

1 YMCA YOUTH LEGISLATURE OF THE STATE OF MONTANA

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3 \_\_\_ Bill Number \_\_\_

Legislative Action:

4 Introduced By: Ryan Downey

H. Committee: \_\_\_\_\_

House: \_\_\_\_\_

S. Committee: \_\_\_\_\_

7 Authored By: Ryan Downey

Senate: \_\_\_\_\_

8 Delegation: Bozeman High School

Governor: \_\_\_\_\_

9 Referred to Committee:

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11 \*\*\*\*\*

12 A BILL FOR AN ACT ENTITLED: "An act to make it illegal for car insurance companies to  
13 drop coverage on drivers who were in a crash that was not their fault."

14 BE IT ENACTED BY THE MONTANA YMCA YOUTH LEGISLATURE:

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17 **Section 1: Background** Currently car insurance companies are allowed to drop coverage to any  
18 driver under their coverage. They do this most commonly with teenagers that are in a crash  
19 because the total amount of money of their crashes is 34 billion dollars. Also, 56% of teen  
20 driving accidents are because of alcohol. This is effective for the company because they do not  
21 have to continue with the risks associated with covering these people. However they are they are  
22 forgetting about the other teen drivers. Many teens are not at fault when they get into a wreck.  
23 Even though the companies know this, they will still drop these teens coverage. This is because  
24 of no fault insurance. No fault insurance makes it so that insurance companies pay for damages  
25 on their own clients car and compensate for lost wages and discomfort. Insurance companies  
26 will drop coverage so they don't have to pay these expenses. This bill would make it so that  
27 drivers would be fully covered for crashes. In Montana insurance companies still have the right  
28 to file a law suit so that the driver at faults insurance company would pay damages. In order to  
29 make this bill fair for everyone, it must apply to all drivers.

30 **Section 2: Action** This bill would make it so that drivers that are not at fault in a car accident  
31 can not be dropped by their insurance. This would make it so that people would have a more  
32 reliable insurance on their motor vehicle and would not be dropped by their insurance when they  
33 did nothing wrong. This would also help the insurance companies because they would not be  
34 losing money that they would be by dropping the driver. The reason this is not done currently on  
35 by the insurance companies is because they a law suit is not a cost effective option. However  
36 lawsuits don't work to a certain degree then 38 would not have fault insurance. Ultimately, this  
37 bill should cause an increase of profits.

38 **Section 3: Enforcement** This bill would be enforced by the current judicial institutions that are  
39 currently used to deal with car crashes and the involved insurance.

40 **Section 4: Funding** This bill requires no funding.

41 **Section 5: Effective Date** This bill will become effective at the beginning of the next fiscal  
42 year.

