

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 395

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Don Kidd

AN ACT

RELATING TO INSURANCE; ASSIGNING PRIMARY LIABILITY AMONG MOTOR  
VEHICLE INSURERS AND SELF-INSURERS FOR USE OF VEHICLES OWNED  
BY A LICENSED AUTOMOBILE DEALER.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 59A-32-23 NMSA 1978 (being Laws 2001,  
Chapter 88, Section 1) is amended to read:

"59A-32-23. VEHICLE INSURANCE--PRIMARY LIABILITY--  
ASSIGNMENT--NOTICE.--

~~[A. Except as provided in Subsection B or C of  
this section, a motor vehicle insurance policy or self-  
insurance agreement of the owner or long-term lessee of a  
motor vehicle shall provide primary coverage for bodily injury  
or property damage claims, subject to the terms, conditions,  
limits and types of coverage included in the policy or~~

. 141030. 1GJ

underscored material = new  
[bracketed material] = delete

underscored material = new  
[bracketed material] = delete

1 ~~agreement.~~

2           ~~B.-]~~ A. When a vehicle owned by a licensed  
3 automobile dealer is loaned without a fee to a person for  
4 demonstration purposes, as a temporary substitute for that  
5 person's vehicle while it is being serviced or repaired, as a  
6 promotional courtesy vehicle or as a courtesy vehicle, primary  
7 insurance or self-insurance coverage shall be provided by the  
8 motor vehicle insurer providing coverage to the person using  
9 the demonstration vehicle, temporary substitute vehicle,  
10 promotional courtesy vehicle or a courtesy vehicle, and  
11 coverage provided by the dealer or the dealer's insurer  
12 applies only as excess coverage.

13           ~~[C.-]~~ B. A person proposing to operate a motor  
14 vehicle for the purposes identified in Subsection ~~[B]~~ A of  
15 this section may assume primary responsibility for the  
16 operator's vehicle insurance by signing the following  
17 statement:

18                           "PRIMARY LIABILITY ASSIGNMENT

19 In consideration of the vehicle owner entrusting the motor  
20 vehicle elsewhere described to me, I agree that my vehicle  
21 insurance or self-insurance coverage shall be primarily  
22 responsible for any loss or damage caused by or to the motor  
23 vehicle. "

24           ~~[D.-]~~ C. The agreement set forth in Subsection ~~[C]~~  
25 B of this section shall be binding on all insurers and self-

underscored material = new  
[bracketed material] = delete

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

insurers transacting insurance in the state as a condition of  
doing the business of transacting insurance."