

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



PA 14-71—HB 5061

*Judiciary Committee*

*Insurance and Real Estate Committee*

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

**SUMMARY:** This act limits an insurer's discretion to deny uninsured motorist coverage. By law, insurers must include uninsured and underinsured coverage in automobile liability policies, but may deny such coverage when:

1. a named insured or his or her related household member occupies, or is hit as a pedestrian by, an uninsured or underinsured motor vehicle or motorcycle the insured owns or
2. any insured, not only a named insured, occupies his or her uninsured or underinsured motor vehicle or motorcycle.

The act prohibits insurers from denying uninsured motorist coverage solely on the basis that a named insured or his or her related household member was hit as a pedestrian by the insured's motor vehicle or motorcycle while it was being stolen, if it is listed on the policy as a covered motor vehicle or motorcycle. This prohibition applies to automobile liability insurance policies issued or renewed on or after October 1, 2014.

EFFECTIVE DATE: October 1, 2014, and applicable to claims arising on or after that date.

**BACKGROUND**

*Uninsured and Underinsured Motorist Coverage*

Uninsured motorist coverage compensates a policyholder for expenses incurred when another driver who is at fault for an accident has no auto liability insurance or is a hit-and-run driver. Underinsured motorist coverage compensates a policyholder when the at-fault driver has an insufficient amount of auto liability insurance.

*Related Act*

PA 14-20 prohibits insurers from reducing uninsured and underinsured motor vehicle insurance coverage payments by amounts paid by or on behalf of a tortfeasor (the person at fault) for (1) bodily injury to anyone other than the people insured by the policy under which the claim is made or (2) property damage. The act applies to policies issued or renewed on or after October 1, 2015.

OLR PUBLIC ACT SUMMARY

OLR Tracking: MK:JR:VR:am