

1 TO THE HONORABLE SENATE:

2 The Committee on Judiciary to which was referred Senate Bill No. 150
3 entitled “An act relating to automobile insurance” respectfully reports that it
4 has considered the same and recommends that the bill be amended by striking
5 out all after the enacting clause and inserting in lieu thereof the following:

6 Sec. 1. 23 V.S.A. § 941 is amended to read:

7 § 941. INSURANCE AGAINST UNINSURED, UNDERINSURED, OR
8 UNKNOWN MOTORIST

9 * * *

10 (f) For the purpose of this subchapter, a motor vehicle is underinsured to
11 the extent that:

12 (1) the liability insurance limits applicable at the time of the crash are
13 less than the ~~limits of the uninsured motorist coverage applicable to the insured~~
14 damages that a person insured pursuant to this section is legally entitled to
15 recover because of injury or death; or

16 (2) the available liability insurance has been reduced by payments to
17 others injured in the crash to an amount less than the ~~limits of the uninsured~~
18 ~~motorist coverage applicable to the insured~~ damages that a person insured
19 pursuant to this section is legally entitled to recover because of injury or death.

20 * * *

1 (h) Payments made to an injured party under the liability insurance policy
2 of the person legally responsible for the damage or personal injury shall not be
3 deducted from the underinsured motorist coverage otherwise available to the
4 injured party.

5 Sec. 2. 8 V.S.A. § 4203(4) is amended to read:

6 (4) Payment of any judicial judgment or claim by the insured for any of
7 the company’s liability under the policy shall not bar the insured from any
8 action or right of action against the company. In case of payment of loss or
9 expense under the policy, the company shall be subrogated to all rights of the
10 insured against any party, as respects such loss or expense, to the amount of
11 such payment, and the insured shall execute all papers required and shall
12 cooperate with the company to secure to the company such rights. However,
13 the right of subrogation against any third party shall not exist or be claimed in
14 favor of the insurer who has paid or reimbursed, to or for the benefit of the
15 insured, medical costs payable pursuant to medical payments coverage.

16 Sec. 3. EFFECTIVE DATE; APPLICATION

17 This act shall take effect on passage and shall apply to all automobile
18 insurance policies offered, issued, or renewed on or after January 1, 2025.

19

20

21

1
2
3
4
5
6
7

(Committee vote: _____)

Senator _____

FOR THE COMMITTEE