

ASSEMBLY BILL

No. 2012

Introduced by Assembly Members Frommer and John Campbell

February 15, 2002

An act to add Section 116.6 to the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2012, as introduced, Frommer. Insurance.

Existing law defines automobile insurance to include any warranty or guaranty that promises service, maintenance, parts replacement, repair, money, or any other indemnity in the event of loss or damage to a motor vehicle or any part thereof from any cause.

This bill would exclude from that definition a contract by a manufacturer or provider of vehicle protection products or services for covering loss or damage to a vehicle.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 116.6 is added to the Insurance Code, to
2 read:
3 116.6. Notwithstanding Section 116, a contract by a
4 manufacturer or provider of vehicle protection products or
5 services for covering loss or damage to a vehicle, including, but
6 not limited to, expenses for a replacement vehicle, temporary

- 1 vehicle rental expenses, and registration expenses for replacement
- 2 vehicles, shall not constitute automobile insurance.

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