



Senate

General Assembly

File No. 244

January Session, 2013

Senate Bill No. 236

Senate, March 28, 2013

The Committee on Judiciary reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING UNINSURED MOTORIST COVERAGE FOR BODILY INJURY TO A NAMED INSURED OR RELATIVE DURING THE THEFT OF A MOTOR VEHICLE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 38a-336 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2013, and applicable to claims arising on or after said date*):

4 (a) (1) Each automobile liability insurance policy shall provide
5 insurance, herein called uninsured and underinsured motorist
6 coverage, in accordance with the regulations adopted pursuant to
7 section 38a-334, with limits for bodily injury or death not less than
8 those specified in subsection (a) of section 14-112, for the protection of
9 persons insured thereunder who are legally entitled to recover
10 damages because of bodily injury, including death resulting therefrom,
11 from owners or operators of uninsured motor vehicles and
12 underinsured motor vehicles and insured motor vehicles, the insurer
13 of which becomes insolvent prior to payment of such damages. [,

14 because of bodily injury, including death resulting therefrom.] Each
15 insurer licensed to write automobile liability insurance in this state
16 shall provide uninsured and underinsured motorists coverage with
17 limits requested by any named insured upon payment of the
18 appropriate premium, provided each such insurer shall offer such
19 coverage with limits that are twice the limits of the bodily injury
20 coverage of the policy issued to the named insured. The insured's
21 selection of uninsured and underinsured motorist coverage shall apply
22 to all subsequent renewals of coverage and to all policies or
23 endorsements which extend, change, supersede or replace an existing
24 policy issued to the named insured, unless changed in writing by any
25 named insured. (A) No insurer shall be required to provide uninsured
26 and underinsured motorist coverage to [(A)] (i) a named insured or
27 relatives residing in [his] the named insured's household when
28 occupying, or struck as a pedestrian by, an uninsured or underinsured
29 motor vehicle or a motorcycle that is owned by the named insured,
30 except as provided in subparagraph (B) of this subdivision, or [(B)] (ii)
31 any insured occupying an uninsured or underinsured motor vehicle or
32 motorcycle that is owned by such insured. (B) For each automobile
33 liability insurance policy issued or renewed on or after October 1, 2013,
34 an insurer shall not deny uninsured motorist coverage to a named
35 insured or any relative residing in the named insured's household
36 solely on the basis that the named insured or such relative was struck
37 as a pedestrian by a motor vehicle or motorcycle, during the theft of
38 such motor vehicle or motorcycle, that is owned by the named insured
39 and listed as a covered motor vehicle on the named insured's policy.

40 (2) Notwithstanding any provision of this section, each automobile
41 liability insurance policy issued or renewed on and after January 1,
42 1994, shall provide uninsured and underinsured motorist coverage
43 with limits for bodily injury and death equal to those purchased to
44 protect against loss resulting from the liability imposed by law unless
45 any named insured requests in writing a lesser amount, but not less
46 than the limits specified in subsection (a) of section 14-112. Such
47 written request shall apply to all subsequent renewals of coverage and
48 to all policies or endorsements that extend, change, supersede or

49 replace an existing policy issued to the named insured, unless changed
50 in writing by any named insured. No such written request for a lesser
51 amount shall be effective unless any named insured has signed an
52 informed consent form that shall contain: (A) An explanation of
53 uninsured and underinsured motorist insurance approved by the
54 commissioner; (B) a list of uninsured and underinsured motorist
55 coverage options available from the insurer; and (C) the premium cost
56 for each of the coverage options available from the insurer. Such
57 informed consent form shall contain a heading in twelve-point type
58 and shall state: "WHEN YOU SIGN THIS FORM, YOU ARE
59 CHOOSING A REDUCED PREMIUM, BUT YOU ARE ALSO
60 CHOOSING NOT TO PURCHASE CERTAIN VALUABLE
61 COVERAGE WHICH PROTECTS YOU AND YOUR FAMILY. IF YOU
62 ARE UNCERTAIN ABOUT HOW THIS DECISION WILL AFFECT
63 YOU, YOU SHOULD GET ADVICE FROM YOUR INSURANCE
64 AGENT OR ANOTHER QUALIFIED ADVISER."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013, and applicable to claims arising on or after said date</i>	38a-336(a)

JUD *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

This bill alters uninsured motorist coverage requirements. As it concerns private insurance transactions, there is no fiscal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 236*****AN ACT CONCERNING UNINSURED MOTORIST COVERAGE FOR BODILY INJURY TO A NAMED INSURED OR RELATIVE DURING THE THEFT OF A MOTOR VEHICLE.*****SUMMARY:**

By law, automobile insurers must offer uninsured and underinsured motorist coverage. But under current law, they are not required to cover an insured or related household member if either is injured or killed as an occupant of, or struck as a pedestrian by, an uninsured or underinsured motor vehicle or motorcycle that the insured owns.

This bill creates an exception for stolen vehicles. Beginning October 1, 2013, it prohibits automobile insurers that issue or renew policies from denying uninsured (but not underinsured), motorist coverage to a named insured or related household member solely because he or she is struck as a pedestrian during the theft of a covered vehicle the insured owns.

The bill also makes technical changes.

EFFECTIVE DATE: October 1, 2013 and applicable to claims arising on or after that date

BACKGROUND***Uninsured Motorist Coverage***

Uninsured motorist coverage reimburses costs related to injuries to a person, his or her family members, or passengers if an uninsured or hit-and-run driver collides with his or her vehicle. Underinsured motorist coverage reimburses costs when an at-fault driver has insufficient insurance to pay for a person's total loss. This coverage also protects a person hit as a pedestrian.

Related Bill

The Insurance and Real Estate Committee favorably reported sSB 954, which establishes disclosure requirements regarding uninsured and underinsured motorist coverage.

COMMITTEE ACTION

Judiciary Committee

Joint Favorable

Yea 32 Nay 8 (03/13/2013)