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Representatives Stebelton, Okey

Cosponsors: Representatives Adams, R., Bubp, Combs, Foley, Grossman, Hollington, Huffman, Letson, Maag, McGregor, McKenney, Murray, Antonio, Ashford, Beck, Blessing, Carney, Celebrezze, Damschroder, Fende, Garland, Hackett, Hagan, R., Hayes, Heard, Henne, Hottinger, Lynch, Mallory, McClain, Newbold, Pillich, Sears, Sprague, Stinziano, Szollosi, Yuko

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Senators Bacon, Balderson, Eklund, Hughes, Jones, Kearney, Lehner, Niehaus, Oelslager, Peterson, Sawyer, Schiavoni, Seitz, Turner, Wagoner

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A B I L L

To amend sections 3901.21, 3937.18, 3937.30, 3937.31, 1
3937.32, 3937.33, 3937.34, 3937.35, 4505.11, 2
4509.01, 4509.20, 4509.41, and 4509.51 and to 3
enact section 3937.46 of the Revised Code to make 4
changes to the law governing automobile insurance 5
policies, to increase the minimum amounts required 6
for valid proof of financial responsibility, to 7
make it an unfair and deceptive act or practice in 8
the business of insurance to charge excessive, 9
inadequate, or unfairly discriminatory premium 10
rates in private passenger automobile insurance 11
based solely on the insured's residence location, 12
to reduce from two years to one year the minimum 13
policy period for automobile insurance policies, 14
to prohibit an automobile insurer from enforcing 15
certain intrafamily exclusions, and to permit 16

insurance companies to obtain a salvage 17
certificate of title for a motor vehicle in 18
certain circumstances when the insurance company 19
does not have possession of the certificate of 20
title. 21

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3901.21, 3937.18, 3937.30, 3937.31, 22
3937.32, 3937.33, 3937.34, 3937.35, 4505.11, 4509.01, 4509.20, 23
4509.41, and 4509.51 be amended and section 3937.46 of the Revised 24
Code be enacted to read as follows: 25

Sec. 3901.21. The following are hereby defined as unfair and 26
deceptive acts or practices in the business of insurance: 27

(A) Making, issuing, circulating, or causing or permitting to 28
be made, issued, or circulated, or preparing with intent to so 29
use, any estimate, illustration, circular, or statement 30
misrepresenting the terms of any policy issued or to be issued or 31
the benefits or advantages promised thereby or the dividends or 32
share of the surplus to be received thereon, or making any false 33
or misleading statements as to the dividends or share of surplus 34
previously paid on similar policies, or making any misleading 35
representation or any misrepresentation as to the financial 36
condition of any insurer as shown by the last preceding verified 37
statement made by it to the insurance department of this state, or 38
as to the legal reserve system upon which any life insurer 39
operates, or using any name or title of any policy or class of 40
policies misrepresenting the true nature thereof, or making any 41
misrepresentation or incomplete comparison to any person for the 42
purpose of inducing or tending to induce such person to purchase, 43
amend, lapse, forfeit, change, or surrender insurance. 44

Any written statement concerning the premiums for a policy 45
which refers to the net cost after credit for an assumed dividend, 46
without an accurate written statement of the gross premiums, cash 47
values, and dividends based on the insurer's current dividend 48
scale, which are used to compute the net cost for such policy, and 49
a prominent warning that the rate of dividend is not guaranteed, 50
is a misrepresentation for the purposes of this division. 51

(B) Making, publishing, disseminating, circulating, or 52
placing before the public or causing, directly or indirectly, to 53
be made, published, disseminated, circulated, or placed before the 54
public, in a newspaper, magazine, or other publication, or in the 55
form of a notice, circular, pamphlet, letter, or poster, or over 56
any radio station, or in any other way, or preparing with intent 57
to so use, an advertisement, announcement, or statement containing 58
any assertion, representation, or statement, with respect to the 59
business of insurance or with respect to any person in the conduct 60
of the person's insurance business, which is untrue, deceptive, or 61
misleading. 62

(C) Making, publishing, disseminating, or circulating, 63
directly or indirectly, or aiding, abetting, or encouraging the 64
making, publishing, disseminating, or circulating, or preparing 65
with intent to so use, any statement, pamphlet, circular, article, 66
or literature, which is false as to the financial condition of an 67
insurer and which is calculated to injure any person engaged in 68
the business of insurance. 69

(D) Filing with any supervisory or other public official, or 70
making, publishing, disseminating, circulating, or delivering to 71
any person, or placing before the public, or causing directly or 72
indirectly to be made, published, disseminated, circulated, 73
delivered to any person, or placed before the public, any false 74
statement of financial condition of an insurer. 75

Making any false entry in any book, report, or statement of 76

any insurer with intent to deceive any agent or examiner lawfully 77
appointed to examine into its condition or into any of its 78
affairs, or any public official to whom such insurer is required 79
by law to report, or who has authority by law to examine into its 80
condition or into any of its affairs, or, with like intent, 81
willfully omitting to make a true entry of any material fact 82
pertaining to the business of such insurer in any book, report, or 83
statement of such insurer, or mutilating, destroying, suppressing, 84
withholding, or concealing any of its records. 85

(E) Issuing or delivering or permitting agents, officers, or 86
employees to issue or deliver agency company stock or other 87
capital stock or benefit certificates or shares in any common-law 88
corporation or securities or any special or advisory board 89
contracts or other contracts of any kind promising returns and 90
profits as an inducement to insurance. 91

(F) Making or permitting any unfair discrimination among 92
individuals of the same class and equal expectation of life in the 93
rates charged for any contract of life insurance or of life 94
annuity or in the dividends or other benefits payable thereon, or 95
in any other of the terms and conditions of such contract. 96

(G)(1) Except as otherwise expressly provided by law, 97
knowingly permitting or offering to make or making any contract of 98
life insurance, life annuity or accident and health insurance, or 99
agreement as to such contract other than as plainly expressed in 100
the contract issued thereon, or paying or allowing, or giving or 101
offering to pay, allow, or give, directly or indirectly, as 102
inducement to such insurance, or annuity, any rebate of premiums 103
payable on the contract, or any special favor or advantage in the 104
dividends or other benefits thereon, or any valuable consideration 105
or inducement whatever not specified in the contract; or giving, 106
or selling, or purchasing, or offering to give, sell, or purchase, 107
as inducement to such insurance or annuity or in connection 108

therewith, any stocks, bonds, or other securities, or other 109
obligations of any insurance company or other corporation, 110
association, or partnership, or any dividends or profits accrued 111
thereon, or anything of value whatsoever not specified in the 112
contract. 113

(2) Nothing in division (F) or division (G)(1) of this 114
section shall be construed as prohibiting any of the following 115
practices: (a) in the case of any contract of life insurance or 116
life annuity, paying bonuses to policyholders or otherwise abating 117
their premiums in whole or in part out of surplus accumulated from 118
nonparticipating insurance, provided that any such bonuses or 119
abatement of premiums shall be fair and equitable to policyholders 120
and for the best interests of the company and its policyholders; 121
(b) in the case of life insurance policies issued on the 122
industrial debit plan, making allowance to policyholders who have 123
continuously for a specified period made premium payments directly 124
to an office of the insurer in an amount which fairly represents 125
the saving in collection expenses; (c) readjustment of the rate of 126
premium for a group insurance policy based on the loss or expense 127
experience thereunder, at the end of the first or any subsequent 128
policy year of insurance thereunder, which may be made retroactive 129
only for such policy year. 130

(H) Making, issuing, circulating, or causing or permitting to 131
be made, issued, or circulated, or preparing with intent to so 132
use, any statement to the effect that a policy of life insurance 133
is, is the equivalent of, or represents shares of capital stock or 134
any rights or options to subscribe for or otherwise acquire any 135
such shares in the life insurance company issuing that policy or 136
any other company. 137

(I) Making, issuing, circulating, or causing or permitting to 138
be made, issued or circulated, or preparing with intent to so 139
issue, any statement to the effect that payments to a policyholder 140

of the principal amounts of a pure endowment are other than 141
payments of a specific benefit for which specific premiums have 142
been paid. 143

