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# HOUSE BILL No. 1260

Proposed Changes to introduced printing by AM126006

## DIGEST OF PROPOSED AMENDMENT

Insurance matters. Requires a person or entity that has knowledge or a reasonable belief that a fraudulent insurance act is being, will be, or has been committed to furnish the information to the department of insurance or the National Insurance Crime Bureau not later than 60 days after the person receives notice of the fraudulent insurance act. Provides that a person or entity is not subject to civil or criminal liability for filing a report or furnishing other information concerning a suspected, anticipated, or completed fraudulent insurance act under certain circumstances. Sets forth a fee schedule for providing unrestricted data to certain entities from the all payer claims data base. Changes the applicability of the chapter regarding notice of a material change from after June 30, 2026, to on or after January 1, 2027. Amends the definitions of "automobile policy", "homeowner's policy", and "material change" for purposes of the chapter regarding notice of material change. Allows the insurance commissioner to waive the requirements for a merger or consolidation of a farm mutual insurance company with any other company if an emergency event occurs. Makes various changes to the property and casualty insurance and guaranty association law. Provides that a policy of insurance that provides coverage in excess of any liability relating to a self-insured retention amount shall be considered a commercial umbrella or excess liability policy under the uninsured and underinsured motorist coverage provision. Changes the applicability date of the provisions concerning nonrenewal of automobile insurance policies and residential policies from after June 30, 2026, to on or after January 1, 2027. Requires an insurer of automobile insurance policies to mail a notice of nonrenewal to an insured at least 30 days before the expiration of the policy. Requires an insurer of residential policies to take certain actions when the insurer utilizes aerial images as part of the insurer's coverage determinations. Makes corresponding changes.

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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 27-1-3-22 IS AMENDED TO READ AS  
2        FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) As used in this

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1       section, "fraudulent insurance act" means:

2       (1) the preparation or presentation of a written statement as part  
 3       of, or in support of:

4       (A) a fraudulent application for the issuance or rating of a  
 5       policy of commercial insurance; or

6       (B) a fraudulent claim under a policy of commercial or  
 7       personal insurance; or

8       (2) the concealment, for the purpose of misleading, of  
 9       information concerning any fact material to an application or  
 10       claim described in subdivision (1).

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

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

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

22       (B) the rating of an insurance policy;

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

25       (D) premiums paid on an insurance policy;

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

28       (F) an application for a certificate of authority;

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

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

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

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

37       (3) Removes or attempts to remove:

38       (A) the assets;

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

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

42       of an insurer, a reinsurer, or another entity regulated under this



1 title, from the home office, other place of business, or place of  
 2 safekeeping of the insurer, reinsurer, or other regulated entity, or  
 3 conceals or attempts to conceal from the department assets or  
 4 records referred to in clauses (A) through (C).

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

- 8 (A) The transaction of insurance or reinsurance.
- 9 (B) The conduct of business activities by an insurer, a  
 10 reinsurer, or another entity regulated under this title.
- 11 (C) The formation, acquisition, or dissolution of an insurer,  
 12 a reinsurer, or another entity regulated under this title.

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

17 (1) the department; or  
 18 (2) the National Insurance Crime Bureau;  
 19 not later than sixty (60) days after the person receives notice of the  
 20 fraudulent insurance act. If the National Insurance Crime Bureau  
 21 receives information under this subsection, the National Insurance  
 22 Crime Bureau shall disclose the information to the department.

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

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

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

33 (3) The National Association of Insurance Commissioners.

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

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

38 (6) **The National Insurance Crime Bureau.**

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

40 (6) (8) An agent, an employee, or a designee of an entity referred  
 41 to in subdivisions (3) through (5). (7).

42 (d) (e) This section does not abrogate or modify in any way any



1       common law or statutory privilege or immunity.

2       SECTION 2. IC 27-1-3-23 IS AMENDED TO READ AS  
 3       FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 23. (a) For the purposes  
 4       of this section, a party is "substantially justified" in initiating a civil  
 5       action if the action had a reasonable basis in law or fact at the time the  
 6       action was initiated.

7       (b) If:

8       (1) a person or entity referred to in section 22(e) 22(d) of this  
 9       chapter, or an employee or agent of a person or entity referred to  
 10       in section 22(e), 22(d), is the prevailing party in a civil action for  
 11       libel, slander, or any other relevant tort arising out of the filing  
 12       of a report or the furnishing of information under section 22(e)  
 13       22(d) of this chapter; and

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

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

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

23       Non-program Affiliated Individual

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

32       Commercial Entity (Non-redistribution)

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

41       Nonprofit/Educational Entity

<u>Data Set</u>	<u>Per Quarter</u>	<u>Per Year</u>
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1	<b><u>Member Eligibility</u></b>		
2		<u>\$ 250</u>	<u>\$1,000</u>
3		<u>Medical Claims</u>	<u>\$ 375</u>
4		<u>Pharmacy Claims</u>	<u>\$ 125</u>
5	<b><u>Hospital Encounters</u></b>		
6		<u>Inpatient</u>	<u>\$ 375</u>
7		<u>Outpatient</u>	<u>\$ 312.50</u>
8		<u>Emergency Dept.</u>	<u>\$ 312.50</u>
9	<b><u>Commercial Redistributor (Resellers)</u></b>		
10		<u>Data Set</u>	<u>Per Quarter</u>
11		<u>Member Eligibility</u>	<u>\$2,500</u>
12		<u>Medical Claims</u>	<u>\$3,750</u>
13		<u>Pharmacy Claims</u>	<u>\$1,250</u>
14	<b><u>Hospital Encounters</u></b>		
15		<u>Inpatient</u>	<u>\$3,750</u>
16		<u>Outpatient</u>	<u>\$3,125</u>
17		<u>Emergency Dept.</u>	<u>\$3,125</u>

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

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



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

6           (b) This chapter does not apply to:

7           (1) notices required by the federal Fair Credit Reporting Act (15

8           U.S.C. 1681 et seq.); or

9           (2) declinations of coverage.

