 insured or the insurer or any judgment taken against the
35 insured or the insurer.

36 (10) As to any covered claims arising from a judgment under
37 any decision, verdict, or finding based on the default of the
38 insolvent insurer or its failure to defend, the association,

1 **either on its own behalf or on behalf of an insured, may apply**
2 **to have the judgment, order, decision, verdict, or finding set**
3 **aside by the same court or administrator that entered the**
4 **judgment, order, decision, verdict, or finding and shall be**
5 **permitted to defend the claim on the merits.**

6 (b) The association may do the following:

7 (1) Appear in, defend, and appeal any action on a covered claim,
8 but the association shall have no obligation to pay any amount in
9 excess of the provisions of IC 27-6-8-7.

10 (2) Employ or retain such persons as are necessary to handle
11 claims and perform other duties of the association.

12 (3) Borrow funds necessary to effect the purposes of this chapter
13 in accord with the plan of operation.

14 (4) Sue or be sued.

15 (5) Negotiate and become a party to any contracts as are
16 necessary to carry out the purpose of this chapter.

17 (6) Perform such other acts as are necessary or proper to
18 effectuate the purpose of this chapter.

19 (7) Refund to the then member insurers in proportion to the
20 contribution of each such member insurer to that account that
21 amount by which the assets of the account exceed the liabilities
22 if, at the end of the calendar year, the board of directors finds that
23 the assets of the association in any account exceed the liabilities
24 of that account as estimated by the board of directors for the
25 coming year, provided that the association may retain as a reserve
26 fund from the excess of the assets over liabilities at the end of any
27 calendar year an amount not to exceed ten percent (10%) of such
28 excess assets of such account. Any such reserve fund or earnings
29 from its investment shall be used only for the payment of covered
30 claims and authorized association expenses. Upon appropriate
31 action by the board of directors such reserve fund shall be
32 refunded to the then member insurers in proportion to the total
33 contribution of each such member insurer to such account.

34 (c) The following apply with respect to an action involving the
35 association:

36 (1) Except for an action by the receiver, an action related to or
37 arising out of this chapter against the association must be brought
38 in an Indiana court.

(2) Indiana courts have exclusive jurisdiction over all actions against the association related to or arising out of this chapter.

(3) The exclusive venue for an action by or against the association is in the Marion County Circuit Court, Marion County, Indiana. However, the association may waive this venue for a particular action.

SECTION 13. IC 27-6-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 9. (a) The commissioner shall:

(i) Notify the association of the existence of an insolvent insurer not later than three (3) working days after the commissioner receives an order of liquidation.

(ii) Upon request of the board of directors, provide the association with a statement of the net direct written premiums of each member insurer.

(b) The commissioner may:

(i) Require that the association notify the insureds of the insolvent insurer and any other interested parties of the order of liquidation and of their rights under this chapter. This notification shall be by mail at their last known address, where available, but if sufficient information for notification by mail is not available, notice by publication in a newspaper of general circulation in all counties in which the insolvent insurer transacted insurance business shall be sufficient.

(ii) Require each insurance producer of the insolvent insurer to give prompt written notice by first class mail of such insolvency and the rights of the insured under this chapter to each insured of the insolvent insurer for whom the insurance producer is insurance producer of record, at such insured's last known address.

(iii) Suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative, the commissioner may levy a fine on any member insurer which fails to pay an assessment when due. The fine shall not exceed five percent (5%) of the unpaid assessment per month, except that no fine shall be less than one hundred dollars (\$100) per month.

(iv) Revoke the designation of any servicing facility if the commissioner finds claims are being handled unsatisfactorily.

(v) Any final action or order of the commissioner under this chapter shall be subject to judicial review in a court of competent jurisdiction.

(c) If the commissioner determines that any member insurer may be subject to a future delinquency proceeding under IC 27-9, the commissioner may do the following to assist in the performance of the commissioner's duties:

(1) Share confidential and privileged documents, material, or information reported under an enterprise risk filing with the association regarding the member insurer.

(2) Share confidential and privileged documents, material, the contents of an examination report, a preliminary examination report or its results, or any matter relating thereto, including working papers, recorded information, documents, and copies thereof produced by, obtained by, or disclosed to the commissioner or to any other person in the course of any examination with the association regarding the member insurer.