(J) Making, issuing, circulating, or causing or permitting to 144
be made, issued, or circulated, or preparing with intent to so 145
use, any statement to the effect that any insurance company was 146
required to change a policy form or related material to comply 147
with Title XXXIX of the Revised Code or any regulation of the 148
superintendent of insurance, for the purpose of inducing or 149
intending to induce any policyholder or prospective policyholder 150
to purchase, amend, lapse, forfeit, change, or surrender 151
insurance. 152

(K) Aiding or abetting another to violate this section. 153

(L) Refusing to issue any policy of insurance, or canceling 154
or declining to renew such policy because of the sex or marital 155
status of the applicant, prospective insured, insured, or 156
policyholder. 157

(M) Making or permitting any unfair discrimination between 158
individuals of the same class and of essentially the same hazard 159
in the amount of premium, policy fees, or rates charged for any 160
policy or contract of insurance, other than life insurance, or in 161
the benefits payable thereunder, or in underwriting standards and 162
practices or eligibility requirements, or in any of the terms or 163
conditions of such contract, or in any other manner whatever. 164

(N) Refusing to make available disability income insurance 165
solely because the applicant's principal occupation is that of 166
managing a household. 167

(O) Refusing, when offering maternity benefits under any 168
individual or group sickness and accident insurance policy, to 169
make maternity benefits available to the policyholder for the 170
individual or individuals to be covered under any comparable 171

policy to be issued for delivery in this state, including family 172
members if the policy otherwise provides coverage for family 173
members. Nothing in this division shall be construed to prohibit 174
an insurer from imposing a reasonable waiting period for such 175
benefits under an individual sickness and accident insurance 176
policy issued to an individual who is not a federally eligible 177
individual or a nonemployer-related group sickness and accident 178
insurance policy, but in no event shall such waiting period exceed 179
two hundred seventy days. 180

For purposes of division (O) of this section, "federally 181
eligible individual" means an eligible individual as defined in 45 182
C.F.R. 148.103. 183

(P) Using, or permitting to be used, a pattern settlement as 184
the basis of any offer of settlement. As used in this division, 185
"pattern settlement" means a method by which liability is 186
routinely imputed to a claimant without an investigation of the 187
particular occurrence upon which the claim is based and by using a 188
predetermined formula for the assignment of liability arising out 189
of occurrences of a similar nature. Nothing in this division shall 190
be construed to prohibit an insurer from determining a claimant's 191
liability by applying formulas or guidelines to the facts and 192
circumstances disclosed by the insurer's investigation of the 193
particular occurrence upon which a claim is based. 194

(Q) Refusing to insure, or refusing to continue to insure, or 195
limiting the amount, extent, or kind of life or sickness and 196
accident insurance or annuity coverage available to an individual, 197
or charging an individual a different rate for the same coverage 198
solely because of blindness or partial blindness. With respect to 199
all other conditions, including the underlying cause of blindness 200
or partial blindness, persons who are blind or partially blind 201
shall be subject to the same standards of sound actuarial 202
principles or actual or reasonably anticipated actuarial 203

experience as are sighted persons. Refusal to insure includes, but 204
is not limited to, denial by an insurer of disability insurance 205
coverage on the grounds that the policy defines "disability" as 206
being presumed in the event that the eyesight of the insured is 207
lost. However, an insurer may exclude from coverage disabilities 208
consisting solely of blindness or partial blindness when such 209
conditions existed at the time the policy was issued. To the 210
extent that the provisions of this division may appear to conflict 211
with any provision of section 3999.16 of the Revised Code, this 212
division applies. 213

(R)(1) Directly or indirectly offering to sell, selling, or 214
delivering, issuing for delivery, renewing, or using or otherwise 215
marketing any policy of insurance or insurance product in 216
connection with or in any way related to the grant of a student 217
loan guaranteed in whole or in part by an agency or commission of 218
this state or the United States, except insurance that is required 219
under federal or state law as a condition for obtaining such a 220
loan and the premium for which is included in the fees and charges 221
applicable to the loan; or, in the case of an insurer or insurance 222
agent, knowingly permitting any lender making such loans to engage 223
in such acts or practices in connection with the insurer's or 224
agent's insurance business. 225

(2) Except in the case of a violation of division (G) of this 226
section, division (R)(1) of this section does not apply to either 227
of the following: 228

(a) Acts or practices of an insurer, its agents, 229
representatives, or employees in connection with the grant of a 230
guaranteed student loan to its insured or the insured's spouse or 231
dependent children where such acts or practices take place more 232
than ninety days after the effective date of the insurance; 233

(b) Acts or practices of an insurer, its agents, 234
representatives, or employees in connection with the solicitation, 235

processing, or issuance of an insurance policy or product covering 236
the student loan borrower or the borrower's spouse or dependent 237
children, where such acts or practices take place more than one 238
hundred eighty days after the date on which the borrower is 239
notified that the student loan was approved. 240

(S) Denying coverage, under any health insurance or health 241
care policy, contract, or plan providing family coverage, to any 242
natural or adopted child of the named insured or subscriber solely 243
on the basis that the child does not reside in the household of 244
the named insured or subscriber. 245

(T)(1) Using any underwriting standard or engaging in any 246
other act or practice that, directly or indirectly, due solely to 247
any health status-related factor in relation to one or more 248
individuals, does either of the following: 249

(a) Terminates or fails to renew an existing individual 250
policy, contract, or plan of health benefits, or a health benefit 251
plan issued to an employer, for which an individual would 252
otherwise be eligible; 253

(b) With respect to a health benefit plan issued to an 254
employer, excludes or causes the exclusion of an individual from 255
coverage under an existing employer-provided policy, contract, or 256
plan of health benefits. 257

(2) The superintendent of insurance may adopt rules in 258
accordance with Chapter 119. of the Revised Code for purposes of 259
implementing division (T)(1) of this section. 260

(3) For purposes of division (T)(1) of this section, "health 261
status-related factor" means any of the following: 262

(a) Health status; 263

(b) Medical condition, including both physical and mental 264
illnesses; 265

(c) Claims experience;	266
(d) Receipt of health care;	267
(e) Medical history;	268
(f) Genetic information;	269
(g) Evidence of insurability, including conditions arising out of acts of domestic violence;	270 271
(h) Disability.	272
(U) With respect to a health benefit plan issued to a small employer, as those terms are defined in section 3924.01 of the Revised Code, negligently or willfully placing coverage for adverse risks with a certain carrier, as defined in section 3924.01 of the Revised Code.	273 274 275 276 277
(V) Using any program, scheme, device, or other unfair act or practice that, directly or indirectly, causes or results in the placing of coverage for adverse risks with another carrier, as defined in section 3924.01 of the Revised Code.	278 279 280 281
(W) Failing to comply with section 3923.23, 3923.231, 3923.232, 3923.233, or 3923.234 of the Revised Code by engaging in any unfair, discriminatory reimbursement practice.	282 283 284
(X) Intentionally establishing an unfair premium for, or misrepresenting the cost of, any insurance policy financed under a premium finance agreement of an insurance premium finance company.	285 286 287
(Y)(1)(a) Limiting coverage under, refusing to issue, canceling, or refusing to renew, any individual policy or contract of life insurance, or limiting coverage under or refusing to issue any individual policy or contract of health insurance, for the reason that the insured or applicant for insurance is or has been a victim of domestic violence;	288 289 290 291 292 293
(b) Adding a surcharge or rating factor to a premium of any individual policy or contract of life or health insurance for the	294 295

reason that the insured or applicant for insurance is or has been 296
a victim of domestic violence; 297

(c) Denying coverage under, or limiting coverage under, any 298
policy or contract of life or health insurance, for the reason 299
that a claim under the policy or contract arises from an incident 300
of domestic violence; 301

(d) Inquiring, directly or indirectly, of an insured under, 302
or of an applicant for, a policy or contract of life or health 303
insurance, as to whether the insured or applicant is or has been a 304
victim of domestic violence, or inquiring as to whether the 305
insured or applicant has sought shelter or protection from 306
domestic violence or has sought medical or psychological treatment 307
as a victim of domestic violence. 308

(2) Nothing in division (Y)(1) of this section shall be 309
construed to prohibit an insurer from inquiring as to, or from 310
underwriting or rating a risk on the basis of, a person's physical 311
or mental condition, even if the condition has been caused by 312
domestic violence, provided that all of the following apply: 313

(a) The insurer routinely considers the condition in 314
underwriting or in rating risks, and does so in the same manner 315
for a victim of domestic violence as for an insured or applicant 316
who is not a victim of domestic violence; 317

(b) The insurer does not refuse to issue any policy or 318
contract of life or health insurance or cancel or refuse to renew 319
any policy or contract of life insurance, solely on the basis of 320
the condition, except where such refusal to issue, cancellation, 321
or refusal to renew is based on sound actuarial principles or is 322
related to actual or reasonably anticipated experience; 323

(c) The insurer does not consider a person's status as being 324
or as having been a victim of domestic violence, in itself, to be 325
a physical or mental condition; 326

(d) The underwriting or rating of a risk on the basis of the condition is not used to evade the intent of division (Y)(1) of this section, or of any other provision of the Revised Code.