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

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

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

20           (1) boats;

21           (2) inland marine;

22           (3) motorcycles;

23           (4) off-road vehicles;

24           (5) recreational vehicles;

25           (6) trailers;

26           (7) fleets;

27           (8) antique or collector vehicles;

28           (9) classic vehicles;

29           (10) specialty vehicles; or

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

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

36           (1) coverage for:

37           (A) damage to or the destruction of:

38           (i) a structure; or

39           (ii) a unit within a structure;

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

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

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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

(+) 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

(E) increasing coverage limits or deductibles.

(3) An additional premium due to a change in risk exposure as a result of the insured's participation in a usage based or telematics insurance program

**(4) Changes resulting from a property inspection.**

**(5) For purposes of the second or subsequent renewals, rate increases that are implemented over more than one (1) policy period if:**

**(A) the implementation plan is included in the insurer's filed rate plan; or**

**(B) the increase for any one (1) policy period is not more than ten (10%) over the expiring policy period's premium.**



**(6) Adverse or unfavorable changes that occur when coverage has been in effect for less than sixty (60) days.**

SECTION 8.] IC 27-2-28-8, AS ADDED BY P.L.226-2023, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) An insurer that makes a material change to an insured's personal automobile or homeowner's policy shall provide a written notice to the insured that:

- (1) explains the principal factors for the material change; or
- (2) states that the insured has a right to request and obtain an explanation of the principal factors for the material change.

**(b) Not later than thirty (30) days** after an insured who receives a notice of a material change described in subsection (a)(2), **the insured** may submit to the insurer a written request for an explanation of the principal factors for the material change.

(c) Upon Not later than thirty (30) days after receiving a request for an explanation under subsection (b), the insurer shall provide written notice to the insured explaining the principal factors for the material change.

(d) An insurer shall provide a copy of a written notice provided under subsection (a)(1) or (c);

(1) to the insurance producer, if any, who:

(A) represented:

- (i) the insured in obtaining coverage from the insurer; or
- (ii) the insurer in regard to the providing of coverage to the insured.

insured; and

(B) is not an employee, an exclusive agent, or a captive agent

(2) to the insurer's reporting portal for agent communications.

(2) to the insurer's reporting portal for agent compliance purposes; or

(e) A written notice provided under subsection (b) or a written request submitted under subsection (b), must be made by:

- (1) first class mail; or
- (2) electronic delivery as set forth in IC 27-1-42.

(2) electronic delivery as set forth in IC 27-1-43.  
SECTION ~~9~~IC 27-5.1-2-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS  
EFFECTIVE JULY 1, 2026; See, 24.5 (c) The commissioner may

[EFFECTIVE JULY 1, 2026]: Sec. 24.S. (a) The commissioner may waive the requirements of this chapter or IC 27-1-9, whichever is applicable, for a merger or consolidation of a farm mutual insurance company with any other company (as defined in IC 27-1-2-3) if:

**(1) the farm mutual insurance company is notified that it will lose reinsurance coverage within one hundred twenty days (120) days; or**





1           losses for which a claim has already been made and the claim is  
 2           known to the insurer at the time the insurance is bound.

3           SECTION 11. IC 27-6-8-4, AS AMENDED BY P.L.158-2024,  
 4           SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5           JULY 1, 2026]: Sec. 4. (a) As used in this chapter, unless otherwise  
 6           provided:

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

9           (2) The term "association" means the Indiana Insurance Guaranty  
 10           Association created by section 5 of this chapter.

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

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

23           (A) Any amount due any reinsurer, insurer, insurance pool, or  
 24           underwriting association, as subrogation recoveries or  
 25           otherwise. However, a claim for any such amount, asserted  
 26           against a person insured under a policy issued by an insurer  
 27           which has become an insolvent insurer, which if it were not a  
 28           claim by or for the benefit of a reinsurer, insurer, insurance  
 29           pool or underwriting association, would be a "covered claim"  
 30           may be filed directly with the receiver or liquidator of the  
 31           insolvent insurer, but in no event may any such claim be  
 32           asserted in any legal action against the insured of such  
 33           insolvent insurer.

34           (B) Any supplementary obligation including but not limited to  
 35           adjustment fees and expenses, attorney fees and expenses,  
 36           court costs, interest and bond premiums, whether arising as a  
 37           policy benefit or otherwise, prior to the appointment of a  
 38           liquidator.

39           (C) Any unpaid claim that is filed with the association after the  
 40           final date set by the court for the filing of claims against the  
 41           liquidator or receiver of an insolvent insurer. For the purpose  
 42           of filing a claim under this clause, notice of a claim to the



1       liquidator of the insolvent insurer is considered to be notice to  
 2       the association or the agent of the association and a list of  
 3       claims must be periodically submitted to the association (or  
 4       another state's association that is similar to the association) by  
 5       the liquidator.