(3) Disclose the information described in this subsection to the association so long as the association agrees in writing to hold the information confidential in a manner consistent with this chapter and uses the information to prepare for the possible liquidation of the member insurer. Access to the information disclosed by the commissioner to the association under this subsection shall be limited to the association's staff and its counsel. The board of directors of the association may have access to the information disclosed by the commissioner to the association once the member insurer is subject to a delinquency proceeding under IC 27-9, subject to any terms and conditions established by the commissioner.

(4) Disclose the information described in this subsection with associations in other states and with any organization of one (1) or more state associations of similar purposes so long as the recipient of the information agrees in writing to hold the information confidential in a manner consistent with this chapter and uses the information to prepare for the possible

liquidation of the member insurer. Access to the information disclosed by the commissioner under this subsection shall be limited to the association's staff and its counsel. The board of directors of the association may have access to the information disclosed by the commissioner to the association once the member insurer is subject to a delinquency proceeding under IC 27-9, subject to any terms and conditions established by the commissioner.

(5) If the commissioner determines that a liquidation is likely, the commissioner may cooperate with the association and with any organization of one (1) or more state associations of similar purposes to provide for an orderly transition to liquidation to minimize any delay in the handling and payment of claims.

SECTION 14. IC 27-6-8-11.5, AS AMENDED BY P.L.158-2024, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11.5. (a) The association is not obligated to pay a first party claim by a high net worth insured described in section ~~4(a)(5)(A)~~ **4(a)(6)(A)** of this chapter.

(b) The association has the right to recover from a high net worth insured described in section ~~4(a)(5)(B)~~ **4(a)(6)(B)** of this chapter all amounts paid by the association to or on behalf of the high net worth insured, regardless of whether the amounts were paid for indemnity, defense, or otherwise.

(c) The association is not obligated to pay a claim that:

- (1) would otherwise be a covered claim;
- (2) is an obligation to or on behalf of a person who has a net worth greater than the net worth allowed by the insurance guaranty association law of the state of residence of the claimant at the time specified by the applicable law of the state of residence of the claimant; and
- (3) has been denied by the association of the state of residence of the claimant on the basis described in subdivision (2).

(d) The association may also, at its sole discretion and without assumption of any ongoing duty to do so, pay any third party claims or cybersecurity insurance obligations covered by a policy or endorsement of an insolvent company on behalf of a high net worth insured. In that case, the association shall recover from the

1 **high net worth insured under this section all amounts paid on its**
 2 **behalf, all allocated claim adjusted expenses relating to the claims,**
 3 **the association's attorney's fees, and all court costs in any action**
 4 **necessary to collect the full amount to the association's**
 5 **reimbursement under this section.**

6 ~~(d)~~ (e) The association shall establish reasonable procedures,
 7 subject to the approval of the commissioner, for requesting financial
 8 information from insureds:

9 (1) on a confidential basis; and

10 (2) in the application of this section.

11 ~~(e)~~ (f) The procedures established under subsection ~~(d)~~ (e) must
 12 provide for sharing of the financial information obtained from insureds
 13 with:

14 (1) any other association that is similar to the association; and

15 (2) the liquidator for an insolvent insurer;

16 on the same confidential basis.

17 ~~(f)~~ (g) If an insured refuses to provide financial information that is:

18 (1) requested under the procedures established under subsection

19 ~~(d)~~; (e); and

20 (2) available;

21 the association may, until the time that the financial information is
 22 provided to the association, consider the insured to be a high net worth
 23 insured for purposes of subsections (a) and (b).

24 ~~(g)~~ (h) In an action contesting the applicability of this section to an
 25 insured that refuses to provide financial information under the
 26 procedures established under subsection ~~(d)~~; (e), the insured bears the
 27 burden of proof concerning the insured's net worth at the relevant time.
 28 If the insured fails to prove that the insured's net worth at the relevant
 29 time was less than the applicable amount set forth in section ~~4(a)(5)(A)~~
 30 **4(a)(6)(A)** or ~~4(a)(5)(B)~~ **4(a)(6)(B)** of this chapter, the court shall
 31 award to the association the association's full costs, expenses, and
 32 reasonable attorney's fees incurred in contesting the claim.

