BILL SUMMARY

2nd Session of the 53rd Legislature

Bill No.: SB1156
Version: PCS
Request Number: 10295
Author: Representative Faught

Senator Aldridge

Date: 4/9/2012 Impact: \$0

Research Analysis

The proposed committee substitute for SB 1156 repeals language that makes subrogation provisions granting the insurer the right to recover medical payments made to the insured or certain relative under an automobile liability policy invalid; while provisions providing for the insurer's rights of subrogation and set-off upon such payments to any person or certain relative not named in the under the policy will be valid.

Additionally, the measure adds language that requires automobile liability insurers, when the insured is liable for injuries to another person and benefits have been paid by another insurer, to reimburse the other insurer for the payment in an amount decided by mandatory, binding arbitration between the insurers. Except, there is no right to reimbursement if the person liable for the injuries has tendered its policy limit or the person sustained death, dismemberment or permanent disability or impairment based on objective findings.

Prepared By: Andrea Merten

Fiscal Analysis

The Proposed Committee Sub for Engrossed SB1156 has no fiscal impact on state revenues.

Prepared By: Marilyn Anderson

Other Considerations

None