

FIRST REGULAR SESSION

# SENATE BILL NO. 262

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CASKEY.

Read 1st time January 13, 1999, and 1,000 copies ordered printed.

S0645.011

TERRY L. SPIELER, Secretary.

## AN ACT

To amend chapter 303, RSMo, by adding thereto one new section relating to motor vehicle insurance.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 303, RSMo, is amended by adding thereto one new section, to be known as section 303.380, to read as follows:

**303.380. 1. As used in this section the following words and phrases shall mean:**

(1) "Automobile Insurance Policy", any automobile liability insurance policy delivered or issued for delivery in the state of Missouri with respect to any motor vehicle registered or principally garaged in the state of Missouri;

(2) "Bodily injury", bodily injury, sickness or disease, including death, resulting therefrom;

(3) "Insured", any person insured under the underinsured motor vehicle coverage of an automobile insurance policy;

(4) "Insurer", the provider of underinsured motor vehicle coverage under an automobile insurance policy;

(5) "Set-off", any provision within an automobile insurance policy which directly or indirectly reduces the limits of the underinsured motor vehicle coverage stated on the policy by amounts paid or payable to an insured by the owner or operator of an underinsured motor vehicle or by some other source;

(6) "Settle", an agreement for consideration paid to an insured discharging the owner or operator of an underinsured motor vehicle for liability to the insured for bodily injury;

(7) "Subrogation", any equitable right or provision within an automobile

**insurance policy entitling an insurer to a right to recover payment made to an insured under underinsured motor vehicle coverage from any person or entity that is legally liable to the insured for damages due to bodily injury of the insured including the owner or operator of an underinsured motor vehicle;**

**(8) "Underinsured motor vehicle", a motor vehicle the ownership, maintenance or use of which is insured for bodily injury liability with coverage limits that are less than the amount of the insured's damages;**

**(9) "Underinsured motor vehicle coverage", any coverage in any automobile insurance policy which purports to provide protection to any insured for damages or loss caused by the owner or operator of an underinsured motor vehicle.**

**2. Any automobile insurance policy which provides underinsured motor vehicle coverage shall pay damages for bodily injury an insured is legally entitled to recover from an owner or operator of an underinsured motor vehicle up to the limits of the underinsured motor vehicle coverage stated on the policy.**

**3. The limits of underinsured motor vehicle coverage stated on the policy shall not be reduced by set-off.**

**4. Underinsured motor vehicle coverage shall not require the insured to receive consent of the insurer in order for the insured to settle his or her claim against the owner or operator of an underinsured motor vehicle.**

**5. An insurer shall have no right of subrogation to recover payment made to an insured under underinsured motor vehicle coverage.**

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