6       (D) A claim that is excluded under section 11.5 of this chapter  
 7       due to the high net worth of an insured.

8       (E) Any claim by a person who directly or indirectly controls,  
 9       is controlled, or is under common control with an insolvent  
 10      insurer on December 31 of the year before the order of  
 11      liquidation.

12      (F) Any amount awarded as punitive or exemplary  
 13      damages.

14      (G) Any amount sought as a return of premium under any  
 15      retrospective rating plan.

16      (H) Any claim filed with the association or a liquidator for  
 17      protection afforded under the insured's policy for incurred  
 18      but not reported losses.

19      All covered claims filed in the liquidation proceedings shall be  
 20      referred immediately to the association by the liquidator for  
 21      processing as provided in this chapter.

22      **(5) "Cybersecurity insurance" means first and third party**  
 23      **coverage in a policy or endorsement written on a direct,**  
 24      **admitted basis for losses and loss mitigation arising out of or**  
 25      **relating to:**

26      (A) data privacy breaches;  
 27      (B) unauthorized information network security intrusions;  
 28      (C) computer viruses;  
 29      (D) ransomware;  
 30      (E) cyber extortion;  
 31      (F) identity theft; and  
 32      (G) similar exposures.

33      **(5) (6) The term "high net worth insured" means the following:**

34      (A) For purposes of section 11.5(a) of this chapter, an insured  
 35      that has a net worth (including the aggregate net worth of the  
 36      insured and all subsidiaries and affiliates of the insured,  
 37      calculated on a consolidated basis) that exceeds twenty-five  
 38      million dollars (\$25,000,000) on December 31 of the year  
 39      immediately preceding the year in which the insurer becomes  
 40      an insolvent insurer.

41      (B) For purposes of section 11.5(b) of this chapter, an insured  
 42      that has a net worth (including the aggregate net worth of the



insured and all subsidiaries and affiliates of the insured, calculated on a consolidated basis) that exceeds fifty million dollars (\$50,000,000) on December 31 of the year immediately preceding the year in which the insurer becomes an insolvent insurer.

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

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

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

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

**(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.**

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**(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 12. 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 13. 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

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1 of liquidation, or arising within thirty (30) days after the order of  
 2 liquidation, or before the policy expiration date if less than thirty  
 3 (30) days after the order of liquidation, or before the insured  
 4 replaces the policy or causes its cancellation, if the insured does  
 5 so within thirty (30) days of the order of liquidation. The  
 6 obligation shall be satisfied by paying to the claimant an amount  
 7 as follows:

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

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

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

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

21 (C) An amount not to exceed three hundred thousand dollars  
 22 (\$300,000) per covered claim. For purposes of this clause, all  
 23 claims of any kind that arise out of or are related to the bodily  
 24 injury to or death of one (1) person constitute a single claim,  
 25 regardless of the number of claims made or the number of  
 26 claimants.

27 (D) In no event shall the association be obligated to pay an  
 28 amount in excess of three hundred thousand dollars  
 29 (\$300,000) for all first and third party claims under a  
 30 policy or endorsement providing, or that is found to  
 31 provide, cybersecurity insurance coverage and arising out  
 32 of or related to a single insured event, regardless of the  
 33 number of claims made or the number of claimants.

34 The association is not, in any event, obligated to pay a claimant  
 35 any amount in excess of the obligation of the insolvent insurer  
 36 under the policy or coverage from which the claim arises.  
 37 Notwithstanding any other provision in this chapter, a  
 38 covered claim may not include a claim filed with the guaranty  
 39 fund after the final date set by the court for the filing of  
 40 claims against the liquidator or receiver of an insolvent  
 41 insurer.

42 In the case of a claim for wrongful death, the foregoing obligation



1 of the association shall, in addition to the limits set forth above,  
 2 be subject to the limitations provided by the wrongful death  
 3 statutes of the state. Such amounts which are legally payable  
 4 because of the death of a claimant shall be paid to the claimant's  
 5 estate, to the claimant's father or mother or guardian, to the  
 6 surviving spouse or children, or to the next of kin as set out in  
 7 IC 34-23-1 and IC 34-23-2.

8 The amount for which the association shall be obligated may also  
 9 include payments in fact made to others, not members of  
 10 claimant's household, which were reasonably incurred to obtain  
 11 from such other persons ordinary and necessary services for the  
 12 production of income in lieu of those services the claimant would  
 13 have performed for the claimant had the claimant not been  
 14 injured.

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

20 A third party having a covered claim against any insured of an  
 21 insolvent member insurer may file such claim in the liquidation  
 22 proceeding under IC 27-9-3 if such insolvent member insurer is  
 23 a domestic insurer and pursuant to the applicable provisions of  
 24 law of the state of domicile if such insolvent member insurer is  
 25 not a domestic insurer. The liquidator shall immediately refer said  
 26 claim to the association to process as provided in this chapter  
 27 unless the claimant shall within thirty (30) days from the date of  
 28 filing said claim in the liquidation proceeding, file with the  
 29 commissioner as liquidator a written demand that said claim be  
 30 processed in liquidation proceedings as a claim not covered by  
 31 this chapter.

32 (2) Be deemed the insurer to the extent of its obligation on the  
 33 covered claims as limited by this chapter and to this extent shall  
 34 have all rights, duties, and obligations of the insolvent insurer as  
 35 if the insurer had not become insolvent, including those relating  
 36 to reinsurance contracts and treaties entered into by the insolvent  
 37 insurer. However, the association's obligation to defend any  
 38 insured of the insolvent insurer or to indemnify indemnify against  
 39 the costs of such defense terminates as soon as the claimant or  
 40 claimants have been paid all benefits that they are entitled to  
 41 under this chapter.

