

SENATE BILL NO. 754

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Commerce and Labor

on _____)

(Patron Prior to Substitute--Senator Obenshain)

A BILL to amend and reenact §§ 38.2-2202, 38.2-2206, and 46.2-2057 of the Code of Virginia, relating to motor vehicle insurance; uninsured motorist coverage.

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-2202, 38.2-2206, and 46.2-2057 of the Code of Virginia are amended and reenacted as follows:

§ 38.2-2202. Required notice of optional coverage available.

A. No new policy for insurance covering liability arising out of the ownership, maintenance, or use of any motor vehicle shall be issued or delivered in the Commonwealth unless there is enclosed with the policy, in boldface type, the following statement:

IMPORTANT NOTICE

IN ADDITION TO THE MINIMUM INSURANCE REQUIRED BY LAW, YOU MAY PURCHASE ADDITIONAL INSURANCE COVERAGE FOR THE NAMED INSURED AND FOR HIS RELATIVES WHO ARE MEMBERS OF HIS HOUSEHOLD WHILE IN OR UPON, ENTERING OR ALIGHTING FROM A MOTOR VEHICLE, OR THROUGH BEING STRUCK BY A MOTOR VEHICLE WHILE NOT OCCUPYING A MOTOR VEHICLE, AND FOR OCCUPANTS OF THE INSURED MOTOR VEHICLE. THE FOLLOWING HEALTH CARE AND DISABILITY BENEFITS ARE AVAILABLE FOR EACH ACCIDENT:

- 1. PAYMENT OF UP TO \$2,000 PER PERSON FOR ALL REASONABLE AND NECESSARY EXPENSES FOR MEDICAL, CHIROPRACTIC, HOSPITAL, DENTAL, SURGICAL, PROSTHETIC AND REHABILITATION SERVICES, SERVICES PROVIDED BY AN EMERGENCY MEDICAL SERVICES VEHICLE AS DEFINED IN § 32.1-111.1, AND FUNERAL EXPENSES RESULTING

27 FROM THE ACCIDENT AND INCURRED WITHIN THREE YEARS AFTER THE DATE OF THE
28 ACCIDENT. HOWEVER, IF YOU DO NOT PURCHASE THE \$2,000 LIMIT OF COVERAGE, YOU
29 AND THE COMPANY MAY AGREE TO ANY OTHER LIMIT; AND

30 2. AN AMOUNT EQUAL TO THE LOSS OF INCOME UP TO \$100 PER WEEK IF THE
31 INJURED PERSON IS ENGAGED IN AN OCCUPATION FOR WHICH HE RECEIVES
32 COMPENSATION, FROM THE FIRST WORKDAY LOST AS A RESULT OF THE ACCIDENT UP
33 TO THE DATE THE PERSON IS ABLE TO RETURN TO HIS USUAL OCCUPATION. SUCH
34 PAYMENTS ARE LIMITED TO A PERIOD EXTENDING ONE YEAR FROM THE DATE OF THE
35 ACCIDENT.

36 IF YOU DESIRE TO PURCHASE EITHER OR BOTH OF THESE COVERAGES AT AN
37 ADDITIONAL PREMIUM, YOU MAY DO SO BY CONTACTING THE AGENT OR COMPANY
38 THAT ISSUED YOUR POLICY.

39 The insurer issuing the policy shall inform the insured by any reasonable means of communication
40 of the approximate premium for the additional coverage.

41 B. No new policy of insurance covering liability arising out of the ownership, maintenance, or use
42 of any motor vehicle shall be issued or delivered in the Commonwealth unless the following statement,
43 printed in boldface type, is enclosed with the policy:

44 **IMPORTANT NOTICE**
45 **YOU ARE ENTITLED TO PURCHASE UNINSURED/UNDERINSURED COVERAGE**
46 **LIMITS EQUAL TO THE LIABILITY LIMITS ON YOUR MOTOR VEHICLE POLICY. HOWEVER,**
47 **ANY ONE NAMED INSURED HAS THE RIGHT TO REDUCE THE LIMITS OF THE**
48 **UNINSURED/UNDERINSURED MOTORIST COVERAGE TO LESS THAN THE LIABILITY**
49 **LIMITS ON THE POLICY BUT NO LOWER THAN THE FINANCIAL RESPONSIBILITY LIMITS**
50 **REQUIRED BY § 46.2-472 OF THE CODE OF VIRGINIA. THE INSURER MAY REQUIRE THAT A**
51 **REQUEST TO REDUCE COVERAGE BE IN WRITING. ONCE ANY ONE NAMED INSURED**
52 **REDUCES THE POLICY LIMITS FOR UNINSURED/UNDERINSURED MOTORIST COVERAGE**
53 **BELOW THE POLICY'S LIABILITY LIMITS, THAT ELECTION IS BINDING ON ALL INSUREDS**

54 ON THE POLICY. LATER, IF YOU DESIRE TO INCREASE YOUR LIMITS, YOU MUST MAKE A
55 SPECIFIC REQUEST TO YOUR INSURER. YOU MAY WANT TO PUT THIS REQUEST IN
56 WRITING.

57 BEFORE REDUCING THE LIMITS OF THE UNINSURED/UNDERINSURED MOTORIST
58 COVERAGE, YOU SHOULD CAREFULLY CONSIDER THAT THIS COVERAGE PROVIDES
59 IMPORTANT PROTECTION IN THE EVENT YOU ARE INJURED OR YOUR MOTOR VEHICLE
60 IS DAMAGED DUE TO THE ACTIONS OF AN UNINSURED/UNDERINSURED MOTORIST.

61 C. No policy of insurance covering liability arising out of the ownership, maintenance, or use of
62 any motor vehicle shall be issued, delivered, or renewed after July 1, 2023, in the Commonwealth unless
63 the following statement, printed in boldface type, is enclosed with the policy:

64 IMPORTANT NOTICE

65 PREVIOUSLY, YOUR UNDERINSURED MOTORIST COVERAGE PAID DAMAGES DUE
66 TO AN INSURED AFTER ANY CREDIT OF THE BODILY INJURY OR PROPERTY DAMAGE
67 LIABILITY COVERAGE APPLICABLE TO THE INSURED'S DAMAGES HAD BEEN APPLIED.

68 THE LAW HAS BEEN AMENDED TO REQUIRE INSURERS TO PROVIDE
69 UNDERINSURED MOTORIST COVERAGE THAT PAYS ANY DAMAGES DUE TO AN INSURED
70 IN ADDITION TO ANY BODILY INJURY OR PROPERTY DAMAGE LIABILITY THAT IS
71 APPLICABLE TO THE INSURED'S DAMAGES. THIS CHANGE MAY AFFECT YOUR PREMIUM.

72 YOU MAY ELECT TO REFUSE THIS CHANGE IN YOUR UNDERINSURED MOTORIST
73 COVERAGE.

74 AN ELECTION TO DECREASE YOUR UNDERINSURED MOTORIST COVERAGE MUST
75 BE IN WRITING. ONCE ANY ONE NAMED INSURED ELECTS TO DECREASE THE
76 UNDERINSURED MOTORIST COVERAGE, THAT ELECTION IS BINDING ON ALL INSUREDS
77 ON THE POLICY. LATER, IF YOU DESIRE TO PURCHASE INCREASED UNDERINSURED
78 MOTORIST COVERAGE, YOU MUST MAKE A SPECIFIC REQUEST TO YOUR INSURER. YOU
79 MUST PUT THIS REQUEST IN WRITING.

80 BEFORE ELECTING TO DECREASE YOUR UNDERINSURED MOTORIST COVERAGE,
81 YOU SHOULD CAREFULLY CONSIDER THAT THIS COVERAGE PROVIDES IMPORTANT
82 PROTECTION IN THE EVENT YOU ARE INJURED OR YOUR MOTOR VEHICLE IS DAMAGED
83 DUE TO THE ACTIONS OF AN UNDERINSURED MOTORIST.