33 SECTION 15. IC 27-6-8-20 IS ADDED TO THE INDIANA CODE
 34 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 35 1, 2026]: **Sec. 20. (a) The association may join one (1) or more**
 36 **organizations of other state associations of similar purposes to**
 37 **further the purposes and administer the powers and duties of the**
 38 **association. The association may designate one (1) or more of these**

1 **organizations to:**

2 **(1) act as a liaison for the association; and**

3 **(2) to the extent the association authorizes, bind the**
 4 **association in agreements or settlements with receivers of**
 5 **insolvent insurance companies or their designated**
 6 **representatives.**

7 **(b) The association, in cooperation with other obligated or**
 8 **potentially obligated guaranty associations or their designated**
 9 **representatives, shall make all reasonable efforts to coordinate and**
 10 **cooperate with receivers or their designated representatives in the**
 11 **most efficient and uniform manner, including the use of Uniform**
 12 **Data Standards as promulgated or approved by the National**
 13 **Association of Insurance Commissioners.**

14 SECTION 16. IC 27-7-5-2, AS AMENDED BY P.L.130-2020,
 15 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2026]: Sec. 2. (a) Except as provided in subsections (d), (f),
 17 and (h), the insurer shall make available, in each automobile liability
 18 or motor vehicle liability policy of insurance which is delivered or
 19 issued for delivery in this state with respect to any motor vehicle
 20 registered or principally garaged in this state, insuring against loss
 21 resulting from liability imposed by law for bodily injury or death
 22 suffered by any person and for injury to or destruction of property to
 23 others arising from the ownership, maintenance, or use of a motor
 24 vehicle, or in a supplement to such a policy, the following types of
 25 coverage:

26 (1) in limits for bodily injury or death and for injury to or
 27 destruction of property not less than those set forth in IC 9-25-4-5
 28 under policy provisions approved by the commissioner of
 29 insurance, for the protection of persons insured under the policy
 30 who are legally entitled to recover damages from owners or
 31 operators of uninsured or underinsured motor vehicles because of
 32 bodily injury, sickness or disease, including death, and for the
 33 protection of persons insured under the policy who are legally
 34 entitled to recover damages from owners or operators of
 35 uninsured motor vehicles for injury to or destruction of property
 36 resulting therefrom; or

37 (2) in limits for bodily injury or death not less than those set forth
 38 in IC 9-25-4-5 under policy provisions approved by the

1 commissioner of insurance, for the protection of persons insured
2 under the policy provisions who are legally entitled to recover
3 damages from owners or operators of uninsured or underinsured
4 motor vehicles because of bodily injury, sickness or disease,
5 including death resulting therefrom.

6 The uninsured and underinsured motorist coverages must be provided
7 by insurers for either a single premium or for separate premiums, in
8 limits at least equal to the limits of liability specified in the bodily
9 injury liability provisions of an insured's policy, unless such coverages
10 have been rejected in writing by the insured. However, underinsured
11 motorist coverage must be made available in limits of not less than fifty
12 thousand dollars (\$50,000). At the insurer's option, the bodily injury
13 liability provisions of the insured's policy may be required to be equal
14 to the insured's underinsured motorist coverage. Insurers may not sell
15 or provide underinsured motorist coverage in an amount less than fifty
16 thousand dollars (\$50,000). Insurers must make underinsured motorist
17 coverage available to all existing policyholders on the date of the first
18 renewal of existing policies that occurs on or after January 1, 1995, and
19 on any policies newly issued or delivered on or after January 1, 1995.
20 Uninsured motorist coverage or underinsured motorist coverage may
21 be offered by an insurer in an amount exceeding the limits of liability
22 specified in the bodily injury and property damage liability provisions
23 of the insured's policy.

24 (b) A named insured of an automobile or motor vehicle liability
25 policy has the right, in writing, to:

- 26 (1) reject both the uninsured motorist coverage and the
27 underinsured motorist coverage provided for in this section; or
28 (2) reject either the uninsured motorist coverage alone or the
29 underinsured motorist coverage alone, if the insurer provides the
30 coverage not rejected separately from the coverage rejected.

31 A rejection of coverage under this subsection by a named insured is a
32 rejection on behalf of all other named insureds, all other insureds, and
33 all other persons entitled to coverage under the policy. No insured may
34 have uninsured motorist property damage liability insurance coverage
35 under this section unless the insured also has uninsured motorist bodily
36 injury liability insurance coverage under this section. Following
37 rejection of either or both uninsured motorist coverage or underinsured
38 motorist coverage, unless later requested in writing, the insurer need

not offer uninsured motorist coverage or underinsured motorist coverage in or supplemental to a renewal or replacement policy issued to the same insured by the same insurer or a subsidiary or an affiliate of the originally issuing insurer. Renewals of policies issued or delivered in this state which have undergone interim policy endorsement or amendment do not constitute newly issued or delivered policies for which the insurer is required to provide the coverages described in this section.

