



# LAWS OF ALASKA

1990

**Source**

SCS CSHB 429(L&C) am S

**Chapter No.**

78

**AN ACT**

Relating to uninsured and underinsured motor vehicle insurance.

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**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 4, 1990  
Actual Effective Date: September 2, 1990

AN ACT

Relating to uninsured and underinsured motor vehicle insurance.

\* Section 1. AS 21.89.020(c) is amended to read:

(c) An insurance company offering automobile liability insurance in this state for bodily injury or death shall, initially and at each renewal, offer coverage prescribed in AS 28.20.440 and 28.20.445 or AS 28.22 [, WITH LIMITS EQUAL TO AT LEAST THE LIMIT PURCHASED VOLUNTARILY TO COVER THE INSURED PERSON'S LIABILITY FOR BODILY INJURY OR DEATH,] for the protection of the persons insured under the policy who are legally entitled to recover damages for bodily injury or death from owners or operators of uninsured or underinsured motor vehicles. The limit written may not be less than the limit in AS 28.20.440. Coverage required to be offered under this section shall include the following options:

(1) policy limits equal to the limits voluntarily purchased to cover the liability of the person insured for bodily injury or death;

(2) policy limits in the following amounts when these limits are greater than those offered under (1) of this subsection:

(A) \$100,000 because of bodily injury to or death of one person in one accident, and, subject to the same limit for one person, \$300,000 because of bodily injury to or death of two or more persons in one accident;

1                   (B) \$300,000 because of bodily injury to or death of  
2 one person in one accident, and, subject to the same limit for  
3 one person, \$500,000 because of bodily injury to or death of two  
4 or more persons in one accident;

5                   (C) \$500,000 because of bodily injury to or death of  
6 one person in one accident, and, subject to the same limit for  
7 one person, \$500,000 because of bodily injury to or death of two  
8 or more persons in one accident;

9                   (D) \$500,000 because of bodily injury to or death of  
10 one person in one accident, and, subject to the same limit for  
11 one person, \$1,000,000 because of bodily injury to or death of  
12 two or more persons in one accident;

13                   (E) \$1,000,000 because of bodily injury to or death of  
14 one person in one accident, and, subject to the same limit for  
15 one person, \$2,000,000 because of bodily injury to or death of  
16 two or more persons in one accident;

17                   (3) other policy limits at the option of the insurer.

18 \* Sec. 2. AS 21.89.020 is amended by adding a new subsection to read:

19                   (h) The selection, rejection, or exercise of the option not to  
20 purchase, by a named insured or an applicant, shall be valid for all  
21 insureds under the policy.

22 \* Sec. 3. AS 28.20.445(a) is repealed and reenacted to read:

23                   (a) The maximum liability of the insurance carrier under the  
24 uninsured and underinsured motorists coverage required to be offered  
25 under AS 28.20.440 shall be the lesser of

26                   (1) the difference between the amount of the covered per-  
27 son's damages for bodily injury and property damage and the amount  
28 paid to the covered person by or for a person who is or may be held  
29 legally liable for the damages; and

(2) the applicable limit of liability of the uninsured and underinsured motorist coverage.

\* Sec. 4. AS 28.20.445(b) is repealed and reenacted to read:

(b) An amount payable under the uninsured and underinsured motorist coverage shall be excess to an amount payable under automobile bodily injury, death, or medical payments coverage, or as workers' compensation benefits and may not duplicate amounts paid or payable under valid and collectible automobile bodily injury, death, or medical payments coverage, or as workers' compensation benefits.