(3)(a) Nothing in division (Y)(1) of this section shall be construed to prohibit an insurer from refusing to issue a policy or contract of life insurance insuring the life of a person who is or has been a victim of domestic violence if the person who committed the act of domestic violence is the applicant for the insurance or would be the owner of the insurance policy or contract.

(b) Nothing in division (Y)(2) of this section shall be construed to permit an insurer to cancel or refuse to renew any policy or contract of health insurance in violation of the "Health Insurance Portability and Accountability Act of 1996," 110 Stat. 1955, 42 U.S.C.A. 300gg-41(b), as amended, or in a manner that violates or is inconsistent with any provision of the Revised Code that implements the "Health Insurance Portability and Accountability Act of 1996."

(4) An insurer is immune from any civil or criminal liability that otherwise might be incurred or imposed as a result of any action taken by the insurer to comply with division (Y) of this section.

(5) As used in division (Y) of this section, "domestic violence" means any of the following acts:

(a) Knowingly causing or attempting to cause physical harm to a family or household member;

(b) Recklessly causing serious physical harm to a family or household member;

(c) Knowingly causing, by threat of force, a family or household member to believe that the person will cause imminent physical harm to the family or household member.

For the purpose of division (Y)(5) of this section, "family or household member" has the same meaning as in section 2919.25 of the Revised Code.

Nothing in division (Y)(5) of this section shall be construed to require, as a condition to the application of division (Y) of this section, that the act described in division (Y)(5) of this section be the basis of a criminal prosecution.

(Z) Disclosing a coroner's records by an insurer in violation of section 313.10 of the Revised Code.

(AA) Making, issuing, circulating, or causing or permitting to be made, issued, or circulated any statement or representation that a life insurance policy or annuity is a contract for the purchase of funeral goods or services.

(BB) With respect to private passenger automobile insurance, no insurer shall charge different charging premium rates to persons residing within the limits of any municipal corporation that are excessive, inadequate, or unfairly discriminatory, pursuant to division (D) of section 3937.02 of the Revised Code, based solely on the location of the residence of the insured within those limits.

The enumeration in sections 3901.19 to 3901.26 of the Revised Code of specific unfair or deceptive acts or practices in the business of insurance is not exclusive or restrictive or intended to limit the powers of the superintendent of insurance to adopt rules to implement this section, or to take action under other sections of the Revised Code.

This section does not prohibit the sale of shares of any investment company registered under the "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C.A. 80a-1, as amended, or any policies, annuities, or other contracts described in section 3907.15 of the Revised Code.

As used in this section, "estimate," "statement," 389
"representation," "misrepresentation," "advertisement," or 390
"announcement" includes oral or written occurrences. 391

Sec. 3937.18. (A) Any policy of insurance delivered or issued 392
for delivery in this state with respect to any motor vehicle 393
registered or principally garaged in this state that insures 394
against loss resulting from liability imposed by law for bodily 395
injury or death suffered by any person arising out of the 396
ownership, maintenance, or use of a motor vehicle, may, but is not 397
required to, include uninsured motorist coverage, underinsured 398
motorist coverage, or both uninsured and underinsured motorist 399
coverages. 400

Unless otherwise defined in the policy or any endorsement to 401
the policy, "motor vehicle," for purposes of the uninsured 402
motorist coverage, underinsured motorist coverage, or both 403
uninsured and underinsured motorist coverages, means a 404
self-propelled vehicle designed for use and principally used on 405
public roads, including an automobile, truck, semi-tractor, 406
motorcycle, and bus. "Motor vehicle" also includes a motor home, 407
provided the motor home is not stationary and is not being used as 408
a temporary or permanent residence or office. "Motor vehicle" does 409
not include a trolley, streetcar, trailer, railroad engine, 410
railroad car, motorized bicycle, golf cart, off-road recreational 411
vehicle, snowmobile, fork lift, aircraft, watercraft, construction 412
equipment, farm tractor or other vehicle designed and principally 413
used for agricultural purposes, mobile home, vehicle traveling on 414
treads or rails, or any similar vehicle. 415

(B) For purposes of any uninsured motorist coverage included 416
in a policy of insurance, an "uninsured motorist" is the owner or 417
operator of a motor vehicle if any of the following conditions 418
applies: 419

(1) There exists no bodily injury liability bond or insurance policy covering the owner's or operator's liability to the insured.

(2) The liability insurer denies coverage to the owner or operator, or is or becomes the subject of insolvency proceedings in any state.

(3) The identity of the owner or operator cannot be determined, but independent corroborative evidence exists to prove that the bodily injury, sickness, disease, or death of the insured was proximately caused by the negligence or intentional actions of the unidentified operator of the motor vehicle. For purposes of division (B)(3) of this section, the testimony of any insured seeking recovery from the insurer shall not constitute independent corroborative evidence, unless the testimony is supported by additional evidence.

(4) The owner or operator has diplomatic immunity.

(5) The owner or operator has immunity under Chapter 2744. of the Revised Code.

An "uninsured motorist" does not include the owner or operator of a motor vehicle that is self-insured within the meaning of the financial responsibility law of the state in which the motor vehicle is registered.

(C) If underinsured motorist coverage is included in a policy of insurance, the underinsured motorist coverage shall provide protection for insureds thereunder for bodily injury, sickness, or disease, including death, suffered by any insured under the policy, where the limits of coverage available for payment to the insured under all bodily injury liability bonds and insurance policies covering persons liable to the insured are less than the limits for the underinsured motorist coverage. Underinsured motorist coverage in this state is not and shall not be excess

coverage to other applicable liability coverages, and shall only 451
provide the insured an amount of protection not greater than that 452
which would be available under the insured's uninsured motorist 453
coverage if the person or persons liable to the insured were 454
uninsured at the time of the accident. The policy limits of the 455
underinsured motorist coverage shall be reduced by those amounts 456
available for payment under all applicable bodily injury liability 457
bonds and insurance policies covering persons liable to the 458
insured. 459

For purposes of underinsured motorist coverage, an 460
"underinsured motorist" does not include the owner or operator of 461
a motor vehicle that has applicable liability coverage in the 462
policy under which the underinsured motorist coverage is provided. 463

(D) With respect to the uninsured motorist coverage, 464
underinsured motorist coverage, or both uninsured and underinsured 465
motorist coverages included in a policy of insurance, an insured 466
shall be required to prove all elements of the insured's claim 467
that are necessary to recover from the owner or operator of the 468
uninsured or underinsured motor vehicle. 469

(E) The uninsured motorist coverage, underinsured motorist 470
coverage, or both uninsured and underinsured motorist coverages 471
included in a policy of insurance shall not be subject to an 472
exclusion or reduction in amount because of any workers' 473
compensation benefits payable as a result of the same injury or 474
death. 475

(F) Any policy of insurance that includes uninsured motorist 476
coverage, underinsured motorist coverage, or both uninsured and 477
underinsured motorist coverages may, without regard to any 478
premiums involved, include terms and conditions that preclude any 479
and all stacking of such coverages, including but not limited to: 480

(1) Interfamily stacking, which is the aggregating of the 481

limits of such coverages by the same person or two or more 482
persons, whether family members or not, who are not members of the 483
same household; 484

(2) Intrafamily stacking, which is the aggregating of the 485
limits of such coverages purchased by the same person or two or 486
more family members of the same household. 487