42 (3) Allocate claims paid and expenses incurred among the three



(3) accounts separately, and assess member insurers separately for each account amounts necessary to pay the obligation of the association under subdivision (1) subsequent to an insolvency, the expenses of handling covered claims subsequent to an insolvency, the cost of examination under IC 27-6-8-12 and other expenses authorized by this chapter. There are two (2) classes of assessments as follows:

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

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

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

The **amount of a Class B assessment** of each member insurer shall be on a uniform percentage basis in the proportion that the net direct written premiums in this state of the member insurer for the preceding calendar year on the kinds of insurance in the account bears to the net direct written premiums of all member insurers for the preceding calendar year on the kinds of insurance in the account. However, in addition to the pro rata assessments already described, an assessment may be made against each member insurer in a stated amount up to fifty dollars (\$50) per year for the purpose of paying the administrative expenses of the association. There shall be no **Class B assessment** for any account so long as assets held in such account are sufficient to cover all estimated payments for liquidation in process under such account. Each member insurer shall be notified of the assessment not later than thirty (30) days before it is due. No member insurer may be assessed in any year on any account an amount greater than one percent (1%) of that member insurer's net direct written premiums in this state for the preceding calendar year on the kinds of insurance in the account. If the maximum assessment, together with the other assets of the

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1 association in any account, does not provide in any one (1) year  
 2 in any account an amount sufficient to make all necessary  
 3 payments from that account, the funds available shall be prorated  
 4 and the unpaid portion shall be paid as soon thereafter as funds  
 5 become available. The association may exempt or defer, in whole  
 6 or in part, the assessment of any member insurer, if the  
 7 assessment would cause the member insurer's financial statement  
 8 to reflect amounts of capital or surplus less than the minimum  
 9 amounts required for a certificate of authority by any jurisdiction  
 10 in which the member insurer is authorized to transact insurance.  
 11 However, during the period of deferment no dividends shall be  
 12 paid to shareholders or policyholders by a company whose  
 13 assessment has been deferred. A deferred assessment shall be  
 14 paid when such payment will not reduce capital or surplus below  
 15 required minimums. Such payments shall be refunded to those  
 16 companies whose assessments were increased as the result of  
 17 such deferment, or at the option of any such company, shall be  
 18 credited to future assessments against such company.

19 (4) Investigate, adjust, compromise, settle, and pay covered  
 20 claims to the extent of the association's obligation and deny all  
 21 other claims and may review settlements, releases, and judgments  
 22 to which the insolvent insurer or its insured were parties to  
 23 determine the extent to which such settlements, releases, and  
 24 judgments may be properly contested, and as appropriate to  
 25 contest them. **The association shall pay claims in any order**  
 26 **that it may deem reasonable, including the payment of claims**  
 27 **as they are received from the claimants or in groups or**  
 28 **categories of claims. The association shall have the right to**  
 29 **appoint and to direct legal counsel retained under liability**  
 30 **insurance policies for the defense of covered claims and to**  
 31 **appoint and direct other service providers for covered**  
 32 **services.**

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

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

40 (7) Reimburse each servicing facility for obligations of the  
 41 association paid by the facility and for expenses incurred by the  
 42 facility while handling claims on behalf of the association and



1 shall pay the other expenses of the association authorized by this  
 2 chapter. Any unreimbursed obligation of the association to a  
 3 member insurer designated a servicing facility shall constitute an  
 4 admitted asset of such member insurer.

5 (8) Be entitled to and permitted to examine all claims, files, and  
 6 records of an insolvent insurer at such times and to such extent as  
 7 necessary or appropriate to obtain information regarding covered  
 8 claims individually and in the aggregate, and to establish such  
 9 procedures as appropriate to obtain prompt notice of all covered  
 10 claims and information pertaining thereto during the course of  
 11 liquidation.

12 (9) **Have the right to review and contest, as set forth in this**  
 13 **subsection, settlements, releases, compromises, waivers, and**  
 14 **judgments to which the insolvent insurer or its insureds were**  
 15 **parties before the entry of the order of liquidation. In an**  
 16 **action to enforce settlements, releases, and judgments to**  
 17 **which the insolvent insurer or its insureds were parties before**  
 18 **the entry of the order of liquidation, the association shall have**  
 19 **the right to assert the following defenses, in addition to the**  
 20 **defenses available to the insurer:**

21 (A) **The association is not bound by a settlement, release,**  
 22 **compromise, or waiver executed by an insured or the**  
 23 **insurer or any judgment entered against an insured or the**  
 24 **insurer by consent or through a failure to exhaust all**  
 25 **appeals, if the settlement, release, compromise, waiver, or**  
 26 **judgment was:**

27 (i) **executed or entered within one hundred twenty (120)**  
 28 **days before the entry of an order of liquidation and the**  
 29 **insured or insurer did not use reasonable care in**  
 30 **entering into the settlement, release, compromise,**  
 31 **waiver, or judgment or did not pursue all reasonable**  
 32 **appeals of an adverse judgment; or**

33 (ii) **executed by or taken against an insured or the**  
 34 **insurer based on default, fraud, collusion, or the**  
 35 **insurer's failure to defend.**

36 (B) **If a court of competent jurisdiction finds that the**  
 37 **association is not bound by a settlement, release,**  
 38 **compromise, waiver, or judgment for the reasons**  
 39 **described in clause (A), the settlement, release,**  
 40 **compromise, waiver, or judgment shall be set aside and the**  
 41 **association shall be permitted to defend any covered claim**  
 42 **on the merits. The settlement, release, compromise, waiver,**



1                   or judgment may not be considered as evidence of liability  
 2                   or damages in connection with any claim brought against  
 3                   the association or any other party under this chapter.

