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SENATE BILL 902

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

WILLIAM H. PAYNE

AN ACT

RELATING TO UNINSURED MOTORIST COVERAGE; REQUIRING AN ELECTION TO STACK COVERAGE LIMITS; ALLOWING EXCLUSION OF COVERAGE FOR PUNITIVE AND EXEMPLARY DAMAGES; SPECIFYING THE EXTENT OF COVERAGE FOR PROPERTY.

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

Underscored material = new  
[bracketed material] = delete

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1 delivered or issued for delivery in New Mexico with respect to  
2 any motor vehicle registered or principally garaged in New  
3 Mexico unless coverage is provided therein or supplemental  
4 thereto in minimum limits for bodily injury or death and for  
5 injury to or destruction of property as set forth in Section  
6 66-5-215 NMSA 1978 and such higher limits as may be desired by  
7 the insured, but up to the limits of liability specified in  
8 bodily injury and property damage liability provisions of the  
9 insured's policy, for the protection of persons insured  
10 thereunder who are legally entitled to recover damages from  
11 owners or operators of uninsured motor vehicles because of  
12 bodily injury, sickness or disease, including death, and for  
13 injury to or destruction of property resulting therefrom,  
14 according to the rules and regulations promulgated by, and under  
15 provisions filed with and approved by, the superintendent of in-  
16 surance.

17 B. The uninsured motorist coverage described in  
18 Subsection A of this section shall include underinsured motorist  
19 coverage for persons protected by an insured's policy. For the  
20 purposes of this subsection, "underinsured motorist" means an  
21 operator of a motor vehicle with respect to the ownership,  
22 maintenance or use of which the sum of the limits of liability  
23 under all bodily injury liability insurance applicable at the  
24 time of the accident is less than the limits of liability under  
25 the insured's uninsured motorist coverage. ~~No motor vehicle or~~

.116671.1

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1 ~~automobile liability policy sold in New Mexico shall be required~~  
2 ~~to include underinsured motorist coverage until January 1,~~  
3 ~~1980.]~~

4 C. Unless a named insured makes an express election  
5 to stack uninsured motorist coverage limits for two or more  
6 insured vehicles by adding such limits together, the limits  
7 shall not be stacked. An insurer shall notify its policyholders  
8 in writing that they may elect to stack uninsured motorist  
9 coverage limits.

10 ~~[C.]~~ D. [The] Uninsured motorist coverage shall  
11 ~~[provide an exclusion]~~ exclude coverage of not more than the  
12 ~~first [two hundred fifty dollars (\$250)]~~ five hundred dollars  
13 ~~(\$500) of loss resulting from injury to or destruction of~~  
14 ~~property of the insured in any one accident and may exclude~~  
15 ~~coverage of punitive or exemplary damages~~ The named insured  
16 shall have the right to reject the uninsured motorist coverage  
17 ~~[as] described in [Subsections A and B of] this section;~~  
18 provided that unless the named insured requests such coverage in  
19 writing, such coverage need not be provided in or supplemental  
20 to a renewal policy where the named insured has rejected the  
21 coverage in connection with a policy previously issued to him by  
22 the same insurer.

23 E. Uninsured motorist coverage for injury to or  
24 destruction of property extends only to the insured vehicle  
25 described in the policy and to property not otherwise insured

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1 carried in or upon the vehicle."

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1 FORTY-THIRD LEGISLATURE  
2 FIRST SESSION, 1997  
3  
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5 March 18, 1997  
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7 Mr. President:  
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9 Your PUBLIC AFFAIRS COMMITTEE, to whom has been  
10 referred

11 SENATE BILL 902  
12

13 has had it under consideration and reports same with  
14 recommendation that it DO PASS, and thence referred to the  
15 JUDICIARY COMMITTEE.  
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17 Respectfully submitted,  
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22 \_\_\_\_\_  
23 Shannon Robinson, Chairman  
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Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_  
(Chief Clerk) (Chief Clerk)

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Date \_\_\_\_\_

The roll call vote was 5 For 1 Against

Yes: 5

No: Robinson

Excused: Garcia, Rodarte, Smith

Absent: None

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1 FORTY-THIRD LEGISLATURE  
2 FIRST SESSION, 1997  
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5 March 19, 1997  
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7 Mr. President:  
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9 Your JUDICIARY COMMITTEE, to whom has been referred  
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11 SENATE BILL 902  
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13 has had it under consideration and reports same with  
14 recommendation that it DO PASS.  
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16 Respectfully submitted,  
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18 \_\_\_\_\_  
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20 Fernando R. Macias, Chairman  
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24 Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_  
25 (Chief Clerk) (Chief Clerk)

Date \_\_\_\_\_

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The roll call vote was 5 For 0 Against

Yes: 5

No: 0

Excused: Sanchez, Tsosie, Vernon

Absent: None

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