

**Introduced by Senator Speier**

January 11, 2001

An act to amend Section 11580.2 of the Insurance Code, relating to motor vehicle insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 81, as introduced, Speier. Motor vehicle insurance.

Existing law requires a policy of bodily injury liability insurance covering liability arising out of the ownership, maintenance, or use of a motor vehicle to include uninsured motorist coverage. Existing law provides that bodily injury to an insured who is struck by his or her own vehicle is not covered by uninsured motorist coverage.

This bill would require that uninsured motorist coverage include coverage for bodily injury to an insured that is caused by a person operating the insured's vehicle without the consent of the insured in connection with criminal activity that the insured is not a party to.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 11580.2 of the Insurance Code is  
2 amended to read:  
3 11580.2. (a) (1) No policy of bodily injury liability  
4 insurance covering liability arising out of the ownership,  
5 maintenance, or use of any motor vehicle, except for policies  
6 which provide insurance in the Republic of Mexico issued or  
7 delivered in this state by nonadmitted Mexican insurers, shall be  
8 issued or delivered in this state to the owner or operator of a motor



1 vehicle, or shall be issued or delivered by any insurer licensed in  
2 this state upon any motor vehicle then principally used or  
3 principally garaged in this state, unless the policy contains, or has  
4 added to it by endorsement, a provision with coverage limits at  
5 least equal to the limits specified in subdivision (m) and in no case  
6 less than the financial responsibility requirements specified in  
7 Section 16056 of the Vehicle Code insuring the insured, the  
8 insured's heirs or legal representative for all sums within the limits  
9 which he, she, or they, as the case may be, shall be legally entitled  
10 to recover as damages for bodily injury or wrongful death from the  
11 owner or operator of an uninsured motor vehicle. The insurer and  
12 any named insured, prior to or subsequent to the issuance or  
13 renewal of a policy, may, by agreement in writing, in the form  
14 specified in paragraph (2) or paragraph (3), (1) delete the provision  
15 covering damage caused by an uninsured motor vehicle  
16 completely, or (2) delete the coverage when a motor vehicle is  
17 operated by a natural person or persons designated by name, or (3)  
18 agree to provide the coverage in an amount less than that required  
19 by subdivision (m) but not less than the financial responsibility  
20 requirements specified in Section 16056 of the Vehicle Code. Any  
21 of these agreements by any named insured or agreement for the  
22 amount of coverage shall be binding upon every insured to whom  
23 the policy or endorsement provisions apply while the policy is in  
24 force, and shall continue to be so binding with respect to any  
25 continuation or renewal of the policy or with respect to any other  
26 policy which extends, changes, supersedes, or replaces the policy  
27 issued to the named insured by the same insurer, or with respect to  
28 reinstatement of the policy within 30 days of any lapse thereof. A  
29 policy shall be excluded from the application of this section if the  
30 automobile liability coverage is provided only on an excess or  
31 umbrella basis. Nothing in this section shall require that uninsured  
32 motorist coverage be offered or provided in any homeowner  
33 policy, personal and residents' liability policy, comprehensive  
34 personal liability policy, manufacturers' and contractors' policy,  
35 premises liability policy, special multiperil policy, or any other  
36 policy or endorsement where automobile liability coverage is  
37 offered as incidental to some other basic coverage,  
38 notwithstanding that the policy may provide automobile or motor  
39 vehicle liability coverage on insured premises or the ways  
40 immediately adjoining.