(c) A rejection under subsection (b) must specify:

(1) that the named insured is rejecting:

(A) the uninsured motorist coverage;

(B) the underinsured motorist coverage; or

(C) both the uninsured motorist coverage and the underinsured motorist coverage;

that would otherwise be provided under the policy; and

(2) the date on which the rejection is effective.

(d) The following apply to the coverage described in subsection (a) in connection with a commercial umbrella or excess liability policy, including a commercial umbrella or excess liability policy that is issued or delivered to a motor carrier (as defined in IC 8-2.1-17-10) that is in compliance with the minimum levels of financial responsibility set forth in 49 CFR Part 387:

(1) An insurer is not required to make available in a commercial umbrella or excess liability policy the coverage described in subsection (a).

(2) An insurer that, through a rider or an endorsement, reduces or removes from a commercial umbrella or excess liability policy the coverage described in subsection (a) shall:

(A) through the United States mail; or

(B) by electronic means;

provide to the named insured written notice of the reduction or removal.

(3) An insurer that makes available in a commercial umbrella or excess liability policy the coverage described in subsection (a):

(A) may make available the coverage in limits determined by the insurer; and

(B) is not required to make available the coverage in limits equal to the limits specified in the commercial umbrella or

1 excess liability policy.

2 (e) A rejection under subsection (b) of uninsured motorist coverage
3 or underinsured motorist coverage in an underlying commercial policy
4 of insurance is also a rejection of uninsured motorist coverage or
5 underinsured motorist coverage in a commercial umbrella or excess
6 liability policy.

7 (f) An insurer is not required to make available the coverage
8 described in subsection (a) in connection with coverage that:

9 (1) is related to or included in a commercial policy of property
10 and casualty insurance described in Class 2 or Class 3 of
11 IC 27-1-5-1; and

12 (2) covers a loss related to a motor vehicle:

13 (A) of which the insured is not the owner; and

14 (B) that is used:

15 (i) by the insured or an agent of the insured; and

16 (ii) for purposes authorized by the insured.

17 (g) For purposes of subsection (f), "owner" means:

18 (1) a person who holds the legal title to a motor vehicle;

19 (2) a person who rents or leases a motor vehicle and has exclusive
20 use of the motor vehicle for more than thirty (30) days;

21 (3) the conditional vendee or lessee under an agreement for the
22 conditional sale or lease of a motor vehicle; or

23 (4) the mortgagor under an agreement for the conditional sale or
24 lease of a motor vehicle under which the mortgagor has:

25 (A) the right to purchase; and

26 (B) an immediate right of possession of;

27 the motor vehicle upon the performance of the conditions stated
28 in the agreement.

29 (h) The following apply to the coverage described in subsection (a)
30 in relation to a personal umbrella or excess liability policy:

31 (1) An insurer is not required to make available the coverage
32 described in subsection (a) under a personal umbrella or excess
33 liability policy.

34 (2) An insurer that reduces or removes, through a rider or an
35 endorsement, coverage described in subsection (a) under a
36 personal umbrella or excess liability policy shall:

37 (A) through the United States mail; or

38 (B) by electronic means;

1 provide to the named insured written notice of the reduction or
2 removal.

3 (3) An insurer that makes available the coverage described in
4 subsection (a) under a personal umbrella or excess liability
5 policy:

6 (A) may make available the coverage in limits determined by
7 the insurer; and

8 (B) is not required to make available the coverage in limits
9 equal to the limits specified in the personal umbrella or excess
10 liability policy.

11 (4) A rejection under subsection (b) of uninsured motorist
12 coverage or underinsured motorist coverage in an underlying
13 personal policy of insurance is also a rejection of uninsured
14 motorist coverage or underinsured motorist coverage in a personal
15 umbrella or excess liability policy.

16 **(i) A policy of insurance that provides coverage in excess of any**
17 **liability relating to a self-insured retention amount shall be**
18 **considered a commercial umbrella or excess liability policy under**
19 **subsection (d).".**

20 Page 2, line 18, delete "after June" and insert "**on or after January**
21 **1, 2027.**".

22 Page 2, delete line 19.

23 Page 2, line 24, delete "sixty (60)" and insert "**thirty (30)**".

24 Page 3, delete lines 6 through 42.

25 Page 4, delete lines 1 through 13, begin a new paragraph and insert:

26 "SECTION 18. IC 27-7-12-1 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) **Except as**
28 **provided in subsection (b),** this chapter applies to policies of
29 insurance covering risks to property located in Indiana that take effect
30 or are renewed after June 30, 2001, and that insure loss of or damage
31 to:

32 (1) real property consisting of not more than four (4) residential
33 units, one (1) of which is the principal place of residence of the
34 named insured; or

35 (2) personal property:

36 (A) in which the named insured has an insurable interest; and

37 (B) that is used within a residential dwelling for personal,
38 family, or household purposes.

