

March 29, 1967
Judiciary *Pass 4-6*
Commerce 4-18

House File 561

By KLUEVER, FISHER of Greene,
McCARTNEY, COFFMAN, DUNTON,
GANNON, DODERER and JOHNSTON
(Stanley and Kruck)

Passed House, Date 4-14-67 Passed Senate, Date 5-2-67
Vote: Ayes 90 Nays 9 Vote: Ayes 40 Nays 0
Approved May 16, 1967

A BILL FOR

An Act relating to motor vehicle liability insurance and protection against uninsured motor vehicles and hit-and-run motor vehicles.

Be It Enacted by the General Assembly of the State of Iowa:

This is a Companion Bill; for complete text see Senate File 360

EXPLANATION OF HOUSE FILE 561

This bill requires that automobile and motor vehicle liability insurance policies issued or delivered in this state contain certain minimum provisions for the recovery of damages resulting from accidents involving uninsured motorists or hit-and-run motor vehicles.

1 Amend House File 561 by adding the following new
2 sections:

3 "Sec. 2. Nothing contained in this Act shall be
4 construed as requiring forms of coverage provided pursuant
5 hereto, whether alone or in combination with similar
6 coverage afforded under other automobile liability or motor
7 vehicle liability policies, to afford limits in excess of
8 those that would be afforded had the insured thereunder been
9 involved in an accident with a motorist who was insured
10 under a policy of liability insurance with the minimum limits
11 for bodily injury or death prescribed in subsection ten (10)
12 of section three hundred twenty-one A point one (321A.1) of
13 the Code. Such forms of coverage may include terms,
14 exclusions, limitations, conditions, and offsets which are
15 designed to avoid duplication of insurance or other benefits.

16 "Sec. 3. For the purpose of this Act, the term
17 'uninsured motor vehicle' shall, subject to the terms and
18 conditions of the coverage herein required, be deemed to
19 include an insured motor vehicle with respect to which
20 insolvency proceedings have been instituted against the
21 liability insurer thereof by the insurance regulatory
22 official of this or any other state or territory of the
23 United States or of the District of Columbia.

24 "An insurer's insolvency protection shall be applicable
25 only to accidents occurring during a policy period in which
26 its insured's uninsured motorist coverage is in effect and
27 only if the liability insurer of the tortfeasor is insolvent
28 at the time of such an accident or becomes insolvent within
29 one year after such an accident.

30 "Sec. 4. In the event of payment to any person under
31 the coverage required by this Act and subject to the terms
32 and conditions of such coverage, the insurer making such
33 payment shall, to the extent thereof, be entitled to the
34 proceeds of any settlement or judgment resulting from the
35 exercise of any rights or recovery of such person against
36 any person or organization legally responsible for the
37 bodily injury for which such payment is made, including
38 the proceeds recoverable from the assets of the insolvent
39 insurer. The person to whom said payment is made under
40 the insolvency protection required by this Act shall to
41 the extent thereof, be deemed to have waived any right
42 to proceed to enforce such a judgment against the assets
43 of the judgment debtor who was insured by the insolvent
44 insurer whose insolvency resulted in said payment being
45 made, other than assets recovered or recoverable by such
46 judgment debtor from such insolvent insurer.

47 "Sec. 5. This Act shall be applicable with respect to
48 policies delivered, issued for delivery or renewed in this
49 State with policy periods beginning on and after October 1,
50 1967."

Filed and adopted
April 14, 1967

KLUEVER of Cass.