1 (2) The agreement specified in paragraph (1) to delete the  
2 provision covering damage caused by an uninsured motor vehicle  
3 completely or delete the coverage when a motor vehicle is  
4 operated by a natural person or persons designated by name shall  
5 be in the following form:

6 “The California Insurance Code requires an insurer to provide  
7 uninsured motorists coverage in each bodily injury liability  
8 insurance policy it issues covering liability arising out of the  
9 ownership, maintenance, or use of a motor vehicle. Those  
10 provisions also permit the insurer and the applicant to delete the  
11 coverage completely or to delete the coverage when a motor  
12 vehicle is operated by a natural person or persons designated by  
13 name. Uninsured motorists coverage insures the insured, his or her  
14 heirs, or legal representatives for all sums within the limits  
15 established by law, which the person or persons are legally entitled  
16 to recover as damages for bodily injury, including any resulting  
17 sickness, disease, or death, to the insured from the owner or  
18 operator of an uninsured motor vehicle not owned or operated by  
19 the insured or a resident of the same household. An uninsured  
20 motor vehicle includes an underinsured motor vehicle as defined  
21 in subdivision (p) of Section 11580.2 of the Insurance Code.”

22 The agreement may contain additional statements not in  
23 derogation of or in conflict with the foregoing. The execution of  
24 the agreement shall relieve the insurer of liability under this  
25 section while the agreement remains in effect.

26 (3) The agreement specified in paragraph (1) to provide  
27 coverage in an amount less than that required by subdivision (m)  
28 shall be in the following form:

29 “The California Insurance Code requires an insurer to provide  
30 uninsured motorists coverage in each bodily injury liability  
31 insurance policy it issues covering liability arising out of the  
32 ownership, maintenance, or use of a motor vehicle. Those  
33 provisions also permit the insurer and the applicant to agree to  
34 provide the coverage in an amount less than that required by  
35 subdivision (m) of Section 11580.2 of the Insurance Code but not  
36 less than the financial responsibility requirements. Uninsured  
37 motorists coverage insures the insured, his or her heirs, or legal  
38 representatives for all sums within the limits established by law,  
39 which the person or persons are legally entitled to recover as  
40 damages for bodily injury, including any resulting sickness,



1 disease, or death, to the insured from the owner or operator of an  
2 uninsured motor vehicle not owned or operated by the insured or  
3 a resident of the same household. An uninsured motor vehicle  
4 includes an underinsured motor vehicle as defined in subdivision  
5 (p) of Section 11580.2 of the Insurance Code.”

6 The agreement may contain additional statements not in  
7 derogation of or in conflict with this paragraph. However, it shall  
8 be presumed that an application for a policy of bodily injury  
9 liability insurance containing uninsured motorist coverage in an  
10 amount less than that required by subdivision (m), signed by the  
11 named insured and approved by the insurer, with a policy effective  
12 date after January 1, 1985, shall be a valid agreement as to the  
13 amount of uninsured motorist coverage to be provided.

14 (b) As used in subdivision (a), “bodily injury” includes  
15 sickness or disease, including death, resulting therefrom; “named  
16 insured” means only the individual or organization named in the  
17 declarations of the policy of motor vehicle bodily injury liability  
18 insurance referred to in subdivision (a); as used in subdivision (a)  
19 if the named insured is an individual “insured” means the named  
20 insured and the spouse of the named insured and, while residents  
21 of the same household, relatives of either while occupants of a  
22 motor vehicle or otherwise, heirs and any other person while in or  
23 upon or entering into or alighting from an insured motor vehicle  
24 and any person with respect to damages he or she is entitled to  
25 recover for care or loss of services because of bodily injury to  
26 which the policy provisions or endorsement apply; as used in  
27 subdivision (a), if the named insured is an entity other than an  
28 individual, “insured” means any person while in or upon or  
29 entering into or alighting from an insured motor vehicle and any  
30 person with respect to damages he or she is entitled to recover for  
31 care or loss of services because of bodily injury to which the policy  
32 provisions or endorsement apply. As used in this subdivision,  
33 “individual” shall not include persons doing business as  
34 corporations, partnerships, or associations. As used in this  
35 subdivision, “insured motor vehicle” means the motor vehicle  
36 described in the underlying insurance policy of which the  
37 uninsured motorist endorsement or coverage is a part, a temporary  
38 substitute automobile for which liability coverage is provided in  
39 the policy or a newly acquired automobile for which liability  
40 coverage is provided in the policy if the motor vehicle is used by