84 **§ 38.2-2206. Uninsured motorist insurance coverage.**

85 A. Except as provided in subsection J, no policy or contract of bodily injury or property damage
86 liability insurance relating to the ownership, maintenance, or use of a motor vehicle shall be issued or
87 delivered in this Commonwealth to the owner of such vehicle or shall be issued or delivered by any insurer
88 licensed in this Commonwealth upon any motor vehicle principally garaged or used in this
89 Commonwealth unless it contains an endorsement or provisions undertaking to pay the insured all sums
90 that he is legally entitled to recover as damages from the owner or operator of an uninsured motor vehicle,
91 within limits not less than the requirements of § 46.2-472. Those limits shall equal but not exceed the
92 limits of the liability insurance provided by the policy, unless any one named insured rejects the additional
93 uninsured motorist insurance coverage by notifying the insurer as provided in subsection B of § 38.2-
94 2202. This rejection of the additional uninsured motorist insurance coverage by any one named insured
95 shall be binding upon all insureds under such policy ~~as defined in subsection B~~. The endorsement or
96 provisions shall also provide underinsured motorist insurance coverage with limits that shall be equal to
97 the uninsured motorist insurance coverage limits and shall obligate the insurer to make payment for bodily
98 injury or property damage caused by the operation or use of an underinsured motor vehicle to the extent
99 the vehicle is underinsured, ~~as defined in subsection B~~.

100 The endorsement shall provide that underinsured motorist coverage shall be paid without any
101 credit for the bodily injury and property damage coverage available for payment, unless any one named
102 insured signs an election to reduce any underinsured motorist coverage payments by the bodily injury
103 liability or property damage liability coverage available for payment by notifying the insurer as provided
104 in subsection C of § 38.2-2202. This election by any one named insured shall be binding upon all insureds
105 under such policy.

106 The endorsement or provisions shall also provide for at least \$20,000 coverage for damage or
107 destruction of the property of the insured in any one accident but may provide an exclusion of the first
108 \$200 of the loss or damage where the loss or damage is a result of any one accident involving an
109 unidentifiable owner or operator of an uninsured motor vehicle.

110 B. 1. As used in this section:

111 "Bodily injury" includes death resulting from bodily injury.

112 "Insured" as used in subsections A, D, G, and H, means the named insured and, while resident of
113 the same household, the spouse of the named insured, and relatives, wards or foster children of either,
114 while in a motor vehicle or otherwise, and any person who uses the motor vehicle to which the policy
115 applies, with the expressed or implied consent of the named insured, and a guest in the motor vehicle to
116 which the policy applies or the personal representative of any of the above.

117 "Uninsured motor vehicle" means a motor vehicle for which (i) there is no bodily injury liability
118 insurance and property damage liability insurance in the amounts specified by § 46.2-472, (ii) there is
119 such insurance but the insurer writing the insurance denies coverage for any reason whatsoever, including
120 failure or refusal of the insured to cooperate with the insurer, (iii) there is no bond or deposit of money or
121 securities in lieu of such insurance, (iv) the owner of the motor vehicle has not qualified as a self-insurer
122 under the provisions of § 46.2-368, or (v) the owner or operator of the motor vehicle is immune from
123 liability for negligence under the laws of the Commonwealth or the United States, in which case the
124 provisions of subsection F shall apply and the action shall continue against the insurer. A motor vehicle
125 shall be deemed uninsured if its owner or operator is unknown.

126 A motor vehicle is "underinsured" when, and to the extent that, the total amount of bodily injury
127 and property damage coverage applicable to the operation or use of the motor vehicle and available for
128 payment for such bodily injury or property damage, including all bonds or deposits of money or securities
129 made pursuant to Article 15 (§ 46.2-435 et seq.) of Chapter 3 of Title 46.2, is less than the total amount
130 of ~~uninsured motorist coverage afforded~~ damages sustained up to the total amount of underinsured
131 motorist coverage afforded any person injured as a result of the operation or use of the vehicle.

