

IN THE SENATE

SENATE BILL NO. 1129

BY JUDICIARY AND RULES COMMITTEE

AN ACT

1  
2 RELATING TO MOTOR VEHICLE INSURANCE; AMENDING SECTION 41-2503, IDAHO CODE,  
3 TO PROVIDE THAT CERTAIN POLICIES SHALL BE CONSTRUED TO PROVIDE COVERAGE  
4 IN EXCESS OF THE LIABILITY COVERAGE OF ANY UNDERINSURED MOTOR VEHICLE  
5 INVOLVED IN AN ACCIDENT.

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 41-2503, Idaho Code, be, and the same is hereby  
8 amended to read as follows:

9 41-2503. DEFINITIONS AND APPLICATION. (1) For the purposes of unin-  
10 sured motorist coverage, the term "uninsured motor vehicle" shall, subject  
11 to the terms and conditions of such coverage, be deemed to include an insured  
12 motor vehicle where the liability insurer thereof is unable to make payment  
13 with respect to the legal liability of its insured within the limits speci-  
14 fied therein because of insolvency.

15 (2) For purposes of underinsured motorist coverage, subject to the fur-  
16 ther definitions, terms and conditions of such coverage, the term "underin-  
17 sured motor vehicle" means a motor vehicle that is a self-insured motor vehi-  
18 cle, or a motor vehicle that is covered by a policy of motor vehicle liabil-  
19 ity insurance or an indemnity bond, with limits for bodily injury or death at  
20 least equal to those limits set forth in section 49-117(20), Idaho Code.

21 (3) With respect to policies issued or renewed on or after January 1,  
22 2022, any underinsured motor vehicle coverage with limits of liability less  
23 than two (2) times the minimum limits for bodily injury or death specified  
24 in section 49-117(20), Idaho Code, shall be construed to provide coverage in  
25 excess of the liability coverage of any underinsured motor vehicle involved  
26 in the accident.

27 (4) Except as provided in ~~subsections (1) and (2) of this section~~, the  
28 terms and conditions of any policy of motor vehicle liability insurance pro-  
29 viding uninsured motorist coverage or underinsured motorist coverage are  
30 not altered or amended.