4                   (C) The association shall have the right to assert any  
 5                   statutory defenses or rights of offset against any  
 6                   settlement, release, compromise, or waiver executed by an  
 7                   insured or the insurer or any judgment taken against the  
 8                   insured or the insurer.

9                   (10) As to any covered claims arising from a judgment under  
 10                  any decision, verdict, or finding based on the default of the  
 11                  insolvent insurer or its failure to defend, the association,  
 12                  either on its own behalf or on behalf of an insured, may apply  
 13                  to have the judgment, order, decision, verdict, or finding set  
 14                  aside by the same court or administrator that entered the  
 15                  judgment, order, decision, verdict, or finding and shall be  
 16                  permitted to defend the claim on the merits.

17                  (b) The association may do the following:

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

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

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

25                  (4) Sue or be sued.

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

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

30                  (7) Refund to the then member insurers in proportion to the  
 31                  contribution of each such member insurer to that account that  
 32                  amount by which the assets of the account exceed the liabilities  
 33                  if, at the end of the calendar year, the board of directors finds that  
 34                  the assets of the association in any account exceed the liabilities  
 35                  of that account as estimated by the board of directors for the  
 36                  coming year, provided that the association may retain as a reserve  
 37                  fund from the excess of the assets over liabilities at the end of any  
 38                  calendar year an amount not to exceed ten percent (10%) of such  
 39                  excess assets of such account. Any such reserve fund or earnings  
 40                  from its investment shall be used only for the payment of covered  
 41                  claims and authorized association expenses. Upon appropriate  
 42                  action by the board of directors such reserve fund shall be



1                   refunded to the then member insurers in proportion to the total  
 2                   contribution of each such member insurer to such account.

3                   (c) The following apply with respect to an action involving the  
 4                   association:

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

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

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

14                   SECTION 14. IC 27-6-8-9 IS AMENDED TO READ AS  
 15                   FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 9. (a) The  
 16                   commissioner shall:

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

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

23                   (b) The commissioner may:

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

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

38                   (iii) Suspend or revoke, after notice and hearing, the certificate of  
 39                   authority to transact insurance in this state of any member insurer  
 40                   which fails to pay an assessment when due or fails to comply with  
 41                   the plan of operation. As an alternative, the commissioner may  
 42                   levy a fine on any member insurer which fails to pay an



1 assessment when due. The fine shall not exceed five percent (5%)  
 2 of the unpaid assessment per month, except that no fine shall be  
 3 less than one hundred dollars (\$100) per month.

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

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

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

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

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

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

36 **(4) Disclose the information described in this subsection with**  
 37 **associations in other states and with any organization of one**  
 38 **(1) or more state associations of similar purposes so long as**  
 39 **the recipient of the information agrees in writing to hold the**  
 40 **information confidential in a manner consistent with this**  
 41 **chapter and uses the information to prepare for the possible**  
 42 **liquidation of the member insurer. Access to the information**



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

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

14 SECTION 15. IC 27-6-8-11.5, AS AMENDED BY P.L.158-2024,  
 15 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2026]: Sec. 11.5. (a) The association is not obligated to pay  
 17 a first party claim by a high net worth insured described in section  
 18 4(a)(5)(A) 4(a)(6)(A) of this chapter.

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

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

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

33 (d) The association may also, at its sole discretion and without  
 34 assumption of any ongoing duty to do so, pay any third party  
 35 claims or cybersecurity insurance obligations covered by a policy  
 36 or endorsement of an insolvent company on behalf of a high net  
 37 worth insured. In that case, the association shall recover from the  
 38 high net worth insured under this section all amounts paid on its  
 39 behalf, all allocated claim adjusted expenses relating to the claims,  
 40 the association's attorney's fees, and all court costs in any action  
 41 necessary to collect the full amount to the association's  
 42 reimbursement under this section.



1           (d) (e) The association shall establish reasonable procedures,  
 2           subject to the approval of the commissioner, for requesting financial  
 3           information from insureds;

4            (1) on a confidential basis; and  
 5            (2) in the application of this section.

6           (e) (f) The procedures established under subsection (d) (e) must  
 7           provide for sharing of the financial information obtained from insureds  
 8           with:

9            (1) any other association that is similar to the association; and  
 10           (2) the liquidator for an insolvent insurer;

11           on the same confidential basis.

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

13            (1) requested under the procedures established under subsection  
 14            (d); (e); and  
 15            (2) available;

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

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

28           SECTION 16. IC 27-6-8-20 IS ADDED TO THE INDIANA CODE  
 29           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 30           1, 2026]: Sec. 20. (a) The association may join one (1) or more  
 31           organizations of other state associations of similar purposes to  
 32           further the purposes and administer the powers and duties of the  
 33           association. The association may designate one (1) or more of these  
 34           organizations to:

35            (1) act as a liaison for the association; and  
 36            (2) to the extent the association authorizes, bind the  
 37            association in agreements or settlements with receivers of  
 38            insolvent insurance companies or their designated  
 39            representatives.