132 "Available for payment" means the amount of liability insurance coverage applicable to the claim
133 of the injured person for bodily injury or property damage reduced by the payment of any other claims
134 arising out of the same occurrence.

135 2. If an injured person is entitled to uninsured or underinsured motorist coverage under more than
136 one policy, the following order of priority of policies applies and any amount available for payment
137 insurers shall be credited against such policies obligated to the injured person in the following order of
138 priority of payment:

139 1-a. The policy covering a motor vehicle occupied by the injured person at the time of the accident;

140 2-b. The policy covering a motor vehicle not involved in the accident under which the injured
141 person is a named insured;

142 3-c. The policy covering a motor vehicle not involved in the accident under which the injured
143 person is an insured other than a named insured.

144 Where there is more than one insurer providing coverage under one of the payment priorities set
145 forth, their liability shall be proportioned as to their respective available uninsured or underinsured
146 motorist coverages.

147 3. If an injured person is entitled to underinsured motorist coverage under one or more policies
148 wherein a named insured has elected to reduce the underinsured motorist limits by the available bodily
149 injury liability insurance or property damage liability insurance coverage available for payment, any
150 amount available for payment shall be credited against such policies in payment priority pursuant to
151 subdivision 2 a only, and where there is more than one such policy entitled to such credit, the credit shall
152 be apportioned pro-rata pursuant to the policies' respective available underinsured motorist coverages.

153 4. Recovery under the endorsement or provisions shall be subject to the conditions set forth in this
154 section.

155 C. There shall be a rebuttable presumption that a motor vehicle is uninsured if the Commissioner
156 of the Department of Motor Vehicles certifies that, from the records of the Department of Motor Vehicles,
157 it appears that (i) there is no bodily injury liability insurance and property damage liability insurance in
158 the amounts specified by § 46.2-472 covering the owner or operator of the motor vehicle; (ii) no bond has

159 been given or cash or securities delivered in lieu of the insurance; or (iii) the owner or operator of the
160 motor vehicle has not qualified as a self-insurer in accordance with the provisions of § 46.2-368.

161 D. If the owner or operator of any motor vehicle that causes bodily injury or property damage to
162 the insured is unknown, and if the damage or injury results from an accident where there has been no
163 contact between that motor vehicle and the motor vehicle occupied by the insured, or where there has been
164 no contact with the person of the insured if the insured was not occupying a motor vehicle, then for the
165 insured to recover under the endorsement required by subsection A, the accident shall be reported
166 promptly to either (i) the insurer or (ii) a law-enforcement officer having jurisdiction in the county or city
167 in which the accident occurred. If it is not reasonably practicable to make the report promptly, the report
168 shall be made as soon as reasonably practicable under the circumstances.

169 E. If the owner or operator of any vehicle causing injury or damages is unknown, an action may
170 be instituted against the unknown defendant as "John Doe" and service of process may be made by
171 delivering a copy of the motion for judgment or other pleadings to the clerk of the court in which the
172 action is brought. Service upon the insurer issuing the policy shall be made as prescribed by law as though
173 the insurer were a party defendant. The provisions of § 8.01-288 shall not be applicable to the service of
174 process required in this subsection. The insurer shall have the right to file pleadings and take other action
175 allowable by law in the name of John Doe.

176 F. If any action is instituted against the owner or operator of an uninsured or underinsured motor
177 vehicle by any insured intending to rely on the uninsured or underinsured coverage provision or
178 endorsement of this policy under which the insured is making a claim, then the insured shall serve a copy
179 of the process upon this insurer in the manner prescribed by law, as though the insurer were a party
180 defendant. The provisions of § 8.01-288 shall not be applicable to the service of process required in this
181 subsection. The insurer shall then have the right to file pleadings and take other action allowable by law
182 in the name of the owner or operator of the uninsured or underinsured motor vehicle or in its own name.
183 Notwithstanding the provisions of subsection A, the immunity from liability for negligence of the owner
184 or operator of a motor vehicle shall not be a bar to the insured obtaining a judgment enforceable against
185 the insurer for the negligence of the immune owner or operator, and shall not be a defense available to the

186 insurer to the action brought by the insured, which shall proceed against the named defendant although
187 any judgment obtained against an immune defendant shall be entered in the name of "Immune Defendant"
188 and shall be enforceable against the insurer and any other nonimmune defendant as though it were entered
189 in the actual name of the named immune defendant. Nothing in this subsection shall prevent the owner or
190 operator of the uninsured motor vehicle from employing counsel of his own choice and taking any action
191 in his own interest in connection with the proceeding.