(G) Any policy of insurance that includes uninsured motorist 488
coverage, underinsured motorist coverage, or both uninsured and 489
underinsured motorist coverages and that provides a limit of 490
coverage for payment of damages for bodily injury, including 491
death, sustained by any one person in any one automobile accident, 492
may, notwithstanding Chapter 2125. of the Revised Code, include 493
terms and conditions to the effect that all claims resulting from 494
or arising out of any one person's bodily injury, including death, 495
shall collectively be subject to the limit of the policy 496
applicable to bodily injury, including death, sustained by one 497
person, and, for the purpose of such policy limit shall constitute 498
a single claim. Any such policy limit shall be enforceable 499
regardless of the number of insureds, claims made, vehicles or 500
premiums shown in the declarations or policy, or vehicles involved 501
in the accident. 502

(H) Any policy of insurance that includes uninsured motorist 503
coverage, underinsured motorist coverage, or both uninsured and 504
underinsured motorist coverages may include terms and conditions 505
requiring that, so long as the insured has not prejudiced the 506
insurer's subrogation rights, each claim or suit for uninsured 507
motorist coverage, underinsured motorist coverage, or both 508
uninsured and underinsured motorist coverages be made or brought 509
within three years after the date of the accident causing the 510
bodily injury, sickness, disease, or death, or within one year 511
after the liability insurer for the owner or operator of the motor 512
vehicle liable to the insured has become the subject of insolvency 513

proceedings in any state, whichever is later. 514

(I) Any policy of insurance that includes uninsured motorist 515
coverage, underinsured motorist coverage, or both uninsured and 516
underinsured motorist coverages may, subject to section 3937.46 of 517
the Revised Code, include terms and conditions that preclude 518
coverage for bodily injury or death suffered by an insured under 519
specified circumstances, including but not limited to any of the 520
following circumstances: 521

(1) While the insured is operating or occupying a motor 522
vehicle owned by, furnished to, or available for the regular use 523
of a named insured, a spouse, or a resident relative of a named 524
insured, if the motor vehicle is not specifically identified in 525
the policy under which a claim is made, or is not a newly acquired 526
or replacement motor vehicle covered under the terms of the policy 527
under which the uninsured motorist coverage, underinsured motorist 528
coverage, or both uninsured and underinsured motorist coverages 529
are provided; 530

(2) While the insured is operating or occupying a motor 531
vehicle without a reasonable belief that the insured is entitled 532
to do so, provided that under no circumstances will an insured 533
whose license has been suspended, revoked, or never issued, be 534
held to have a reasonable belief that the insured is entitled to 535
operate a motor vehicle; 536

(3) When the bodily injury or death is caused by a motor 537
vehicle operated by any person who is specifically excluded from 538
coverage for bodily injury liability in the policy under which the 539
uninsured motorist coverage, underinsured motorist coverage, or 540
both uninsured and underinsured motorist coverages are provided; 541

(4) While any employee, officer, director, partner, trustee, 542
member, executor, administrator, or beneficiary of the named 543
insured, or any relative of any such person, is operating or 544

occupying a motor vehicle, unless the employee, officer, director, 545
partner, trustee, member, executor, administrator, beneficiary, or 546
relative is operating or occupying a motor vehicle for which 547
uninsured motorist coverage, underinsured motorist coverage, or 548
both uninsured and underinsured motorist coverages are provided in 549
the policy; 550

(5) When the person actually suffering the bodily injury, 551
sickness, disease, or death is not an insured under the policy. 552

(J) In the event of payment to any person under the uninsured 553
motorist coverage, underinsured motorist coverage, or both 554
uninsured and underinsured motorist coverages, and subject to the 555
terms and conditions of that coverage, the insurer making such 556
payment is entitled, to the extent of the payment, to the proceeds 557
of any settlement or judgment resulting from the exercise of any 558
rights of recovery of that person against any person or 559
organization legally responsible for the bodily injury or death 560
for which the payment is made, including any amount recoverable 561
from an insurer that is or becomes the subject of insolvency 562
proceedings, through such proceedings or in any other lawful 563
manner. No insurer shall attempt to recover any amount against the 564
insured of an insurer that is or becomes the subject of insolvency 565
proceedings, to the extent of those rights against the insurer 566
that the insured assigns to the paying insurer. 567

(K) Nothing in this section shall prohibit the inclusion of 568
underinsured motorist coverage in any uninsured motorist coverage 569
included in a policy of insurance. 570

(L) The superintendent of insurance shall study the market 571
availability of, and competition for, uninsured and underinsured 572
motorist coverages in this state and shall, from time to time, 573
prepare status reports containing the superintendent's findings 574
and any recommendations. The first status report shall be prepared 575
not later than two years after ~~the effective date of this~~ 576

~~amendment~~ October 31, 2001. To assist in preparing these status 577
reports, the superintendent may require insurers and rating 578
organizations operating in this state to collect pertinent data 579
and to submit that data to the superintendent. 580

The superintendent shall submit a copy of each status report 581
to the governor, the speaker of the house of representatives, the 582
president of the senate, and the chairpersons of the committees of 583
the general assembly having primary jurisdiction over issues 584
relating to automobile insurance. 585

Sec. 3937.30. (A) As used in sections 3937.30 to 3937.39 of 586
the Revised Code, "automobile insurance policy" means an insurance 587
policy delivered or issued in this state or covering a motor 588
vehicle required to be registered in this state which: 589

~~(A)(1)~~ Provides automobile bodily injury or property damage 590
liability, or related coverage, or any combination thereof; 591

~~(B)(2)~~ Insures as named insured, any of the following: 592

~~(1)(a)~~ Any one person; 593

~~(2)(b)~~ A husband and wife resident in the same household; 594

~~(3)(c)~~ Either a husband or a wife who reside in the same 595
household if an endorsement on the policy excludes the other 596
spouse from coverage under the policy and the spouse excluded 597
signs the endorsement. Nothing in ~~this~~ division ~~(B)(3)(A)(2)(c)~~ of 598
this section shall prevent the issuance of separate policies to 599
each spouse or affect the compliance of the policy with Chapter 600
4509. of the Revised Code as to the named insured or any 601
additional insured. 602

~~(C) Insures only private passenger motor vehicles or other 603
four wheeled motor vehicles which are classified or rated as 604
private passenger vehicles and are not used as public or private 605
livery, or rental conveyances; 606~~

~~(D) Does not insure more than four motor vehicles;~~ 607

~~(E)(3) Does not cover garage, automobile sales agency, repair shop, service station, or public parking operation hazards;~~ 608
609

~~(F)(4) Is not issued under an assigned risk plan pursuant to section 4509.70 of the Revised Code.~~ 610
611

(B) For purposes of this section, "motor vehicle," means a self-propelled vehicle designed for and principally used on public roads, including an automobile, truck, motorcycle, and a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trailer, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails, or any similar vehicle. 612
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Sec. 3937.31. (A) Every automobile insurance policy shall be issued for a period of not less than ~~two years~~ one year or guaranteed renewable for successive policy periods totaling not less than ~~two years~~ one year. Where renewal is mandatory, "cancellation," as used in sections 3937.30 to 3937.39 of the Revised Code, includes refusal to renew a policy with at least the coverages, included insureds, and policy limits provided at the end of the next preceding policy period. No insurer may cancel any ~~such~~ automobile insurance policy except pursuant to the terms of the policy, and in accordance with sections 3937.30 to 3937.39 of the Revised Code, and for one or more of the following reasons:

(1) ~~Misrepresentation~~ Fraud, concealment, or misrepresentation by the insured to the insurer of any material fact in the procurement or renewal of the insurance or in the submission of claims thereunder;

(2) Loss of driving privileges through suspension, 637
revocation, or expiration of the driver's or commercial driver's 638
license of the named insured or any member of the named insured's 639
family covered as a driver; provided that the insurer shall 640
continue the policy in effect but exclude by endorsement all 641
coverage as to the person whose driver's license has been 642
suspended, revoked, or has expired, if the person is other than 643
the named insured or the principal operator; 644

(3) Nonpayment of premium, which means failure of the named 645
insured to discharge when due any of the named insured's 646
obligations in connection with the payment of premiums on a 647
policy, or any installment of such premiums, whether the premium 648
is payable directly to the insurer or its agent or indirectly 649
under any premium finance plan or extension of credit; 650

(4) The place of residence of the insured or the state of 651
registration or license of the insured automobile is changed to a 652
state or country in which the insurer is not authorized to write 653
automobile coverage. 654