1 the named insured or with his or her permission or consent, express  
2 or implied, and any other automobile not owned by or furnished  
3 for the regular use of the named insured or any resident of the same  
4 household, or by a natural person or persons for whom coverage  
5 has been deleted in accordance with subdivision (a) while being  
6 operated by the named insured or his or her spouse if a resident of  
7 the same household, but “insured motor vehicle” shall not include  
8 any automobile while used as a public or livery conveyance. As  
9 used in this section, “uninsured motor vehicle” means a motor  
10 vehicle with respect to the ownership, maintenance or use of which  
11 there is no bodily injury liability insurance or bond applicable at  
12 the time of the accident, or there is the applicable insurance or bond  
13 but the company writing the insurance or bond denies coverage  
14 thereunder or refuses to admit coverage thereunder except  
15 conditionally or with reservation, or an “underinsured motor  
16 vehicle” as defined in subdivision (p), or a motor vehicle used  
17 without the permission of the owner thereof if there is no bodily  
18 injury liability insurance or bond applicable at the time of the  
19 accident with respect to the owner or operator thereof, or the owner  
20 or operator thereof be unknown, provided that, with respect to an  
21 “uninsured motor vehicle” whose owner or operator is unknown:

22 (1) The bodily injury has arisen out of physical contact of the  
23 automobile with the insured or with an automobile which the  
24 insured is occupying.

25 (2) The insured or someone on his or her behalf has reported the  
26 accident within 24 hours to the police department of the city where  
27 the accident occurred or, if the accident occurred in  
28 unincorporated territory then either to the sheriff of the county  
29 where the accident occurred or to the local headquarters of the  
30 California Highway Patrol, and has filed with the insurer within  
31 30 days thereafter a statement under oath that the insured or his or  
32 her legal representative has or the insured’s heirs have a cause of  
33 action arising out of the accident for damages against a person or  
34 persons whose identity is unascertainable and set forth facts in  
35 support thereof. As used in this section, “uninsured motor  
36 vehicle” shall not include a motor vehicle owned or operated by  
37 the named insured or any resident of the same household or  
38 self-insured within the meaning of the Financial Responsibility  
39 Law of the state in which the motor vehicle is registered or which  
40 is owned by the United States of America, Canada, a state or



1 political subdivision of any such government or an agency of any  
2 of the foregoing, or a land motor vehicle or trailer while located  
3 for use as a residence or premises and not as a vehicle, or any  
4 equipment or vehicle designed or modified for use primarily off  
5 public roads, except while actually upon public roads.

6 As used in this section, “uninsured motor vehicle” also means  
7 an insured motor vehicle where the liability insurer thereof is  
8 unable to make payment with respect to the legal liability of its  
9 insured within the limits specified therein because of insolvency.  
10 An insurer’s solvency protection shall be applicable only to  
11 accidents occurring during a policy period in which its insured’s  
12 motor vehicle coverage is in effect where the liability insurer of the  
13 tortfeasor becomes insolvent within one year of the accident. In the  
14 event of payment to any person under the coverage required by this  
15 section and subject to the terms and conditions of the coverage, the  
16 insurer making the payment, shall to the extent thereof, be entitled  
17 to any proceeds which may be recoverable from the assets of the  
18 insolvent insurer through any settlement or judgment of the person  
19 against the insolvent insurer.

20 Nothing in this section is intended to exclude from the definition  
21 of an uninsured motor vehicle any motorcycle or private  
22 passenger-type four-wheel drive motor vehicle if that vehicle was  
23 subject to and failed to comply with the Financial Responsibility  
24 Law of this state.

25 (c) The insurance coverage provided for in this section does not  
26 apply either as primary or as excess coverage:

27 (1) To property damage sustained by the insured.

28 (2) To bodily injury of the insured while in or upon or while  
29 entering into or alighting from a motor vehicle other than the  
30 described motor vehicle if the owner thereof has insurance similar  
31 to that provided in this section.