192 G. Any insurer paying a claim under the endorsement or provisions required by subsection A shall
193 be subrogated to the rights of the insured to whom the claim was paid against the person causing the injury,
194 death, or damage and that person's insurer, although it may deny coverage for any reason, to the extent
195 that payment was made. The bringing of an action against the unknown owner or operator as John Doe or
196 the conclusion of such an action shall not bar the insured from bringing an action against the owner or
197 operator proceeded against as John Doe, or against the owner's or operator's insurer denying coverage for
198 any reason, if the identity of the owner or operator who caused the injury or damages becomes known.
199 The bringing of an action against an unknown owner or operator as John Doe shall toll the statute of
200 limitations for purposes of bringing an action against the owner or operator who caused the injury or
201 damages until his identity becomes known. In no event shall an action be brought against an owner or
202 operator who caused the injury or damages, previously filed against as John Doe, more than three years
203 from the commencement of the action against the unknown owner or operator as John Doe in a court of
204 competent jurisdiction. Any recovery against the owner or operator, or the insurer of the owner or operator
205 shall be paid to the insurer of the injured party to the extent that the insurer paid the named insured in the
206 action brought against the owner or operator as John Doe. However, the insurer shall pay its proportionate
207 part of all reasonable costs and expenses incurred in connection with the action, including reasonable
208 attorney's fees. Nothing in an endorsement or provisions made under this subsection nor any other
209 provision of law shall prevent the joining in an action against John Doe of the owner or operator of the
210 motor vehicle causing the injury as a party defendant, and the joinder is hereby specifically authorized.
211 No action, verdict or release arising out of a suit brought under this subsection shall give rise to any

212 defenses in any other action brought in the subrogated party's name, including res judicata and collateral
213 estoppel.

214 H. No endorsement or provisions providing the coverage required by subsection A shall require
215 arbitration of any claim arising under the endorsement or provisions, nor may anything be required of the
216 insured except the establishment of legal liability, nor shall the insured be restricted or prevented in any
217 manner from employing legal counsel or instituting legal proceedings.

218 I. Except as provided in § 65.2-309.1, the provisions of subsections A and B of § 38.2-2204 and
219 the provisions of subsection A shall not apply to any policy of insurance to the extent that it covers the
220 liability of an employer under any workers' compensation law, or to the extent that it covers liability to
221 which the Federal Tort Claims Act applies. No provision or application of this section shall limit the
222 liability of an insurer of motor vehicles to an employee or other insured under this section who is injured
223 by an uninsured motor vehicle; provided that in the event an employee of a self-insured employer receives
224 a workers' compensation award for injuries resulting from an accident with an uninsured motor vehicle,
225 such award shall be set off against any judgment for damages awarded pursuant to this section for personal
226 injuries resulting from such accident.

227 J. Policies of insurance whose primary purpose is to provide coverage in excess of other valid and
228 collectible insurance or qualified self-insurance may include uninsured motorist coverage as provided in
229 subsection A. Insurers issuing or providing liability policies that are of an excess or umbrella type or which
230 provide liability coverage incidental to a policy and not related to a specifically insured motor vehicle,
231 shall not be required to offer, provide or make available to those policies uninsured or underinsured motor
232 vehicle coverage as defined in subsection A.