40            (b) The association, in cooperation with other obligated or  
 41            potentially obligated guaranty associations or their designated  
 42            representatives, shall make all reasonable efforts to coordinate and



1 cooperate with receivers or their designated representatives in the  
 2 most efficient and uniform manner, including the use of Uniform  
 3 Data Standards as promulgated or approved by the National  
 4 Association of Insurance Commissioners.

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

17 (1) in limits for bodily injury or death and for injury to or  
 18 destruction of property not less than those set forth in IC 9-25-4-5  
 19 under policy provisions approved by the commissioner of  
 20 insurance, for the protection of persons insured under the policy  
 21 who are legally entitled to recover damages from owners or  
 22 operators of uninsured or underinsured motor vehicles because of  
 23 bodily injury, sickness or disease, including death, and for the  
 24 protection of persons insured under the policy who are legally  
 25 entitled to recover damages from owners or operators of  
 26 uninsured motor vehicles for injury to or destruction of property  
 27 resulting therefrom; or

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

35 The uninsured and underinsured motorist coverages must be provided  
 36 by insurers for either a single premium or for separate premiums, in  
 37 limits at least equal to the limits of liability specified in the bodily  
 38 injury liability provisions of an insured's policy, unless such coverages  
 39 have been rejected in writing by the insured. However, underinsured  
 40 motorist coverage must be made available in limits of not less than fifty  
 41 thousand dollars (\$50,000). At the insurer's option, the bodily injury  
 42 liability provisions of the insured's policy may be required to be equal



1 to the insured's underinsured motorist coverage. Insurers may not sell  
 2 or provide underinsured motorist coverage in an amount less than fifty  
 3 thousand dollars (\$50,000). Insurers must make underinsured motorist  
 4 coverage available to all existing policyholders on the date of the first  
 5 renewal of existing policies that occurs on or after January 1, 1995, and  
 6 on any policies newly issued or delivered on or after January 1, 1995.  
 7 Uninsured motorist coverage or underinsured motorist coverage may  
 8 be offered by an insurer in an amount exceeding the limits of liability  
 9 specified in the bodily injury and property damage liability provisions  
 10 of the insured's policy.

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

- 13 (1) reject both the uninsured motorist coverage and the  
 14 underinsured motorist coverage provided for in this section; or  
 15 (2) reject either the uninsured motorist coverage alone or the  
 16 underinsured motorist coverage alone, if the insurer provides the  
 17 coverage not rejected separately from the coverage rejected.

18 A rejection of coverage under this subsection by a named insured is a  
 19 rejection on behalf of all other named insureds, all other insureds, and  
 20 all other persons entitled to coverage under the policy. No insured may  
 21 have uninsured motorist property damage liability insurance coverage  
 22 under this section unless the insured also has uninsured motorist bodily  
 23 injury liability insurance coverage under this section. Following  
 24 rejection of either or both uninsured motorist coverage or underinsured  
 25 motorist coverage, unless later requested in writing, the insurer need  
 26 not offer uninsured motorist coverage or underinsured motorist  
 27 coverage in or supplemental to a renewal or replacement policy issued  
 28 to the same insured by the same insurer or a subsidiary or an affiliate  
 29 of the originally issuing insurer. Renewals of policies issued or  
 30 delivered in this state which have undergone interim policy  
 31 endorsement or amendment do not constitute newly issued or delivered  
 32 policies for which the insurer is required to provide the coverages  
 33 described in this section.

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

- 35 (1) that the named insured is rejecting:
  - 36 (A) the uninsured motorist coverage;
  - 37 (B) the underinsured motorist coverage; or
  - 38 (C) both the uninsured motorist coverage and the underinsured  
 39 motorist coverage;
- 40 that would otherwise be provided under the policy; and
- 41 (2) the date on which the rejection is effective.

42 (d) The following apply to the coverage described in subsection (a)



1       in connection with a commercial umbrella or excess liability policy,  
 2       including a commercial umbrella or excess liability policy that is issued  
 3       or delivered to a motor carrier (as defined in IC 8-2.1-17-10) that is in  
 4       compliance with the minimum levels of financial responsibility set  
 5       forth in 49 CFR Part 387:

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

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

12       (A) through the United States mail; or  
 13       (B) by electronic means;  
 14      provide to the named insured written notice of the reduction or  
 15      removal.

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

18       (A) may make available the coverage in limits determined by  
 19       the insurer; and  
 20       (B) is not required to make available the coverage in limits  
 21       equal to the limits specified in the commercial umbrella or  
 22       excess liability policy.

23       (e) A rejection under subsection (b) of uninsured motorist coverage  
 24      or underinsured motorist coverage in an underlying commercial policy  
 25      of insurance is also a rejection of uninsured motorist coverage or  
 26      underinsured motorist coverage in a commercial umbrella or excess  
 27      liability policy.

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

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

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

34       (A) of which the insured is not the owner; and  
 35       (B) that is used:

36        (i) by the insured or an agent of the insured; and  
 37        (ii) for purposes authorized by the insured.

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

39       (1) a person who holds the legal title to a motor vehicle;  
 40       (2) a person who rents or leases a motor vehicle and has exclusive  
 41       use of the motor vehicle for more than thirty (30) days;  
 42       (3) the conditional vendee or lessee under an agreement for the



1           conditional sale or lease of a motor vehicle; or  
 2           (4) the mortgagor under an agreement for the conditional sale or  
 3           lease of a motor vehicle under which the mortgagor has:  
 4            (A) the right to purchase; and  
 5            (B) an immediate right of possession of;  
 6           the motor vehicle upon the performance of the conditions stated  
 7           in the agreement.