32 (3) To bodily injury of the insured with respect to which the  
33 insured or his or her representative shall, without the written  
34 consent of the insurer, make any settlement with or prosecute to  
35 judgment any action against any person who may be legally liable  
36 therefor.

37 (4) In any instance where it would inure directly or indirectly  
38 to the benefit of any workers’ compensation carrier or to any  
39 person qualified as a self-insurer under any workers’



1 compensation law, or directly to the benefit of the United States,  
2 or any state or any political subdivision thereof.

3 (5) To establish proof of financial responsibility as provided in  
4 subdivisions (a), (b), and (c) of Section 16054 of the Vehicle Code.

5 (6) To bodily injury of the insured while occupying a motor  
6 vehicle owned by an insured or leased to an insured under a written  
7 contract for a period of six months or longer, unless the occupied  
8 vehicle is an insured motor vehicle. "Motor vehicle" as used in  
9 this paragraph means any self-propelled vehicle.

10 (7) To bodily injury of the insured when struck by a vehicle  
11 owned by an insured.

12 (8) To bodily injury of the insured while occupying a motor  
13 vehicle rented or leased to the insured for public or livery  
14 purposes.

15 (d) Subject to paragraph (2) of subdivision (c), the policy or  
16 endorsement may provide that if the insured has insurance  
17 available to the insured under more than one uninsured motorist  
18 coverage provision, any damages shall not be deemed to exceed  
19 the higher of the applicable limits of the respective coverages, and  
20 the damages shall be prorated between the applicable coverages as  
21 the limits of each coverage bear to the total of the limits.

22 (e) The policy or endorsement added thereto may provide that  
23 if the insured has valid and collectible automobile medical  
24 payment insurance available to him or her, the damages which the  
25 insured shall be entitled to recover from the owner or operator of  
26 an uninsured motor vehicle shall be reduced for purposes of  
27 uninsured motorist coverage by the amounts paid or due to be paid  
28 under the automobile medical payment insurance.

29 (f) The policy or an endorsement added thereto shall provide  
30 that the determination as to whether the insured shall be legally  
31 entitled to recover damages, and if so entitled, the amount thereof,  
32 shall be made by agreement between the insured and the insurer  
33 or, in the event of disagreement, by arbitration. The arbitration  
34 shall be conducted by a single neutral arbitrator. An award or a  
35 judgment confirming an award shall not be conclusive on any  
36 party in any action or proceeding between (i) the insured, his or her  
37 insurer, his or her legal representative, or his or her heirs and (ii)  
38 the uninsured motorist to recover damages arising out of the  
39 accident upon which the award is based. If the insured has or may  
40 have rights to benefits, other than nonoccupational disability



1 benefits, under any workers' compensation law, the arbitrator shall  
2 not proceed with the arbitration until the insured's physical  
3 condition is stationary and ratable. In those cases in which the  
4 insured claims a permanent disability, the claims shall, unless good  
5 cause be shown, be adjudicated by award or settled by compromise  
6 and release before the arbitration may proceed. Any demand or  
7 petition for arbitration shall contain a declaration, under penalty  
8 of perjury, stating whether (i) the insured has a workers'  
9 compensation claim; (ii) the claim has proceeded to findings and  
10 award or settlement on all issues reasonably contemplated to be  
11 determined in that claim; and (iii) if not, what reasons amounting  
12 to good cause are grounds for the arbitration to proceed  
13 immediately. The arbitration shall be deemed to be a proceeding  
14 and the hearing before the arbitrator shall be deemed to be the trial  
15 of an issue therein for purposes of issuance of a subpoena by an  
16 attorney of a party to the arbitration under Section 1985 of the  
17 Code of Civil Procedure. Article 3 (commencing with Section  
18 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil  
19 Procedure shall be applicable to these determinations, and all  
20 rights, remedies, obligations, liabilities and procedures set forth in  
21 Article 3 shall be available to both the insured and the insurer at  
22 any time after the accident, both before and after the  
23 commencement of arbitration, if any, with the following  
24 limitations:

25 (1) Whenever in Article 3, reference is made to the court in  
26 which the action is pending, or provision is made for application  
27 to the court or obtaining leave of court or approval by the court,  
28 the court which shall have jurisdiction for the purposes of this  
29 section shall be the superior court of the State of California, in and  
30 for any county which is a proper county for the filing of a suit for  
31 bodily injury arising out of the accident, against the uninsured  
32 motorist, or any county specified in the policy or an endorsement  
33 added thereto as a proper county for arbitration or action thereon.