(b) Section 4 of this chapter, as amended in the 2026 session of the general assembly, and section 6.5 of this chapter, as added in the 2026 session of the general assembly, apply to policies of insurance described in subsection (a) that are issued, delivered, amended, or renewed on or after January 1, 2027.

~~(b)~~ **(c)** This chapter does not apply to the following:

(1) A policy of inland marine insurance.

(2) The cancellation or nonrenewal of an automobile insurance policy under IC 27-7-6.

(3) The cancellation or nonrenewal of a commercial property and casualty insurance policy under IC 27-1-31-2.5.

SECTION 19. IC 27-7-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. **(a) As used in this chapter, "aerial image" means an image of a named insured's property captured from an airborne platform.**

~~(a)~~ **(b)** As used in this chapter, "cancellation" refers to a termination of property insurance coverage that occurs during the policy term.

~~(b)~~ **(c)** As used in this chapter, "nonpayment of premium" means the failure of the named insured to discharge any obligation in connection with the payment of premiums on policies of insurance subject to this chapter, regardless of whether the payments are directly payable to the insurer or its agent or indirectly payable under a premium finance plan or extension of credit. The term includes the failure to pay dues or fees where payment of the dues or fees is a prerequisite to obtaining or continuing property insurance coverage.

~~(c)~~ **(d)** As used in this chapter, "nonrenewal" or "nonrenewed" refers to a termination of property insurance coverage that occurs at the end of the policy term.

~~(d)~~ **(e)** As used in this chapter, "renewal" or "to renew" refers to:

(1) the issuance and delivery by an insurer at the end of a policy period of a policy superseding a policy previously issued and delivered by the same insurer; or

(2) the issuance and delivery of a certificate or notice extending the term of an existing policy beyond its policy period or term.

~~(e)~~ **(f)** As used in this chapter, "termination" means a cancellation or nonrenewal. The term does not include:

(1) the requirement of a reasonable deductible;

(2) reasonable changes in the amount of insurance; or

(3) reasonable reductions in policy limits or coverage; if the requirements or changes are directly related to the hazard involved and are made on the renewal date for the policy. The term does not include a transfer of a policy to another insurer.

SECTION 20. IC 27-7-12-4, AS AMENDED BY P.L.196-2021, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) Notice of nonrenewal by an insurer must:

(1) be in writing;

(2) be mailed to the named insured at the last known address of the named insured;

(3) state the insurer's intention not to renew the policy upon expiration of the current policy period;

(4) upon request of the named insured, be accompanied by a written explanation of the specific reasons for the nonrenewal;

and

(5) be mailed to the named insured at least ~~twenty (20)~~ **sixty (60)** days before the expiration of the current policy period; **and**

(6) comply with section 6.5(a)(1) of this chapter if the insurer used aerial images as the sole reason for nonrenewing a policy.

(b) If the policy was procured by an independent insurance producer licensed in Indiana, the insurer shall mail notice of nonrenewal to the insurance producer not less than ten (10) days before the insurer mails the notice to the named insured under subsection (a), unless the obligation to notify the insurance producer is waived in writing by the insurance producer.

(c) Notice of nonrenewal under this section is not required if:

(1) the named insured is transferred from an insurer to an affiliate of the insurer for future coverage; and

(2) the transfer results in the same or broader coverage.

(d) If an insurer mails to an insured a renewal notice, bill, certificate, or policy indicating the insurer's willingness to renew a policy and the insured does not respond, the insurer is not required to mail to the insured notice of intention not to renew.

SECTION 21. IC 27-7-12-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 6.5. (a) When utilizing aerial images as the sole reason for nonrenewing a policy, an insurer shall**

do the following:

(1) Ensure that the nonrenewal notice sent to the named insured under section 4 of this chapter includes information about how the named insured can request to review copies of the images of the property that were used to make the decision. Photos must have been taken within the past twenty-four (24) months.

(2) Establish a point of contact and a process for a named insured to use to provide documentation of completion of the required work that the insurer communicates to the named insured under subdivision (1). The documentation must be used by the insurer in considering whether to uphold or reverse the nonrenewal.

(3) Establish an appeal process that allows the named insured to correct any errors or misunderstandings related to the nonrenewal.