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

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

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

16            (A) through the United States mail; or  
 17            (B) by electronic means;  
 18           provide to the named insured written notice of the reduction or  
 19           removal.

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

23            (A) may make available the coverage in limits determined by  
 24            the insurer; and  
 25            (B) is not required to make available the coverage in limits  
 26           equal to the limits specified in the personal umbrella or excess  
 27           liability policy.

28           (4) A rejection under subsection (b) of uninsured motorist  
 29           coverage or underinsured motorist coverage in an underlying  
 30           personal policy of insurance is also a rejection of uninsured  
 31           motorist coverage or underinsured motorist coverage in a personal  
 32           umbrella or excess liability policy.

33           (i) A policy of insurance that provides coverage in excess of any  
 34           liability relating to a self-insured retention amount shall be  
 35           considered a commercial umbrella or excess liability policy under  
 36           subsection (d).

37           SECTION 18]. IC 27-7-6-0.5 IS ADDED TO THE INDIANA  
 38           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 39           [EFFECTIVE JULY 1, 2026]: Sec. 0.5. Section 6 of this chapter, as  
 40           amended in the 2026 session of the general assembly, applies to  
 41           automobile insurance policies that are issued, delivered, amended,  
 42           or renewed [on or ]after <June 30>[January 1], 202<6>[7].

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1        SECTION ~~36~~<sup>37</sup> [19]. IC 27-7-6-6, AS AMENDED BY P.L.196-2021,  
 2        SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3        JULY 1, 2026]: Sec. 6. (a) An insurer shall not fail to renew a policy  
 4        unless it mails to the named insured, at the address shown in the policy,  
 5        at least twenty (20) ~~sixty~~<sup>30</sup> days advance notice  
 6        of its intention not to renew the policy.  
 7        (b) If a policy was procured by an independent insurance producer  
 8        duly licensed by the state of Indiana, a notice of intent not to renew the  
 9        policy shall be mailed to the independent insurance producer at least  
 10        ten (10) days prior to the mailing of the notice of intention not to renew  
 11        to the named insured under subsection (a), unless such notice of intent  
 12        is or has been waived in writing by the independent insurance  
 13        producer.  
 14        (c) This section does not apply:  
 15            (1) if the insurer has manifested its willingness to renew; or  
 16            (2) in case of nonpayment of premium.  
 17        However, notwithstanding the failure of an insurer to comply with this  
 18        section, the policy shall terminate on the effective date of any other  
 19        insurance policy with respect to any automobile designated in both  
 20        policies.  
 21        (d) A notice of intention not to renew is not required under this  
 22        section if:  
 23            (1) the insured is transferred from an insurer to an affiliate of the  
 24            insurer for future coverage; and  
 25            (2) the transfer results in the same or broader coverage.  
 26        (e) Renewal of a policy shall not constitute a waiver or estoppel with  
 27        respect to grounds for cancellation which existed before the effective  
 28        date of such renewal.  
 29        SECTION ~~36~~<sup>37</sup> [20]. IC 27-7-12-1 IS AMENDED TO READ AS  
 30        FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) **Except as**  
 31        **provided in subsection (b)**, this chapter applies to policies of  
 32        insurance covering risks to property located in Indiana that take effect  
 33        or are renewed after June 30, 2001, and that insure loss of or damage  
 34        to:  
 35            (1) real property consisting of not more than four (4) residential  
 36            units, one (1) of which is the principal place of residence of the  
 37            named insured; or  
 38            (2) personal property:  
 39                (A) in which the named insured has an insurable interest; and  
 40                (B) that is used within a residential dwelling for personal,  
 41                family, or household purposes.  
 42        (b) **Section 4 of this chapter, as amended in the 2026 session of**

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1 the general assembly, ~~applies~~ and section 6.5 of this chapter, as  
 2 added in the 2026 session of the general assembly, apply to policies  
 3 of insurance described in subsection (a) that are issued, delivered,  
 4 amended, or renewed on or after ~~June 30~~ January 1,  
 5 202~~6~~7.

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

7 (1) A policy of inland marine insurance.  
 8 (2) The cancellation or nonrenewal of an automobile insurance  
 9 policy under IC 27-7-6.  
 10 (3) The cancellation or nonrenewal of a commercial property and  
 11 casualty insurance policy under IC 27-1-31-2.5.

12 [ SECTION 21. IC 27-7-12-2 IS AMENDED TO READ AS  
 13 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) As used in this  
 14 chapter, "aerial image" means an image of a named insured's  
 15 property captured from an airborne platform.

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

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

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

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

30 (1) the issuance and delivery by an insurer at the end of a policy  
 31 period of a policy superseding a policy previously issued and  
 32 delivered by the same insurer; or  
 33 (2) the issuance and delivery of a certificate or notice extending  
 34 the term of an existing policy beyond its policy period or term.

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

37 (1) the requirement of a reasonable deductible;  
 38 (2) reasonable changes in the amount of insurance; or  
 39 (3) reasonable reductions in policy limits or coverage;

40 if the requirements or changes are directly related to the hazard  
 41 involved and are made on the renewal date for the policy. The term  
 42 does not include a transfer of a policy to another insurer.