This section does not apply in the case of a cancellation if 655
the insurer has indicated its willingness to issue a new policy 656
within the same insurer or within another insurer under the same 657
ownership or management as that of the insurer that has issued the 658
cancellation. 659

(B) Sections 3937.30 to 3937.39 of the Revised Code do not 660
prohibit: 661

(1) Changes in coverage or policy limits, cancellation, or 662
nonrenewal for any reason at the request or with the consent of 663
the insured; 664

(2) Lawful surcharges, adjustments, or other changes in 665
premium; 666

(3) Policy modification to all policies issued to a 667

classification of risk which do not effect a withdrawal or 668
reduction in the initial coverage or policy limits; 669

(4) An insurer's refusing for any reason to renew a policy 670
upon its expiration at the end of any mandatory period, provided 671
such nonrenewal complies with the procedure set forth in section 672
3937.34 of the Revised Code. 673

(C) Sections 3937.30 to 3937.39 of the Revised Code do not 674
apply to any policy or coverage that has been in effect less than 675
ninety days at the time notice of cancellation is mailed by the 676
insurer, unless it is a renewal policy. 677

(D) Renewal of a policy does not constitute a waiver or 678
estoppel with respect to grounds for cancellation that existed 679
before the effective date of such renewal. 680

(E) Nothing in this section prohibits an insurer from 681
incorporating into a policy any changes that are permitted or 682
required by this section or other sections of the Revised Code at 683
the beginning of any policy period within the ~~two-year~~ one-year 684
period set forth in division (A) of this section. 685

Sec. 3937.32. No cancellation of an automobile insurance 686
policy is effective, unless it is pursuant to written notice to 687
the insured of cancellation. Such notice shall contain: 688

(A) The policy number; 689

(B) The date of the notice; 690

(C) The effective date of cancellation of the policy, which 691
shall not be earlier than thirty days following the date of the 692
notice; 693

(D) An explanation of the reason for cancellation and the 694
information upon which it is based, or a statement that such 695
explanation will be furnished to the insured in writing within 696
five days after receipt of ~~his~~ the insured's written request 697

therefor to the insurer; 698

(E) Where cancellation is for nonpayment of premium at least 699
ten days notice from the date of mailing of cancellation 700
accompanied by the reason ~~therefore~~ therefor shall be given; 701

(F) A statement that if there is cause to believe such 702
cancellation is based on erroneous information, or is contrary to 703
law or the terms of the policy, the insured is entitled to have 704
the matter reviewed by the superintendent of insurance, upon 705
written application to the superintendent made not later than the 706
effective date of cancellation of the policy, ~~and that if a~~ 707
~~hearing is held by the superintendent of insurance, a deposit of~~ 708
~~five dollars shall be made, and that such deposit shall be~~ 709
~~returned to the insured if the finding is in his favor.~~ 710

Sec. 3937.33. An insurer may cancel an automobile insurance 711
policy at such time prior to its expiration for such reasons as 712
may be permitted by section 3937.31 of the Revised Code, by 713
mailing to the insured, at ~~his~~ the insured's last known address 714
appearing on the insurer's records, ~~at least thirty days prior to~~ 715
~~the effective date of cancellation,~~ a notice of cancellation 716
pursuant to section 3937.32 of the Revised Code. If such notice of 717
cancellation, for a reason other than nonpayment of premium, does 718
not contain an explanation of the reason for cancellation and the 719
information upon which it is based, the insurer shall, within five 720
days after receipt of the written request therefor by the insured, 721
furnish explanation to the insured in writing. Prior to the 722
effective date of cancellation, the insurer shall ~~tender~~ refund to 723
the insured any ~~refund~~ premium and other sums which may be due the 724
insured. 725

Upon compliance by the insurer with all requirements of this 726
section, such automobile insurance policy is cancelled on the 727
effective date stated in the notice of cancellation, except as 728

otherwise provided in section 3937.35 of the Revised Code. In the 729
event of the insurer's failure to comply with any requirement of 730
this section, such cancellation shall be ineffective and the 731
policy shall continue in force until such time as it is cancelled 732
or otherwise terminated pursuant to law and the terms of the 733
policy. 734

Sec. 3937.34. An insurer may refuse to renew an automobile 735
insurance policy by mailing to the insured, at ~~his~~ the insured's 736
last known address appearing on the insurer's records, and at 737
least thirty days prior to the date of expiration of the policy, a 738
notice of the insurer's intention not to renew the policy. Such 739
notice shall contain: 740

(A) The policy number; 741

(B) The date of the notice; 742

(C) The effective date of expiration; 743

(D) An explanation of the reason for nonrenewal and the 744
information upon which it is based, or a statement that such 745
explanation will be furnished to the insured in writing within 746
five days after receipt of ~~his~~ the insured's written request 747
therefor to the insurer. 748

Upon compliance by the insurer with all requirements of this 749
section, such ~~motor vehicle~~ automobile insurance policy expires on 750
the expiration date stated in the policy and notice of intention 751
not to renew. 752

Sec. 3937.35. Upon receipt of a notice of cancellation given 753
pursuant to section 3937.33 of the Revised Code at any time prior 754
to the effective date of cancellation of ~~a motor vehicle~~ an 755
automobile insurance policy, the insured may apply in writing to 756
the superintendent of insurance for review of such cancellation. 757
~~If the superintendent finds that grounds for hearing do not exist,~~ 758

~~he shall forthwith give written notice to the insured and insurer~~ 759
~~of such finding.~~ If the superintendent finds that there is cause 760
to believe that such cancellation is based on erroneous 761
information, or is contrary to law or the terms of the policy, ~~he~~ 762
~~the superintendent~~ shall, ~~not later than ten days following~~ 763
~~receipt of the application, hold a hearing to~~ determine whether 764
such cancellation is effective and shall give written notice of 765
such ~~hearing~~ finding to the insured and the insurer ~~not later than~~ 766
~~five days prior to the hearing thereof, provided that the insured~~ 767
~~make a deposit of five dollars by the hearing date. Such deposit~~ 768
~~shall be returned if the finding is in the insured's favor but~~ 769
~~otherwise shall be paid into the general revenue fund by the~~ 770
~~department of insurance.~~ 771

~~If, upon hearing,~~ the superintendent finds that such 772
cancellation is in accordance with law and the terms of the 773
policy, ~~he~~ ~~the superintendent~~ shall, ~~within five days following~~ 774
~~hearing,~~ issue ~~his~~ a written order finding approving such 775
cancellation in such case. ~~If such order is issued less than ten~~ 776
~~days prior to the effective date of cancellation of the policy,~~ 777
~~the policy shall continue in force for ten days following the date~~ 778
~~of the order or until the insured secures other coverage,~~ 779
~~whichever occurs first, and the order of the superintendent shall~~ 780
~~so state.~~ 781

If, upon hearing review, the superintendent finds that such 782
cancellation is contrary to law or the terms of the policy, ~~he~~ the 783
superintendent shall issue ~~his~~ a written order finding 784
disapproving the cancellation and stating in what particulars the 785
same is improper. In such case, the policy continues in force as 786
provided in section 3937.33 of the Revised Code if the insured 787
tenders to the insurer ~~at the time of hearing the~~ within ten days 788
any premium refund made by the insurer. 789

Sec. 3937.46. (A) An intrafamily liability exclusion shall 790
not apply or be enforced by an insurer against the owner or 791
operator of a motor vehicle in a claim or in a suit for damages 792
made against the owner or operator under Chapter 2125. of the 793
Revised Code. 794

(B) The prohibition included in division (A) of this section 795
does not apply if both of the following conditions are met: 796

(1) The policy providing the liability coverage in question 797
includes uninsured-underinsured motorist coverage pursuant to 798
section 3937.18 of the Revised Code; 799

(2) Such an intrafamily claim is not precluded by an 800
intrafamily exclusion in the uninsured-underinsured motorist 801
coverage in question. 802

(C) As used in this section: 803

(1) "Intrafamily liability exclusion" means any provision 804
included in an automobile insurance policy that excludes liability 805
insurance coverage for the owner or operator of a motor vehicle 806
against a claim for injury or death suffered by a family member of 807
that owner or operator. 808

(2) "Automobile insurance policy" has the same meaning as in 809
section 3937.30 of the Revised Code. 810

