

HOUSE TRANSPORTATION, PUBLIC WORKS AND CAPITAL IMPROVEMENTS  
COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 97

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

AN ACT

RELATING TO MOTOR VEHICLES; REQUIRING MINIMUM AMOUNTS OF  
INSURANCE AGAINST UNINSURED AND UNDERINSURED MOTORISTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 66-5-301 NMSA 1978 (being Laws 1978,  
Chapter 35, Section 325, as amended) is amended to read:

"66-5-301. INSURANCE AGAINST UNINSURED AND UNKNOWN  
MOTORISTS ~~[REJECTION OF COVERAGE BY THE INSURED]~~.--

A. No motor vehicle or automobile liability policy  
insuring against loss resulting from liability imposed by law  
for bodily injury or death suffered by any person and for  
injury to or destruction of property of others arising out of  
the ownership, maintenance or use of a motor vehicle shall be  
delivered or issued for delivery in New Mexico with respect to  
any motor vehicle registered or principally garaged in New

1 Mexico unless coverage is provided therein or supplemental  
 2 thereto in minimum limits for bodily injury or death and for  
 3 injury to or destruction of property as set forth in Section  
 4 66-5-215 NMSA 1978 and such higher limits as may be desired by  
 5 the insured, but up to the limits of liability specified in  
 6 bodily injury and property damage liability provisions of the  
 7 insured's policy, for the protection of persons insured  
 8 thereunder who are legally entitled to recover damages from  
 9 owners or operators of uninsured motor vehicles because of  
 10 bodily injury, sickness or disease, including death, and for  
 11 injury to or destruction of property resulting therefrom,  
 12 according to the rules and regulations promulgated by, and  
 13 under provisions filed with and approved by, the superintendent  
 14 of insurance. No offset of underinsured motorist coverage  
 15 shall be taken based on the liability coverage limits paid by  
 16 an underinsured tortfeasor.

17 B. The uninsured motorist coverage described in  
 18 Subsection A of this section shall include underinsured  
 19 motorist coverage for persons protected by an insured's policy.  
 20 ~~[For the purposes of this subsection, "underinsured motorist"~~  
 21 ~~means an operator of a motor vehicle with respect to the~~  
 22 ~~ownership, maintenance or use of which the sum of the limits of~~  
 23 ~~liability under all bodily injury liability insurance~~  
 24 ~~applicable at the time of the accident is less than the limits~~  
 25 ~~of liability under the insured's uninsured motorist coverage.~~

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~~No motor vehicle or automobile liability policy sold in New Mexico shall be required to include underinsured motorist coverage until January 1, 1980.]~~

C. The uninsured motorist coverage shall provide an exclusion of not more than the first two hundred fifty dollars (\$250) of loss resulting from injury to or destruction of property of the insured in any one accident. ~~[The named insured shall have the right to reject uninsured motorist coverage as described in Subsections A and B of this section; provided that unless the named insured requests such coverage in writing, such coverage need not be provided in or supplemental to a renewal policy where the named insured has rejected the coverage in connection with a policy previously issued to him by the same insurer]~~

D. An owner of a motor vehicle shall not permit the operation of the owner's motor vehicle upon the streets or highways of New Mexico if the vehicle does not carry uninsured motorist coverage pursuant to the provisions of this section.

E. A person shall not drive a motor vehicle upon the streets or highways of New Mexico if the vehicle does not carry uninsured motorist coverage pursuant to the provisions of this section.

F. Selection of uninsured motorist coverage pursuant to Subsection A of this section shall be made on a per vehicle basis. A separate selection form with available levels

of coverage and corresponding premiums for individual vehicles covered must be provided to and signed by the insured.

G. As used in this section, "underinsured" means that the sum of the available limits of liability under all bodily injury or property damage liability insurance applicable at the time of an accident is insufficient to pay the damages caused to an insured motorist."

**SECTION 2. EFFECTIVE DATE.**--The effective date of the provisions of this act is January 1, 2026.

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underscored material = new  
[bracketed material] = delete