34 (2) Any proper court to which application is first made by  
35 either the insured or the insurer under Article 3 for any discovery  
36 or other relief or remedy, shall thereafter be the only court to which  
37 either of the parties shall make any applications under Article 3  
38 with respect to the same accident, subject, however, to the right of  
39 the court to grant a change of venue after a hearing upon notice,



1 upon any of the grounds upon which change of venue might be  
2 granted in an action filed in the superior court.

3 (3) A deposition pursuant to Section 2016 of the Code of Civil  
4 Procedure may be taken without leave of court, except that leave  
5 of court, granted with or without notice and for good cause shown,  
6 must be obtained if the notice of the taking of the deposition is  
7 served by either party within 20 days after the accident.

8 (4) Paragraph (4) of subdivision (a) of Section 2019 of the  
9 Code of Civil Procedure is not applicable to discovery under this  
10 section.

11 (5) For the purposes of discovery under this section, the insured  
12 and the insurer shall each be deemed to be “a party to the record  
13 of any civil action or proceedings,” where that phrase is used in  
14 paragraph (2) of subdivision (b) of Section 2019 of the Code of  
15 Civil Procedure.

16 (6) Interrogatories under Section 2030 of the Code of Civil  
17 Procedure and requests for admission under Section 2033 of the  
18 Code of Civil Procedure may be served by either the insured or the  
19 insurer upon the other at any time more than 20 days after the  
20 accident without leave of court.

21 (7) Nothing in this section limits the rights of any party to  
22 discovery in any action pending or which may hereafter be  
23 pending in any court.

24 (g) The insurer paying a claim under an uninsured motorist  
25 endorsement or coverage shall be entitled to be subrogated to the  
26 rights of the insured to whom the claim was paid against any  
27 person legally liable for the injury or death to the extent that  
28 payment was made. The action may be brought within three years  
29 from the date that payment was made hereunder.

30 (h) An insured entitled to recovery under the uninsured  
31 motorist endorsement or coverage shall be reimbursed within the  
32 conditions stated herein without being required to sign any release  
33 or waiver of rights to which he or she may be entitled under any  
34 other insurance coverage applicable; nor shall payment under this  
35 section to the insured be delayed or made contingent upon the  
36 decisions as to liability or distribution of loss costs under other  
37 bodily injury liability insurance or any bond applicable to the  
38 accident. Any loss payable under the terms of the uninsured  
39 motorist endorsement or coverage to or for any person may be  
40 reduced:



1 (1) By the amount paid and the present value of all amounts  
2 payable to him or her, his or her executor, administrator, heirs, or  
3 legal representative under any workers' compensation law,  
4 exclusive of nonoccupational disability benefits.

5 (2) By the amount the insured is entitled to recover from any  
6 other person insured under the underlying liability insurance  
7 policy of which the uninsured motorist endorsement or coverage  
8 is a part, including any amounts tendered to the insured as advance  
9 payment on behalf of the other person by the insurer providing the  
10 underlying liability insurance.

11 (i) (1) No cause of action shall accrue to the insured under any  
12 policy or endorsement provision issued pursuant to this section  
13 unless one of the following actions have been taken within one  
14 year from the date of the accident:

15 (A) Suit for bodily injury has been filed against the uninsured  
16 motorist, in a court of competent jurisdiction.

17 (B) Agreement as to the amount due under the policy has been  
18 concluded.

19 (C) The insured has formally instituted arbitration proceedings  
20 by notifying the insurer in writing sent by certified mail, return  
21 receipt requested. Notice shall be sent to the insurer or to the agent  
22 for process designated by the insurer filed with the department.