Sec. 4505.11. This section shall also apply to all-purpose 811
vehicles and off-highway motorcycles as defined in section 4519.01 812
of the Revised Code. 813

(A) Each owner of a motor vehicle and each person mentioned 814
as owner in the last certificate of title, when the motor vehicle 815
is dismantled, destroyed, or changed in such manner that it loses 816
its character as a motor vehicle, or changed in such manner that 817
it is not the motor vehicle described in the certificate of title, 818

shall surrender the certificate of title to that motor vehicle to 819
a clerk of a court of common pleas, and the clerk, with the 820
consent of any holders of any liens noted on the certificate of 821
title, then shall enter a cancellation upon the clerk's records 822
and shall notify the registrar of motor vehicles of the 823
cancellation. 824

Upon the cancellation of a certificate of title in the manner 825
prescribed by this section, any clerk and the registrar of motor 826
vehicles may cancel and destroy all certificates and all 827
memorandum certificates in that chain of title. 828

(B)(1) If an Ohio certificate of title or salvage certificate 829
of title to a motor vehicle is assigned to a salvage dealer, the 830
dealer is not required to obtain an Ohio certificate of title or a 831
salvage certificate of title to the motor vehicle in the dealer's 832
own name if the dealer dismantles or destroys the motor vehicle, 833
indicates the number of the dealer's motor vehicle salvage 834
dealer's license on it, marks "FOR DESTRUCTION" across the face of 835
the certificate of title or salvage certificate of title, and 836
surrenders the certificate of title or salvage certificate of 837
title to a clerk of a court of common pleas as provided in 838
division (A) of this section. If the salvage dealer retains the 839
motor vehicle for resale, the dealer shall make application for a 840
salvage certificate of title to the motor vehicle in the dealer's 841
own name as provided in division (C)(1) of this section. 842

(2) At the time any salvage motor vehicle is sold at auction 843
or through a pool, the salvage motor vehicle auction or salvage 844
motor vehicle pool shall give a copy of the salvage certificate of 845
title or a copy of the certificate of title marked "FOR 846
DESTRUCTION" to the purchaser. 847

(C)(1) When an insurance company declares it economically 848
impractical to repair such a motor vehicle and has paid an agreed 849
price for the purchase of the motor vehicle to any insured or 850

claimant owner, the insurance company shall ~~receive the~~ 851
~~certificate of title and the motor vehicle and~~ proceed as follows- 852
~~Within:~~ 853

(a) If an insurance company receives the certificate of title 854
and the motor vehicle, within thirty business days, the insurance 855
company shall deliver the certificate of title to a clerk of a 856
court of common pleas and shall make application for a salvage 857
certificate of title. ~~The~~ 858

(b) If an insurance company obtains possession of the motor 859
vehicle but is unable to obtain the properly endorsed certificate 860
of title for the motor vehicle, within thirty business days 861
following the vehicle's owner or lienholder's acceptance of the 862
insurance company's payment for the vehicle, the insurance company 863
may apply to the clerk of a court of common pleas for a salvage 864
certificate of title without delivering the certificate of title 865
for the motor vehicle. The application shall be accompanied by 866
evidence that the insurance company has paid a total loss claim on 867
the vehicle, a copy of the written request for the certificate of 868
title on the insurance company's letterhead, and the original 869
certified mail, return receipt notice, addressed to the last known 870
owner of the vehicle and any known lienholder, to obtain the 871
certificate of title. 872

(c) Upon receipt of a properly completed application for a 873
salvage certificate of title as described in division (C)(1)(a) or 874
(b) or (C)(2) of this section, the clerk shall issue the salvage 875
certificate of title on a form, prescribed by the registrar, that 876
shall be easily distinguishable from the original certificate of 877
title and shall bear the same information as the original 878
certificate of title except that it may bear a different number 879
than that of the original certificate of title. Except as provided 880
in division (C)~~(2)~~(3) of this section, the salvage certificate of 881
title shall be assigned by the insurance company to a salvage 882

dealer or any other person for use as evidence of ownership upon 883
the sale or other disposition of the motor vehicle, and the 884
salvage certificate of title shall be transferrable to any other 885
person. The clerk shall charge a fee of four dollars for the cost 886
of processing each salvage certificate of title. 887

(2) If an insurance company requests that a salvage motor 888
vehicle auction take possession of a motor vehicle that is the 889
subject of an insurance claim, and subsequently the insurance 890
company denies coverage with respect to the motor vehicle or does 891
not otherwise take ownership of the motor vehicle, the salvage 892
motor vehicle auction may proceed as follows. After the salvage 893
motor vehicle auction has possession of the motor vehicle for 894
forty-five days, it may apply to the clerk of a court of common 895
pleas for a salvage certificate of title without delivering the 896
certificate of title for the motor vehicle. The application shall 897
be accompanied by a copy of the written request that the vehicle 898
be removed from the facility on the salvage motor vehicle 899
auction's letterhead, and the original certified mail, return 900
receipt notice, addressed to the last known owner of the vehicle 901
and any known lienholder, requesting that the vehicle be removed 902
from the facility of the salvage motor vehicle auction. Upon 903
receipt of a properly completed application, the clerk shall 904
follow the process as described in division (C)(1)(c) of this 905
section. The salvage certificate of title so issued shall be free 906
and clear of all liens. 907

(3) If an insurance company considers a motor vehicle as 908
described in division (C)(1)(a) or (b) of this section to be 909
impossible to restore for highway operation, the insurance company 910
may assign the certificate of title to the motor vehicle to a 911
salvage dealer or scrap metal processing facility and send the 912
assigned certificate of title to the clerk of the court of common 913
pleas of any county. The insurance company shall mark the face of 914

the certificate of title "FOR DESTRUCTION" and shall deliver a 915
photocopy of the certificate of title to the salvage dealer or 916
scrap metal processing facility for its records. 917

~~(3)~~(4) If an insurance company declares it economically 918
impractical to repair a motor vehicle, agrees to pay to the 919
insured or claimant owner an amount in settlement of a claim 920
against a policy of motor vehicle insurance covering the motor 921
vehicle, and agrees to permit the insured or claimant owner to 922
retain possession of the motor vehicle, the insurance company 923
shall not pay the insured or claimant owner any amount in 924
settlement of the insurance claim until the owner obtains a 925
salvage certificate of title to the vehicle and furnishes a copy 926
of the salvage certificate of title to the insurance company. 927

(D) When a self-insured organization, rental or leasing 928
company, or secured creditor becomes the owner of a motor vehicle 929
that is burned, damaged, or dismantled and is determined to be 930
economically impractical to repair, the self-insured organization, 931
rental or leasing company, or secured creditor shall do one of the 932
following: 933

(1) Mark the face of the certificate of title to the motor 934
vehicle "FOR DESTRUCTION" and surrender the certificate of title 935
to a clerk of a court of common pleas for cancellation as 936
described in division (A) of this section. The self-insured 937
organization, rental or leasing company, or secured creditor then 938
shall deliver the motor vehicle, together with a photocopy of the 939
certificate of title, to a salvage dealer or scrap metal 940
processing facility and shall cause the motor vehicle to be 941
dismantled, flattened, crushed, or destroyed. 942

(2) Obtain a salvage certificate of title to the motor 943
vehicle in the name of the self-insured organization, rental or 944
leasing company, or secured creditor, as provided in division 945
(C)(1) of this section, and then sell or otherwise dispose of the 946

motor vehicle. If the motor vehicle is sold, the self-insured 947
organization, rental or leasing company, or secured creditor shall 948
obtain a salvage certificate of title to the motor vehicle in the 949
name of the purchaser from a clerk of a court of common pleas. 950