\* Sec. 5. AS 28.20.445(c) is repealed and reenacted to read:

(c) If a person is entitled to uninsured or underinsured motorists coverage under more than one coverage when two or more vehicles are insured under one policy, the maximum amount payable may not exceed the highest limit of any one coverage under the policy. If a person is entitled as a named insured to uninsured or underinsured motorist coverage under more than one motor vehicle policy issued by the same insurer, the maximum amount payable may be limited to the highest limit of any one coverage under the policies. If a person is entitled to uninsured or underinsured motorist coverage under more than one policy providing motor vehicle liability coverage, payments will be made in the following order of priority, subject to the limit of liability of each applicable policy or coverage:

(1) a policy or coverage covering a motor vehicle occupied by the injured person or a policy or coverage covering a pedestrian as a named insured;

(2) a policy or coverage covering a motor vehicle occupied by the injured person as an insured other than as a named insured;

(3) a policy or coverage not covering a motor vehicle occupied by the injured person but covering the injured person as a

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1 named insured;

2 (4) a policy or coverage not covering a motor vehicle  
3 occupied by the injured person but covering the injured person as an  
4 insured other than as a named insured;

5 (5) a policy or coverage covering, as excess, umbrella, or  
6 similar insurance, a motor vehicle occupied by the injured person or a  
7 policy or coverage covering, as excess, umbrella, or similar insur-  
8 ance, a pedestrian as a named insured;

9 (6) a policy or coverage covering, as excess, umbrella, or  
10 similar insurance, a motor vehicle occupied by the injured person or a  
11 policy or coverage covering, as excess, umbrella, or similar insur-  
12 ance, a pedestrian as an insured other than as a named insured;

13 (7) a policy or coverage not covering a motor vehicle  
14 occupied by the injured person but covering, as excess, umbrella, or  
15 similar insurance, the injured person as a named insured;

16 (8) a policy or coverage not covering a motor vehicle  
17 occupied by the injured person but covering, as excess, umbrella, or  
18 similar insurance, the injured person as an insured other than as a  
19 named insured.

20 \* Sec. 6. AS 28.22.221 is repealed and reenacted to read:

21 Sec. 28.22.221. POLICY COVERAGE AND PRIORITIES. If a person is  
22 entitled to uninsured or underinsured motorists coverage under more  
23 than one coverage when two or more vehicles are insured under one  
24 policy, the maximum amount payable may not exceed the highest limit of  
25 any one coverage under the policy. If a person is entitled as a named  
26 insured to uninsured or underinsured motorist coverage under more than  
27 one motor vehicle policy issued by the same insurer, the maximum  
28 amount payable may be limited to the highest limit of any one coverage  
29 under the policies. If a person is entitled to uninsured or

underinsured motorist coverage under more than one policy providing motor vehicle liability coverage, payments will be made in the following order of priority, subject to the limit of liability of each applicable policy or coverage:

(1) a policy or coverage covering a motor vehicle occupied by the injured person or a policy or coverage covering a pedestrian as a named insured;

(2) a policy or coverage covering a motor vehicle occupied by the injured person as an insured other than as a named insured;

(3) a policy or coverage not covering a motor vehicle occupied by the injured person but covering the injured person as a named insured;

(4) a policy or coverage not covering a motor vehicle occupied by the injured person but covering the injured person as an insured other than as a named insured;

(5) a policy or coverage covering, as excess, umbrella, or similar insurance, a motor vehicle occupied by the injured person or a policy or coverage covering, as excess, umbrella, or similar insurance, a pedestrian as a named insured;

(6) a policy or coverage covering, as excess, umbrella, or similar insurance, a motor vehicle occupied by the injured person or a policy or coverage covering, as excess, umbrella, or similar insurance, a pedestrian as an insured other than as a named insured;

(7) a policy or coverage not covering a motor vehicle occupied by the injured person but covering, as excess, umbrella, or similar insurance, the injured person as a named insured;

(8) a policy or coverage not covering a motor vehicle occupied by the injured person but covering, as excess, umbrella, or similar insurance, the injured person as an insured other than as a

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1            named insured.

2            \* Sec. 7. APPLICABILITY. This Act applies to contracts of insurance  
3 entered into on or after January 1, 1991.  
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