(4) Provide the named insured at least sixty (60) days to cure the defects or conditions underlying a nonrenewal after the date the insurer identifies the specific conditions under subdivision (1). An insurer shall have the right to assess the work used to cure the defects or conditions to ensure they have been corrected in a manner that meets the standards originally communicated by the insurer under subdivision (1).

(5) Offer a renewal policy to a named insurer who submits proof that they have cured the defects or conditions identified under subdivision (1). However, an insurer may nonrenew the policy only for a reason unrelated to the defects or conditions identified under subdivision (1).

(b) The department shall adopt rules under IC 4-22-2 to effectuate the provisions of this section."

Page 5, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 7. IC 27-8-11-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8.5. (a) As used in this section, "insurance producer" has the meaning set forth in IC 27-1-15.6-2.

(b) An insurer shall provide any insurance producer who has contracted with the insurer with access to a complete list of every provider that has entered into an agreement with an insurer under

1 **section 3 of this chapter.**

2 **(c) An insurer shall make the information described in**
 3 **subsection (b) available on the insurer's portal for insurance**
 4 **producer communications.**

5 SECTION 8. IC 27-8-13-9.3, AS ADDED BY P.L.56-2025,
 6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: Sec. 9.3. (a) **Except as provided in subsection**
 8 **(b), this section applies to a Medicare supplement policy or certificate**
 9 **delivered, issued, or renewed on or after January 1, 2026.**

10 **(b) The amendments made to this section in the 2026 session of**
 11 **the general assembly apply to a Medicare supplement policy or**
 12 **certificate delivered, issued, or renewed on or after March 15,**
 13 **2026.**

14 ~~(b)~~ **(c)** This section applies to:

15 (1) an applicant who submits an application for a Medicare
 16 supplement policy or certificate before or during the six (6) month
 17 period beginning on the first day of the first month during which
 18 the applicant is:

19 (A) at least sixty-five (65) years of age; and

20 (B) timely enrolled for benefits under Medicare Part B without
 21 penalty under federal law; and

22 (2) an applicant who:

23 (A) is at least sixty-five (65) years of age;

24 (B) is insured under a Medicare supplement policy or
 25 certificate;

26 (C) submits an application for a Medicare supplement policy
 27 or certificate:

28 (i) to an issuer that is different than the issuer of the
 29 applicant's current Medicare supplement policy or
 30 certificate; and

31 (ii) ~~within sixty (60) days of~~ **during the period beginning**
 32 **one (1) month before the applicant's birthday and ending**
 33 **one (1) month after the applicant's birthday; and**

34 (D) seeks to maintain the same type of lettered Medicare
 35 supplement plan, including any variation of the lettered plan.

36 ~~(e)~~ **(d)** An issuer of a Medicare supplement policy or certificate
 37 shall not deny, condition the issuance or effectiveness of, or
 38 discriminate in the pricing of a Medicare supplement policy or

1 certificate because of the health status, claims experience, receipt of
 2 health care, or medical condition of an applicant to which subsection
 3 ~~(b)~~ (c) applies.

4 ~~(d)~~ (e) A new Medicare supplement policy or certificate issued to an
 5 applicant under subsection ~~(b)(2)~~ (c)(2) must go into effect on the first
 6 day of the **next** month ~~that is at least thirty (30) days~~ after the signature
 7 date on the application for the Medicare supplement policy or
 8 certificate.

9 SECTION 9. IC 27-13-9-1.5 IS ADDED TO THE INDIANA CODE
 10 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 11 1, 2026]: **Sec. 1.5. (a) A health maintenance organization shall**
 12 **provide any insurance producer who has contracted with the**
 13 **health maintenance organization with access to a complete list of**
 14 **every participating provider that provides health care services**
 15 **through the health maintenance organization.**

16 (b) A health maintenance organization shall make the
 17 information described in subsection (a) available on the health
 18 maintenance organization's portal for insurance producer
 19 communications."

20 Page 5, after line 25, begin a new paragraph and insert:

21 "SECTION 25. IC 34-30-2.1-402, AS ADDED BY P.L.105-2022,
 22 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2026]: Sec. 402. IC 27-1-3-22 (Concerning persons **or**
 24 **entities** reporting fraudulent insurance acts).

25 SECTION 26. **An emergency is declared for this act."**

26 Renumber all SECTIONS consecutively.

(Reference is to HB 1260 as introduced.)

and when so amended that said bill do pass.

Representative Carbaugh