(E) If a motor vehicle titled with a salvage certificate of 951
title is restored for operation upon the highways, application 952
shall be made to a clerk of a court of common pleas for a 953
certificate of title. Upon inspection by the state highway patrol, 954
which shall include establishing proof of ownership and an 955
inspection of the motor number and vehicle identification number 956
of the motor vehicle and of documentation or receipts for the 957
materials used in restoration by the owner of the motor vehicle 958
being inspected, which documentation or receipts shall be 959
presented at the time of inspection, the clerk, upon surrender of 960
the salvage certificate of title, shall issue a certificate of 961
title for a fee prescribed by the registrar. The certificate of 962
title shall be in the same form as the original certificate of 963
title and shall bear the words "REBUILT SALVAGE" in black boldface 964
letters on its face. Every subsequent certificate of title, 965
memorandum certificate of title, or duplicate certificate of title 966
issued for the motor vehicle also shall bear the words "REBUILT 967
SALVAGE" in black boldface letters on its face. The exact location 968
on the face of the certificate of title of the words "REBUILT 969
SALVAGE" shall be determined by the registrar, who shall develop 970
an automated procedure within the automated title processing 971
system to comply with this division. The clerk shall use 972
reasonable care in performing the duties imposed on the clerk by 973
this division in issuing a certificate of title pursuant to this 974
division, but the clerk is not liable for any of the clerk's 975
errors or omissions or those of the clerk's deputies, or the 976
automated title processing system in the performance of those 977
duties. A fee of fifty dollars shall be assessed by the state 978
highway patrol for each inspection made pursuant to this division 979

and shall be deposited into the state highway safety fund 980
established by section 4501.06 of the Revised Code. 981

(F) No person shall operate upon the highways in this state a 982
motor vehicle, title to which is evidenced by a salvage 983
certificate of title, except to deliver the motor vehicle pursuant 984
to an appointment for an inspection under this section. 985

(G) No motor vehicle the certificate of title to which has 986
been marked "FOR DESTRUCTION" and surrendered to a clerk of a 987
court of common pleas shall be used for anything except parts and 988
scrap metal. 989

(H)(1) Except as otherwise provided in this division, an 990
owner of a manufactured or mobile home that will be taxed as real 991
property pursuant to division (B) of section 4503.06 of the 992
Revised Code shall surrender the certificate of title to the 993
auditor of the county containing the taxing district in which the 994
home is located. An owner whose home qualifies for real property 995
taxation under divisions (B)(1)(a) and (b) of section 4503.06 of 996
the Revised Code shall surrender the certificate within fifteen 997
days after the home meets the conditions specified in those 998
divisions. The auditor shall deliver the certificate of title to 999
the clerk of the court of common pleas who issued it. 1000

(2) If the certificate of title for a manufactured or mobile 1001
home that is to be taxed as real property is held by a lienholder, 1002
the lienholder shall surrender the certificate of title to the 1003
auditor of the county containing the taxing district in which the 1004
home is located, and the auditor shall deliver the certificate of 1005
title to the clerk of the court of common pleas who issued it. The 1006
lienholder shall surrender the certificate within thirty days 1007
after both of the following have occurred: 1008

(a) The homeowner has provided written notice to the 1009
lienholder requesting that the certificate of title be surrendered 1010

to the auditor of the county containing the taxing district in 1011
which the home is located. 1012

(b) The homeowner has either paid the lienholder the 1013
remaining balance owed to the lienholder, or, with the 1014
lienholder's consent, executed and delivered to the lienholder a 1015
mortgage on the home and land on which the home is sited in the 1016
amount of the remaining balance owed to the lienholder. 1017

(3) Upon the delivery of a certificate of title by the county 1018
auditor to the clerk, the clerk shall inactivate it and maintain 1019
it in the automated title processing system for a period of thirty 1020
years. 1021

(4) Upon application by the owner of a manufactured or mobile 1022
home that is taxed as real property pursuant to division (B) of 1023
section 4503.06 of the Revised Code and that no longer satisfies 1024
divisions (B)(1)(a) and (b) or divisions (B)(2)(a) and (b) of that 1025
section, the clerk shall reactivate the record of the certificate 1026
of title that was inactivated under division (H)(3) of this 1027
section and shall issue a new certificate of title, but only if 1028
the application contains or has attached to it all of the 1029
following: 1030

(a) An endorsement of the county treasurer that all real 1031
property taxes charged against the home under Title LVII of the 1032
Revised Code and division (B) of section 4503.06 of the Revised 1033
Code for all preceding tax years have been paid; 1034

(b) An endorsement of the county auditor that the home will 1035
be removed from the real property tax list; 1036

(c) Proof that there are no outstanding mortgages or other 1037
liens on the home or, if there are such mortgages or other liens, 1038
that the mortgagee or lienholder has consented to the reactivation 1039
of the certificate of title. 1040

(I)(1) Whoever violates division (F) of this section shall be 1041

fined not more than two thousand dollars, imprisoned not more than 1042
one year, or both. 1043

(2) Whoever violates division (G) of this section shall be 1044
fined not more than one thousand dollars, imprisoned not more than 1045
six months, or both. 1046

Sec. 4509.01. As used in sections 4509.01 to 4509.78 of the 1047
Revised Code: 1048

(A) "Person" includes every natural person, firm, 1049
partnership, association, or corporation. 1050

(B) "Driver" means every person who drives or is in actual 1051
physical control of a motor vehicle. 1052

(C) "License" includes any license, permit, or privilege to 1053
operate a motor vehicle issued under the laws of this state 1054
including: 1055

(1) Any temporary instruction permit or examiner's driving 1056
permit; 1057

(2) The privilege of any person to drive a motor vehicle 1058
whether or not such person holds a valid license; 1059

(3) Any nonresident's operating privilege. 1060

(D) "Owner" means a person who holds the legal title of a 1061
motor vehicle. If a motor vehicle is the subject of a lease with 1062
an immediate right of possession vested in the lessee, the lessee 1063
is the owner. A person listed as the owner on a certificate of 1064
title on which there is a notation of a security interest is the 1065
owner. A buyer or other transferee of a motor vehicle who receives 1066
the certificate of title from the seller or transferor listing the 1067
seller or transferor thereon as the owner with an assignment of 1068
title to the buyer or transferee nonetheless is the owner even 1069
though a subsequent certificate of title has not been issued 1070
listing the buyer or transferee as the owner. 1071

(E) "Registration" means registration certificates and 1072
registration plates issued under the laws of this state pertaining 1073
to the registration of motor vehicles. 1074

(F) "Nonresident" means every person who is not a resident of 1075
this state. 1076

(G) "Nonresident's operating privilege" means the privilege 1077
conferred upon a nonresident by the laws of this state pertaining 1078
to the operation by such person of a motor vehicle, or the use of 1079
a motor vehicle owned by such person, in this state. 1080

(H) "Vehicle" means every device by which any person or 1081
property may be transported upon a highway, except electric 1082
personal assistive mobility devices, devices moved by power 1083
collected from overhead electric trolley wires, or used 1084
exclusively upon stationary rails or tracks, and except devices 1085
other than bicycles moved by human power. 1086

(I) "Motor vehicle" means every vehicle propelled by power 1087
other than muscular power or power collected from overhead 1088
electric trolley wires, except motorized bicycles, road rollers, 1089
traction engines, power shovels, power cranes and other equipment 1090
used in construction work and not designed for or employed in 1091
general highway transportation, hole-digging machinery, 1092
well-drilling machinery, ditch-digging machinery, farm machinery, 1093
threshing machinery, hay baling machinery, and agricultural 1094
tractors and machinery used in the production of horticultural, 1095
floricultural, agricultural, and vegetable products. 1096

(J) "Accident" or "motor vehicle accident" means any accident 1097
involving a motor vehicle which results in bodily injury to or 1098
death of any person, or damage to the property of any person in 1099
excess of four hundred dollars. 1100

(K) "Proof of financial responsibility" means proof of 1101
ability to respond in damages for liability, on account of 1102

accidents occurring subsequent to the effective date of such 1103
proof, arising out of the ownership, maintenance, or use of a 1104
motor vehicle in the amount of ~~twelve~~ twenty-five thousand ~~five~~ 1105
~~hundred~~ dollars because of bodily injury to or death of one person 1106
in any one accident, in the amount of ~~twenty-five~~ fifty thousand 1107
dollars because of bodily injury to or death of two or more 1108
persons in any one accident, and in the amount of ~~seven~~ 1109
twenty-five thousand ~~five hundred~~ dollars because of injury to 1110
property of others in any one accident. 1111

(L) "Motor-vehicle liability policy" means an "owner's 1112
policy" or an "operator's policy" of liability insurance, 1113
certified as provided in section 4509.46 or 4509.47 of the Revised 1114
Code as proof of financial responsibility, and issued, except as 1115
provided in section 4509.47 of the Revised Code, by an insurance 1116
carrier authorized to do business in this state, to or for the 1117
benefit of the person named therein as insured. 1118

