

## Proposed amendments to

### **BILL 11 – ATTORNEY GENERAL STATUTES (VEHICLE INSURANCE) AMENDMENT ACT, 2020**

Currently, BC's no-fault legislation will reduce competition and consumer choice in BC's optional insurance market due to the creation of ICBC's new Basic Vehicle Damage Coverage (Part 11). This coverage will deny consumers the ability to shop around for insurance coverage related to the repair and replacement of their vehicles (ie. physical damage coverage) following accidents where they are not at-fault, and will eliminate the ability of private insurers to compete for a portion of this coverage, as they do today.

The amendments to the Insurance (Vehicles) Act described below could be introduced to remove ICBC's monopoly over the physical damage component of automobile insurance in the province (note: ICBC would retain its monopoly over all other aspects of its basic coverage for bodily injury).

If implemented, these changes would require ICBC to eliminate the mandatory Basic Vehicle Damage premium it plans charge to British Columbians, and would require ICBC to allow drivers to choose to purchase this coverage from ICBC or from a private insurer.

The amendments are to Part 11 which defines ICBC's new Basic Vehicle Damage Coverage, and are specific to subsection 174(3), which deals with accidents on highways, and to subsection 175(3), which deals with accidents off highways.

#### **Proposed amendments:**

- 1. Section 174 of the Attorney General Statutes (Vehicle Insurance) Amendment Act, 2020 is amended**
  - a. **In subsection (1) by adding the new clause (e) to the definition of "eligible vehicle"**
    - e) a vehicle with respect to which the coverage described in subsection (3) is provided by an insurer authorized to transact vehicle insurance, rather than by the corporation.
  - b. **In subsection (3) by striking out the word "Subject" and substituting the words "Unless the insured is otherwise covered by an insurer authorized to transact vehicle insurance, for the loss or damage respecting the insured's eligible vehicle, and subject"**
- 2. Section 175 is amended**
  - a. **In subsection (1) by adding the words**
    - 1 or by an insurer authorized to transact vehicle insurance."
  - b. **In subsection (3) by striking out the word "Subject" and substituting the words "Unless the insured is otherwise covered by an insurer authorized to transact vehicle insurance, for the loss or damage respecting the insured's eligible vehicle, and subject"**