

Bulletin No. 04-001

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NEW UNINSURED/UNDERINSURED MOTORIST COVERAGE REQUIREMENTS

NRS 687B.145(2) was amended effective October 1, 2003. If an insured suffers damages subject to the limitation of liability provided pursuant to NRS 41.035 (sovereign immunity), the law requires uninsured/underinsured motorist (UM/UIM) coverage to allow the insured to recover his actual damages in excess of that limitation of liability up to the limits of his own coverage.

Many motor vehicle insurance policies contain language excluding UM/UIM coverage when the at-fault vehicle is owned or operated by a self-insurer or owned by any governmental unit or agency. Insurers with such exclusionary language must revise it by endorsement or appropriate coverage language to clarify that underinsured motorist coverage will be provided even if the at-fault vehicle is self-insured or owned by a governmental unit and damages are limited pursuant to NRS 41.035.

Insurers must submit revised language for approval by the Commissioner by July 1, 2004. Appropriate filing fees apply.

ALICE A. MOLASKY-ARMAN
Commissioner of Insurance