23 (2) Any arbitration instituted pursuant to this section shall be  
24 concluded either:

25 (A) Within five years from the institution of the arbitration  
26 proceeding.

27 (B) If the insured has a workers' compensation claim arising  
28 from the same accident, within three years of the date the claim is  
29 concluded, or within the five-year period set forth in subparagraph

30 (A), whichever occurs later.

31 (3) The doctrines of estoppel, waiver, impossibility,  
32 impracticality, and futility apply to excuse a party's  
33 noncompliance with the statutory timeframe, as determined by the  
34 court.

35 (4) Parties to the insurance contract may stipulate in writing to  
36 extending the time to conclude arbitration.

37 (j) Notwithstanding subdivisions (b) and (i), in the event the  
38 accident occurs in any other state or foreign jurisdiction to which  
39 coverage is extended under the policy and the insurer of the  
40 tortfeasor becomes insolvent, any action authorized pursuant to



1 this section may be maintained within three months of the  
2 insolvency of the tortfeasor's insurer, but in no event later than the  
3 pertinent period of limitation of the jurisdiction in which the  
4 accident occurred.

5 (k) Notwithstanding subdivision (i), any insurer whose insured  
6 has made a claim under his or her uninsured motorist coverage, and  
7 the claim is pending, shall, at least 30 days before the expiration  
8 of the applicable statute of limitation, notify its insured in writing  
9 of the statute of limitation applicable to the injury or death. Failure  
10 of the insurer to provide the written notice shall operate to toll any  
11 applicable statute of limitation or other time limitation for a period  
12 of 30 days from the date the written notice is actually given. The  
13 notice shall not be required if the insurer has received notice that  
14 the insured is represented by an attorney.

15 (l) As used in subdivision (b), "public or livery conveyance,"  
16 or terms of similar import, shall not include the operation or use  
17 of a motor vehicle by the named insured in the performance of  
18 volunteer services for a nonprofit charitable organization or  
19 governmental agency by providing social service transportation as  
20 defined in subdivision (f) of Section 11580.1. This subdivision  
21 shall apply only to policies of insurance issued, amended, or  
22 renewed on or after January 1, 1976.

23 (m) Coverage provided under an uninsured motorist  
24 endorsement or coverage shall be offered with coverage limits  
25 equal to the limits of liability for bodily injury in the underlying  
26 policy of insurance, but shall not be required to be offered with  
27 limits in excess of the following amounts:

28 (1) A limit of thirty thousand dollars (\$30,000) because of  
29 bodily injury to or death of one person in any one accident.

30 (2) Subject to the limit for one person set forth in paragraph (1),  
31 a limit of sixty thousand dollars (\$60,000) because of bodily injury  
32 to or death of two or more persons in any one accident.

33 (n) Underinsured motorist coverage shall be offered with limits  
34 equal to the limits of liability for the insured's uninsured motorist  
35 limits in the underlying policy, and may be offered with limits in  
36 excess of the uninsured motorist coverage. For the purposes of this  
37 section, uninsured and underinsured motorist coverage shall be  
38 offered as a single coverage. However, an insurer may offer  
39 coverage for damages for bodily injury or wrongful death from the



1 owner or operator of an underinsured motor vehicle at greater  
2 limits than an uninsured motor vehicle.

3 (o) If an insured has failed to provide an insurer with wage loss  
4 information or medical treatment record releases within 15 days  
5 of the insurer's request or has failed to submit to a medical  
6 examination arranged by the insurer within 20 days of the insurer's  
7 request, the insurer may, at any time prior to 30 days before the  
8 actual arbitration proceedings commence, request, and the insured  
9 shall furnish, wage loss information or medical treatment record  
10 releases, and the insurer may require the insured, except during  
11 periods of hospitalization, to make himself or herself available for  
12 a medical examination. The wage loss information or medical  
13 treatment record releases shall be submitted by the insured within  
14 10 days of request and the medical examination shall be arranged  
15 by the insurer no sooner than 10 days after request, unless the  
16 insured agrees to an earlier examination date, and not later than 20  
17 days after the request. If the insured fails to comply with the  
18 requirements of this subdivision, the actual arbitration  
19 proceedings shall be stayed for at least 30 days following  
20 compliance by the insured. The proceedings shall be scheduled as  
21 soon as practicable following expiration of the 30-day period.

