

HOUSE RESEARCH

Bill Summary

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Authors: Paymar and others

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Analyst: Thomas R. Pender, 651-296-1885

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Overview

This bill changes the liability insurance requirements for owners of non-commercial aircraft.

Section

- 1** **Certificate of insurance.** Increases the minimum liability insurance limits. The increases are from \$25,000 to \$100,000 per passenger seat for liability to passengers for injury, death, or property damage; the same increase for liability for injury or death per non-passenger in any one incident; and from \$50,000 to \$300,000 per occurrence for injury or death to all non-passengers in any one accident. This last limit is actually a minimum overall cap on liability to non-passengers in any one incident.

Requires that the policy protect injured third parties from post-accident collusion between the insured and the insurance company and from a denial of coverage of third parties based on statements made by the policyholder, fraud, or a violation of the policy. This is a statutory requirement that would apply regardless of whether the policy language includes it or not.

Makes technical changes.

- 2** **Consultation.** Requires representatives of aircraft owners and pilots to meet with representatives of companies that issue aircraft insurance to discuss relevant issues and submit a written report to the appropriate house and senate committees by November 15,

Section

2007.

Makes the bill effective January 1, 2009, for policies issued or renewed on or after that date.