

HB 417 -- UNINSURED MOTORISTS

SPONSOR: Yates

COMMITTEE ACTION: Voted "do pass" by the Committee on Insurance Policy by a vote of 11 to 5.

This bill establishes the Uninsured Motorist Stipulation of Benefits Act of 2005. An uninsured motorist involved in an accident with a complying policyholder will waive any right to recover damages for a non-economic loss. Recovery would be limited to any economic loss. This waiver will not apply if the insured operator caused the accident and was under the influence of drugs or alcohol or is convicted of vehicular assault or homicide. Passengers in the uninsured motor vehicle are not subject to the waiver.

FISCAL NOTE: No impact on state funds in FY 2006, FY 2007, and FY 2008.

PROPOSERS: Supporters say that many states have already adopted this legislation, and it is working. The bill does not pertain to passengers in vehicles who are still covered. Uninsured motorists create many problems when they are involved in accidents because of the lack of insurance. If they are not responsible enough to carry liability insurance, they should not be able to collect for non-economic damages if they are involved in an accident. The bill is a fair and firm method of dealing with the problem of the uninsured motorist.

Testifying for the bill were Representative Yates; Missouri Insurance Coalition; State Farm Insurance; and Property Casualty Insurers Association of America.

OPPONENTS: Those who oppose the bill say that it protects tortfeasors that might cause injury to a person who, for whatever reason, might be uninsured. Someone not insured because they forgot to pay their premium could be hurt by this.

Testifying against the bill was Republican Attorneys for Civil Justice.

Marc Webb, Legislative Analyst