Sec. 4509.20. (A) A policy or bond does not comply with 1119
divisions (A)(5), (A)(6), and (A)(7) of section 4509.19 of the 1120
Revised Code unless issued by an insurance company or surety 1121
company authorized to do business in this state, except as 1122
provided in division (B) of this section, or unless such policy or 1123
bond is subject, if the accident has resulted in bodily injury or 1124
death, to a limit, exclusive of interest and costs, of not less 1125
than ~~twelve~~ twenty-five thousand ~~five hundred~~ dollars because of 1126
bodily injury to or death of one person in any one accident, and, 1127
subject to said limit for one person, to a limit of not less than 1128
~~twenty-five~~ fifty thousand dollars because of bodily injury to or 1129
death of two or more persons in one accident, and, if the accident 1130
has resulted in injury to, or destruction of property, to a limit 1131
of not less than ~~seven~~ twenty-five thousand ~~five hundred~~ dollars 1132
because of injury to or destruction of property of others in any 1133
one accident. 1134

(B) A policy or bond does not comply with divisions (A) (5), 1135
(A) (6), and (A) (7) of section 4509.19 of the Revised Code with 1136
respect to any motor vehicle which was not registered in this 1137
state or was a motor vehicle which was registered elsewhere than 1138
in this state at the effective date of the policy or bond or the 1139
most recent renewal thereof, unless the insurance company or 1140
surety company issuing such policy or bond is authorized to do 1141
business in this state, or if said company is not authorized to do 1142
business in this state unless it executes a power of attorney 1143
authorizing the registrar of motor vehicles to accept service on 1144
its behalf of notice or process in any action upon such policy or 1145
bond arising out of such accident. 1146

The registrar may rely upon the accuracy of the information 1147
in the required report of a motor vehicle accident as to the 1148
existence of insurance or a bond unless the registrar has reason 1149
to believe that the information is erroneous. 1150

Sec. 4509.41. (A) Judgments are satisfied for the purpose of 1151
sections 4509.01 to 4509.78, inclusive, of the Revised Code, in 1152
each of the following cases: 1153

(1) When ~~twelve~~ twenty-five thousand ~~five hundred~~ dollars has 1154
been credited upon any judgments in excess of that amount because 1155
of bodily injury to or death of one person as a result of any one 1156
accident; 1157

(2) When the sum of ~~twenty-five~~ fifty thousand dollars has 1158
been credited upon any judgments in excess of that amount because 1159
of bodily injury to or death of two or more persons as the result 1160
of any one accident; 1161

(3) When ~~seven~~ twenty-five thousand ~~five hundred~~ dollars has 1162
been credited upon any judgments rendered in excess of that amount 1163
because of injury to property of others as a result of any one 1164
accident. 1165

(B) Payments made in settlements of any claims because of 1166
bodily injury, death, or property damage arising from such 1167
accident shall be credited in reduction of the amounts provided 1168
for in this section. 1169

Sec. 4509.51. Subject to the terms and conditions of an 1170
owner's policy, every owner's policy of liability insurance: 1171

(A) Shall designate by explicit description or by appropriate 1172
reference all motor vehicles with respect to which coverage is 1173
thereby granted; 1174

(B) Shall insure the person named therein and any other 1175
person, as insured, using any such motor vehicles with the express 1176
or implied permission of the insured, against loss from the 1177
liability imposed by law for damages arising out of the ownership, 1178
maintenance, or use of such vehicles within the United States or 1179
Canada, subject to monetary limits exclusive of interest and 1180
costs, with respect to each such motor vehicle, as follows: 1181

(1) ~~Twelve~~ Twenty-five thousand ~~five hundred~~ dollars because 1182
of bodily injury to or death of one person in any one accident; 1183

(2) ~~Twenty-five~~ Fifty thousand dollars because of bodily 1184
injury to or death of two or more persons in any one accident; 1185

(3) ~~Seven~~ Twenty-five thousand ~~five hundred~~ dollars because 1186
of injury to property of others in any one accident. 1187

Section 2. That existing sections 3901.21, 3937.18, 3937.30, 1188
3937.31, 3937.32, 3937.33, 3937.34, 3937.35, 4505.11, 4509.01, 1189
4509.20, 4509.41, and 4509.51 of the Revised Code are hereby 1190
repealed. 1191

Section 3. (A) The amendments to section 3937.31 of the 1192
Revised Code of Sections 1 and 2 of this act shall take effect six 1193
months after the effective date of this act. 1194

(B) The amendments to sections 4509.01, 4509.20, 4509.41, and 4509.51 of the Revised Code by Sections 1 and 2 of this act that increase the threshold amounts required for proof of financial responsibility shall take effect nine months after the effective date of this act and shall apply to motor-vehicle liability policies, as defined in section 4509.01 of the Revised Code, that are issued or renewed in Ohio nine or more months after the effective date of this act. A policy in effect on the effective date of these amendments shall continue to constitute proof of financial responsibility for the remainder of the term of that policy.

(C) The amendments to section 3937.18 and the enactment of section 3937.46 of the Revised Code by Sections 1 and 2 of this act that restrict the implementation of intrafamily exclusions in motor-vehicle insurance policies shall apply to motor-vehicle insurance policies issued or renewed in Ohio on and after the effective date of this act. A policy in effect immediately prior to the effective date of these amendments shall remain in effect for the remainder of the term of that policy.

Section 4. (A) A study committee is hereby established to study the feasibility of requiring insurance companies issuing motor vehicle liability insurance policies in this state to report certain policy information to the Registrar of Motor Vehicles. The study committee shall consist of twelve members, including the Director of Public Safety or the Director's designee, the Superintendent of Insurance or the Superintendent's designee, six members appointed by the Governor, two members appointed by the Speaker of the House of Representatives, and two members appointed by the President of the Senate. Of the members appointed by the Governor, one shall represent an Ohio-based automobile insurance company or organization, one shall be an automobile insurance agent, one shall represent the Buckeye State Sheriffs'

Association, one shall represent the Ohio Association of Chiefs of Police, one shall represent the Ohio Clerk of Courts Association, and one shall be a representative of Ohio's municipal judges. Of the members appointed by the Speaker of the House of Representatives, both shall be members of the House of Representatives and only one shall be of the same political party as the Speaker. Of the members appointed by the President of the Senate, both shall be members of the Senate and only one shall be of the same political party as the President. The Governor, Speaker, and President shall make their appointments within two weeks after the effective date of this section. The Director of Public Safety or the Director's designee and the Superintendent of Insurance or the Superintendent's designee shall serve as co-chairpersons of the study committee.

(B) The study committee shall begin meeting as soon as practicable after the effective date of this section and shall consider all of the following:

(1) Whether insurers should be required to report all motor vehicle liability insurance renewals, cancellations, or lapses to the Registrar and, if so, the time within which the report should be made;

(2) Whether insurers should be required to report the issuance of new motor vehicle policies to the Registrar and, if so, the time within which the report should be made;

(3) The impact of such required reporting on the costs incurred by the insurance industry and the potential for increased insurance premiums;

(4) The form and content of any recommended reports;

(5) Whether the Director of Public Safety, the Superintendent of Insurance, or the Registrar should be required or authorized to adopt rules under Chapter 111. or 119. of the Revised Code to

implement any recommended reporting requirements;	1258
(6) What sanctions should be imposed for any failure by an insurer to timely file any required report;	1259
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(7) What uses should be made of the reported information, including whether the information should be excluded from the public records provisions of section 149.43 of the Revised Code;	1261
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(8) What notice, if any, should be provided to the person whose insurance has been reported lapsed or canceled;	1264
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(9) Whether the insurer should be granted immunity from civil liability for failure to make a report;	1266
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(10) Any other related issues the Registrar or the members of the study committee consider relevant.	1268
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(C) The study committee shall consider provisions contained in the laws or regulations of other states regarding motor vehicle liability insurance verification.	1270
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(D) Not later than one year after the effective date of this section, the study committee shall prepare a comprehensive report, including findings and recommendations, and shall submit the report to the Governor, the Registrar of Motor Vehicles, the Speaker of the House of Representatives, the President of the Senate, and the Chairpersons of the Insurance and Transportation committees of the House of Representatives and the Senate. After submitting its report, the study committee shall cease to exist.	1273
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