22 (p) This subdivision applies only when bodily injury, as  
23 defined in subdivision (b), is caused by an underinsured motor  
24 vehicle. If the provisions of this subdivision conflict with  
25 subdivisions (a) through (o), the provisions of this subdivision  
26 shall prevail.

27 (1) As used in this subdivision, "an insured motor vehicle" is  
28 one that is insured under a motor vehicle liability policy, or  
29 automobile liability insurance policy, self-insured, or for which a  
30 cash deposit or bond has been posted to satisfy a financial  
31 responsibility law.

32 (2) "Underinsured motor vehicle" means a motor vehicle that  
33 is an insured motor vehicle but insured for an amount that is less  
34 than the uninsured motorist limits carried on the motor vehicle of  
35 the injured person.

36 (3) This coverage does not apply to any bodily injury until the  
37 limits of bodily injury liability policies applicable to all insured  
38 motor vehicles causing the injury have been exhausted by payment  
39 of judgments or settlements, and proof of the payment is submitted  
40 to the insurer providing the underinsured motorist coverage.



1 (4) When bodily injury is caused by one or more motor  
2 vehicles, whether insured, underinsured, or uninsured, the  
3 maximum liability of the insurer providing the underinsured  
4 motorist coverage shall not exceed the insured's underinsured  
5 motorist coverage limits, less the amount paid to the insured by or  
6 for any person or organization that may be held legally liable for  
7 the injury.

8 (5) The insurer paying a claim under this subdivision shall, to  
9 the extent of the payment, be entitled to reimbursement or credit  
10 in the amount received by the insured from the owner or operator  
11 of the underinsured motor vehicle or the insurer of the owner or  
12 operator.

13 (6) If the insured brings an action against the owner or operator  
14 of an underinsured motor vehicle, he or she shall forthwith give to  
15 the insurer providing the underinsured motorist coverage a copy  
16 of the complaint by personal service or certified mail. All  
17 pleadings and depositions shall be made available for copying or  
18 copies furnished the insurer, at the insurer's expense, within a  
19 reasonable time.

20 (7) Underinsured motorist coverage shall be included in all  
21 policies of bodily injury liability insurance providing uninsured  
22 motorist coverage issued or renewed on or after July 1, 1985.  
23 Notwithstanding this section, an agreement to delete uninsured  
24 motorist coverage completely, or with respect to a person or  
25 persons designated by name, executed prior to July 1, 1985, shall  
26 remain in full force and effect.

27 (q) Regardless of the number of vehicles involved whether  
28 insured or not, persons covered, claims made, premiums paid or  
29 the number of premiums shown on the policy, in no event shall the  
30 limit of liability for two or more motor vehicles or two or more  
31 policies be added together, combined, or stacked to determine the  
32 limit of insurance coverage available to injured persons.

33 (r) *Notwithstanding any other provision of this section, a policy*  
34 *subject to this section shall include as a part of the uninsured*  
35 *motorist coverage in the policy coverage limits at least equal to the*  
36 *limits specified in subdivision (m) and in no case less than the*  
37 *financial responsibility requirements specified in Section 16056 of*  
38 *the Vehicle Code insuring the insured, the insured's heirs or legal*  
39 *representative for all sums within the limits which he, she, or they,*  
40 *as the case may be, shall be legally entitled to recover as damages*



- 1 *for bodily injury or wrongful death from a person who operates or*
- 2 *causes the operation of the insured's vehicle, without the consent*
- 3 *of the insured, in connection with criminal activity that the insured*
- 4 *is not a party to.*

O