233 K. An injured person, or in the case of death or disability his personal representative, may settle a
234 claim with (i) a liability insurer, including any insurer providing liability coverage through an excess or
235 umbrella insurance policy or contract and (ii) the liability insurer's insured for the available limits of the
236 liability insurer's coverage. Upon settlement with the liability insurer, the injured party or personal
237 representative shall proceed to execute a full release in favor of the underinsured motorist's liability insurer
238 and its insured and finalize the proposed settlement without prejudice to any underinsured motorist

239 benefits or claim. Any such release that states that it is being executed pursuant to or consistent with this
240 subsection shall not operate to release any parties other than the liability insurer and underinsured motorist,
241 regardless of the identities of the released parties set forth in the release, and any terms contained in the
242 release that are inconsistent with, or in violation of, this section are null and void. Upon payment of the
243 liability insurer's available limits to the injured person or personal representative or his attorney, the
244 liability insurer shall thereafter have no further duties to its insured, including the duty to defend its insured
245 if an action has been or is brought against the liability insurer's insured, and the insurer providing
246 applicable underinsured motorist coverage shall have no right of subrogation or claim against the
247 underinsured motorist. However, if the underinsured motorist unreasonably fails to cooperate with the
248 underinsured motorist benefits insurer in the defense of any lawsuit brought by the injured person or his
249 personal representative, he may again be subjected to a claim for subrogation by the underinsured motorist
250 benefits insurer pursuant to § 8.01-66.1:1. Nothing in this section or § 8.01-66.1:1 shall create any duty
251 on the part of any underinsured motorist benefits insurer to defend any underinsured motorist. No attorney-
252 client relationship is created between the underinsured motorist and counsel for the underinsured motorist
253 benefits insurer without the express intent and agreement of the underinsured motorist, the underinsured
254 motorist benefits insurer, and counsel for the underinsured motorist benefits insurer. This section provides
255 an alternative means by which the parties may resolve claims and does not eliminate or restrict any other
256 available means.

257 L. Any settlement between the injured person or his personal representative, any insurer providing
258 liability coverage applicable to the claim, and the underinsured motorist described in subsection K shall
259 be in writing, signed by both the injured person or his personal representative and the underinsured
260 motorist, and shall include the following notice to the underinsured motorist, which must be initialed by
261 the underinsured motorist:

262 "NOTICE TO RELEASED PARTY: Your insurance company has agreed to pay the available
263 limits of its insurance to settle certain claims on your behalf. This settlement secures a full release of you
264 for all claims the claimant/plaintiff has against you arising out of the subject accident, as well as ensures
265 that no judgment can ever be entered against you by the claimant/plaintiff. In order to protect yourself

266 from subrogation by any underinsured motorist insurer, you are agreeing to cooperate with the
267 underinsured motorist benefits insurer(s). The underinsured motorist benefits insurer is not your insurer
268 and has no duty to defend you.

269 Under this manner of settlement, the underinsured motorist benefits insurer(s) that is/are involved
270 in this case has/have no right of subrogation against you unless you fail to reasonably cooperate in its/their
271 defense of the claim by not (i) attending your deposition and trial, if subpoenaed, (ii) assisting in
272 responding to discovery, (iii) meeting with defense counsel at reasonable times after commencement of
273 this suit and before your testimony at a deposition and/or trial, and (iv) notifying the underinsured motorist
274 benefits insurer or its defense counsel of any change in your address, provided that the underinsured
275 motorist benefits insurer or its defense counsel has notified you of its existence and provided you with
276 their contact information.

277 Upon payment of the agreed settlement amount by your insurance company(ies), such company
278 shall no longer owe you any duties, including the duty to hire and pay for an attorney for you. You are not
279 required to consent to settlement in this manner. If you do not consent to settlement in this manner, your
280 insurance company will still defend you in any lawsuit brought against you by the claimant/plaintiff, but
281 you will not have the protections of a full release from the claimant/plaintiff, judgment could be entered
282 against you and may exceed your available insurance coverage, and any underinsured motorist benefits
283 insurer would have a right of subrogation against you to recover any moneys it pays to the
284 claimant/plaintiff.

