

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 247

BY WAYS AND MEANS COMMITTEE

AN ACT

RELATING TO INSURANCE; AMENDING SECTION 41-2503, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING UNDERINSURED MOTOR VEHICLE COVERAGE; AND PROVIDING EFFECTIVE DATES AND APPLICABILITY.

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

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

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

(2) For purposes of underinsured motorist coverage, subject to the further definitions, terms and conditions of such coverage, the term "underinsured motor vehicle" means a motor vehicle that is a self-insured motor vehicle, or a motor vehicle that is covered by a policy of motor vehicle liability insurance or an indemnity bond, with limits for bodily injury or death at least equal to those limits set forth in section 49-117, Idaho Code.

(3) Underinsured motor vehicle coverage is excess coverage in addition to insufficient coverage of the tortfeasor, and such underinsured motor vehicle coverage limits may not be reduced by amounts paid by the tortfeasor's coverage or any other coverage.

(4) The covered insured may not recover from the covered insured's own policy an amount greater than the total legal liability of the tortfeasor or the applicable limits of the underinsured coverage, whichever is the lesser.

(5) Except as provided in subsections (1) and through (24) of this section, the terms and conditions of any policy of motor vehicle liability insurance providing uninsured motorist coverage or underinsured motorist coverage are not altered or amended.

SECTION 2. This act shall be in full force and effect for policies issued on or after July 1, 2019. Policies in effect on July 1, 2019, that were issued before such date shall comply with the provisions of this act by January 1, 2020, or upon renewal, whichever is earlier.