ASSEMBLY BILL NO. 10–ASSEMBLYMAN COLLINS (BY REQUEST)

PREFILED JANUARY 7, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Revises requirements for uninsured vehicle coverage. (BDR 57-689)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to casualty insurance; requiring uninsured vehicle coverage to include coverage for bodily injury or death that did not result from physical contact with the claimant or a motor vehicle occupied by the claimant; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 690B.020 is hereby amended to read as follows:

690B.020 1. Except as otherwise provided in this section and NRS 690B.035, no policy insuring against liability arising out of the ownership, maintenance or use of any motor vehicle may be delivered or issued for delivery in this state unless coverage is provided therein or supplemental thereto for the protection of persons insured thereunder who are legally entitled to recover damages, from owners or operators of uninsured or hit-and-run motor vehicles, for bodily injury, sickness or disease, including death, resulting from the ownership, maintenance or use of the uninsured or hit-and-run motor vehicle. No such coverage is required in or supplemental to a policy issued to the State of Nevada or any political subdivision thereof, or where rejected in writing, on a form furnished by the insurer describing the coverage being rejected, by an insured named therein, or upon any renewal of such a policy unless the coverage is then requested in writing by the named insured. The coverage required in this section may be referred to as "uninsured vehicle coverage."

2. The amount of coverage to be provided must be not less than the minimum limits for liability insurance for bodily injury provided for under

chapter 485 of NRS, but may be in an amount not to exceed the coverage for bodily injury purchased by the policyholder.

3. ~~[For the purposes of]~~ ***As used in*** this section ***,*** ~~[the term]~~ "uninsured motor vehicle" means a motor vehicle:

(a) With respect to which there is not available at the department of motor vehicles and public safety evidence of financial responsibility as required by chapter 485 of NRS;

(b) With respect to the ownership, maintenance or use of which there is no liability insurance for bodily injury or bond applicable at the time of the accident, or, to the extent of such deficiency, any liability insurance for bodily injury or bond in force is less than the amount required by NRS 485.210;

(c) With respect to the ownership, maintenance or use of which the company writing any applicable liability insurance for bodily injury or bond denies coverage or is insolvent;

(d) Used without the permission of its owner if there is no liability insurance for bodily injury or bond applicable to the operator;

(e) Used with the permission of its owner who has insurance which does not provide coverage for the operation of the motor vehicle by any person other than the owner if there is no liability insurance for bodily injury or bond applicable to the operator; ~~[or]~~

(f) The owner or operator of which is unknown or after reasonable diligence cannot be found if:

(1) The bodily injury or death has resulted from physical contact of the ~~[automobile]~~ ***motor vehicle*** with the named insured or the person claiming under him or with ~~[an automobile]~~ ***a motor vehicle*** which the named insured or such a person is occupying; and

(2) The named insured or someone on his behalf has reported the accident within the time required by NRS 484.223, 484.225 or 484.227 to the police department of the city where it occurred, or if it occurred in an unincorporated area, to the sheriff of the county or to the Nevada highway patrol ~~[.~~

~~4. For the purposes of]~~ ***; or***

(g) The owner or operator of which is unknown or after reasonable diligence cannot be found if:

(1) The bodily injury or death was proximately caused by the owner or operator without physical contact of the motor vehicle with the named insured or the person claiming under him or with a motor vehicle which the named insured or such a person is occupying;

(2) The description by the named insured or the person claiming under him of how the bodily injury or death occurred is corroborated by a witness to the occurrence other than the named insured or the person claiming under him; and

(3) The named insured or someone on his behalf has reported the accident within the time required by NRS 484.223, 484.225 or 484.227 to the police department of the city where it occurred, or if it occurred in an unincorporated area, to the sheriff of the county or to the Nevada highway patrol.

4. As used in this section ***,*** ~~[the term]~~ “uninsured motor vehicle” also includes, subject to the terms and conditions of coverage, an insured other motor vehicle where:

(a) The liability insurer of the other motor vehicle is unable because of its insolvency to make payment with respect to the legal liability of its insured within the limits specified in its policy;

(b) The occurrence out of which legal liability arose took place while the uninsured vehicle coverage required under paragraph (a) was in effect; and

(c) The insolvency of the liability insurer of the other motor vehicle existed at the time of, or within 2 years after, the occurrence.

~~[Nothing contained in this subsection prevents]~~ ***This subsection does not prevent*** any insurer from providing protection from insolvency to its insureds under more favorable terms.

5. If payment is made to any person under uninsured vehicle coverage, and subject to the terms of the coverage, to the extent of such payment the insurer is entitled to the proceeds of any settlement or recovery from any person legally responsible for the bodily injury as to which payment was made, and to amounts recoverable from the assets of the insolvent insurer of the other motor vehicle.

6. A vehicle involved in a collision which results in bodily injury or death shall be presumed to be an uninsured motor vehicle if no evidence of financial responsibility is supplied to the department of motor vehicles and public safety in the manner required by chapter 485 of NRS within 60 days after the collision occurs.

Sec. 2. The amendatory provisions of this act apply to a policy of insurance against liability arising out of the ownership, maintenance or use of a motor vehicle that is delivered, issued for delivery or renewed on or after October 1, 1999.

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