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## **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)