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SENATE BILL 722

42ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1996

INTRODUCED BY

TOM R. BENAVIDES

AN ACT

RELATING TO MOTOR VEHICLE INSURANCE; PROHIBITING A MOTOR VEHICLE LIABILITY INSURER FROM REFUSING TO ISSUE AN INSURANCE POLICY BASED ON AN INDIVIDUAL'S DRIVING RECORD; AMENDING THE INSURANCE RATE REGULATION LAW.

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

Section 1. Section 59A-17-7.1 NMSA 1978 (being Laws 1987, Chapter 80, Section 1) is amended to read:

"59A-17-7.1. RATES--COVERAGE--MOTOR VEHICLE LIABILITY.--

A. The rates of a motor vehicle liability insurer shall not provide for an increase in the premium if based upon an accident in which the insured is not at fault in any manner as determined by either the accident report or the insurer. If the insurer determines that its insured is at fault contrary to the specific finding of an accident report that the insured is

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1 not at fault, the insurer shall reach its conclusion only after
2 an investigation.

3 B. A motor vehicle liability insurer shall not
4 cancel, use as a basis for refusal to issue or use as a basis
5 for nonrenewal, an insurance policy [~~if such cancellation or~~
6 ~~nonrenewal is based upon an accident in which the insured is not~~
7 ~~at fault in any manner as determined by either the accident~~
8 ~~report or the insurer. If the insurer determines that its~~
9 ~~insured is at fault contrary to the specific finding of an~~
10 ~~accident report that the insured is not at fault, the insurer~~
11 ~~shall reach its conclusion only after an investigation]~~ basedy
12 on an individual's driving record.

13 C. As used in this section, "motor vehicle liability
14 insurer" means an insurer authorized to transact in this state
15 the business of automobile and motor vehicle bodily injury,
16 property damage liability and physical damage insurance.

17 D. This section shall not apply if other factors
18 exist, exclusive of the accident in which the insured is not at
19 fault, which allow for a premium increase, cancellation or
20 nonrenewal of an insurance policy under the Insurance Code or
21 regulations pursuant to the Insurance Code."