1       1 SECTION ~~27-7-12-4~~<sup>22</sup>, IC 27-7-12-4, AS AMENDED BY  
 2 P.L.196-2021, SECTION 38, IS AMENDED TO READ AS  
 3 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) Notice of  
 4 nonrenewal by an insurer must:

- 5       (1) be in writing;
- 6       (2) be mailed to the named insured at the last known address of  
     the named insured;
- 7       (3) state the insurer's intention not to renew the policy upon  
     expiration of the current policy period;
- 8       (4) upon request of the named insured, be accompanied by a  
     written explanation of the specific reasons for the nonrenewal;  
- 9       ~~Hand~~
- 10      (5) be mailed to the named insured at least ~~twenty (20)~~ **sixty (60)**  
     days before the expiration of the current policy period~~←~~

11      ~~→~~**; and**

12      **(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.**

13      1 (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.

14      2 (c) Notice of nonrenewal under this section is not required if:  
     3       (1) the named insured is transferred from an insurer to an affiliate  
     4       of the insurer for future coverage; and  
     5       (2) the transfer results in the same or broader coverage.

16      6 (d) If an insurer mails to an insured a renewal notice, bill,  
     7 certificate, or policy indicating the insurer's willingness to renew a  
     8 policy and the insured does not respond, the insurer is not required to  
     9 mail to the insured notice of intention not to renew.

17      10 **[ SECTION 23. IC 27-7-12-6.5 IS ADDED TO THE INDIANA  
     11 CODE AS A NEW SECTION TO READ AS FOLLOWS  
     12 [EFFECTIVE JULY 1, 2026]: Sec. 6.5. (a) When utilizing aerial  
     13 images as the sole reason for nonrenewing a policy, an insurer shall  
     14 do the following:**

15      15 **(1) Ensure that the nonrenewal notice sent to the named  
     16 insured under section 4 of this chapter includes information  
     17 about how the named insured can request to review copies of  
     18 the images of the property that were used to make the  
     19 decision. Photos must have been taken within the past**



1                   twenty-four (24) months.

2                   (2) Establish a point of contact and a process for a named  

3                   insured to use to provide documentation of completion of the  

4                   required work that the insurer communicates to the named  

5                   insured under subdivision (1). The documentation must be  

6                   used by the insurer in considering whether to uphold or  

7                   reverse the nonrenewal.

8                   (3) Establish an appeal process that allows the named insured  

9                   to correct any errors or misunderstandings related to the  

10                   nonrenewal.

11                   (4) Provide the named insured at least sixty (60) days to cure  

12                   the defects or conditions underlying a nonrenewal after the  

13                   date the insurer identifies the specific conditions under  

14                   subdivision (1). An insurer shall have the right to assess the  

15                   work used to cure the defects or conditions to ensure they  

16                   have been corrected in a manner that meets the standards  

17                   originally communicated by the insurer under subdivision (1).

18                   (5) Offer a renewal policy to a named insurer who submits  

19                   proof that they have cured the defects or conditions identified  

20                   under subdivision (1). However, an insurer may nonrenew the  

21                   policy only for a reason unrelated to the defects or conditions  

22                   identified under subdivision (1).

23                   (b) The department shall adopt rules under IC 4-22-2 to  

24                   effectuate the provisions of this section.

25                   1 SECTION ~~26~~<sup>27</sup><sub>24</sub> IC 27-7-18.7 IS ADDED TO THE INDIANA  

26                   CODE AS A NEW CHAPTER TO READ AS FOLLOWS  

27                   [EFFECTIVE JULY 1, 2026]:

28                   **Chapter 18.7. Property and Casualty Insurance for**  

29                   **Condominium Units**

30                   **Sec. 1. As used in this chapter, "condominium" has the meaning**  

31                   **set forth in IC 32-25-2-7.**

32                   **Sec. 2. As used in this chapter, "condominium unit" has the**  

33                   **meaning set forth in IC 32-25-2-9.**

34                   **Sec. 3. As used in this chapter, "co-owner" has the meaning set**  

35                   **forth in IC 32-25-2-11.**

36                   **Sec. 4. As used in this chapter, "property and casualty**  

37                   **insurance" means one (1) or more of the types of insurance**  

38                   **described in IC 27-1-5-1, Class 2 and Class 3.**

39                   **Sec. 5. (a) This section applies to a condominium in which all of**  

40                   **the condominium units:**

41                   **(1) were designed and built for occupancy by not more than**  

42                   **two (2) separate families; and**

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17 SECTION ~~25~~<sup>27</sup> [25]. IC 27-19-3-1.5 IS ADDED TO THE INDIANA  
18 CODE AS A NEW SECTION TO READ AS FOLLOWS  
19 [EFFECTIVE JULY 1, 2026]: **Sec. 1.5. The commissioner shall have**  
20 **the authority to do the following:**

24 (A) implement;  
25 (B) establish;  
26 (C) create;  
27 (D) administer; or  
28 (E) otherwise operate;

## 29 a health benefit exchange.

33 (3) Establish any advisory board or committee that the  
34 commissioner deems necessary to provide recommendations  
35 on the creation, implementation, or operation of a health  
36 benefit exchange.<sup>1</sup>

37 SECTION 26. IC 34-30-2.1-402, AS ADDED BY P.L.105-2022,  
38 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2026]: Sec. 402. IC 27-1-3-22 (Concerning persons or  
40 entities reporting fraudulent insurance acts).

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