285 You are encouraged to discuss your rights and obligations related to settlement in this manner with
286 your insurance company and/or an attorney. By signing this document, you agree to consent to this
287 settlement and to reasonably cooperate with the underinsured motorist benefits insurer in the defense of
288 any lawsuit brought by the claimant/plaintiff.

289 _____ (initial)"

290 In the alternative to having the underinsured motorist sign the release and initial the notice, the
291 liability insurer may send the notice and release to the underinsured motorist by certified mail return

292 receipt requested to his last known address, which will be deemed to have satisfied the requirements of
293 this subsection.

294 M. Any action brought by the injured person or his personal representative to recover underinsured
295 motorist benefits after payment of the liability insurer's available limits pursuant to subsection K shall be
296 brought against the released defendant, and a copy of the complaint shall be served on any insurer
297 providing underinsured motorist benefits. If an action is pending at the time the liability insurer's available
298 limits are paid to the injured person or personal representative or his attorney, then the action shall remain
299 pending against the named defendant or defendants who have been released. If such action results in a
300 verdict in favor of the injured person or his personal representative against a released defendant, then
301 judgment as to that defendant shall be entered in the name of "Released Defendant" and shall be
302 enforceable against the underinsured motorist benefits insurer, not to exceed the underinsured motorist
303 benefits limits, and against any unreleased defendant, as though it were entered in the actual name of the
304 released defendant.

305 N. Any proposed settlement between a liability insurer and a person under a disability or a personal
306 representative as permitted in subsection K that compromises in part a claim for personal injuries by the
307 person under a disability or for death by wrongful act pursuant to § 8.01-50 may be, but is not required to
308 be, approved pursuant to § 8.01-424 or 8.01-55, as applicable. If the personal representative elects not to
309 have the settlement with the liability insurer approved pursuant to § 8.01-55, then any payment made to
310 the personal representative by the liability insurer shall be made payable to the personal representative's
311 attorney, to be held in trust, or paid into the court pursuant to § 8.01-600 if the personal representative is
312 not represented by an attorney, with no disbursements made therefrom until the compromise is approved
313 by the court pursuant to § 8.01-55. Approval by the court of a settlement between the liability insurer and
314 a person under a disability or the personal representative pursuant to this subsection shall not prejudice
315 the person's or personal representative's claim for underinsured motorist benefits.

316 **§ 46.2-2057. Taxicab insurance required.**

317 A. Each operator of a motor vehicle performing a bona fide taxicab service shall file insurance as
318 required under this article unless evidence can be shown to the Department that the operator (i) is a self-

319 insurer under an ordinance of the city or county where the home office of the operator is located or (ii)
320 has been issued a certificate of self-insurance pursuant to § 46.2-368.

321 B. Any self-insurance protection subject to this section shall provide for protection against the
322 uninsured or underinsured motorist to the extent required by § 38.2-2206. Notwithstanding § 38.2-2206
323 or any other provision of this title, protection against the uninsured or underinsured motorist shall be
324 subject to a limit exclusive of interest and costs, with respect to each motor vehicle, as follows: (i) a limit
325 of \$25,000~~because of due to~~ bodily injury to or death of one person in any one accident; (ii) subject to
326 the limit for one person, a limit of \$50,000~~because of due to~~ bodily injury or death of two or more persons
327 in any one accident; and (iii) a limit of \$20,000~~because of due to~~ injury to or destruction of property of
328 others in any one accident. The amount of bodily injury or property damage liability coverage available
329 for payment from any source shall be credited against and reduce the amount of protection otherwise
330 available against an underinsured motorist. Nothing herein shall preclude any self-insurer operator from
331 purchasing or providing uninsured or underinsured motorist insurance coverage in an amount greater than
332 required in this subsection. Such protection against uninsured and underinsured motorists shall be
333 secondary coverage to any other valid and collectible insurance providing the same protection that is
334 available to any person otherwise entitled to assert a claim to such protection by virtue of this section.

335 **2. That the provisions of this act shall apply to new and renewal policies effective on or after July 1,**
336 **2023.**

337 #