

HOUSE BILL No. 2646

By Representatives Bishop and Hodge

2-6

1 AN ACT concerning motor vehicle liability insurance; increasing the
2 minimum policy limit for bodily injury on certain persons; amending
3 K.S.A. 2017 Supp. 40-3107 and repealing the existing section.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2017 Supp. 40-3107 is hereby amended to read as
7 follows: 40-3107. Every policy of motor vehicle liability insurance issued
8 or renewed on or after January 1, ~~2017~~ 2018, by an insurer to an owner
9 residing in this state shall:

10 (a) Designate by explicit description or by appropriate reference of all
11 vehicles with respect to which coverage is to be granted;

12 (b) insure the person named and any other person, as insured, using
13 any such vehicle with the expressed or implied consent of such named
14 insured, against loss from the liability imposed by law for damages arising
15 out of the ownership, maintenance or use of any such vehicle within the
16 United States of America or the Dominion of Canada, subject to the limits
17 stated in such policy;

18 (c) state the name and address of the named insured, the coverage
19 afforded by the policy, the premium charged and the policy period;

20 (d) contain an agreement or be endorsed that insurance is provided in
21 accordance with the coverage required by this act;

22 (e) (1) contain stated limits of liability, exclusive of interest and costs,
23 with respect to each vehicle for which coverage is granted, not less than
24 \$25,000 because of bodily injury to, or death of, one person in any one
25 accident and, subject to the limit for one person, to a limit of not less than
26 \$50,000 because of bodily injury to, or death of, two or more persons in
27 any one accident, and to a limit of not less than \$25,000 because of harm
28 to or destruction of property of others in any one accident;

29 (2) contain stated limits of liability, exclusive of interest and costs,
30 with respect to each vehicle for which coverage is granted, not less than
31 \$100,000 because of bodily injury to, or death of, one person in any one
32 accident and, subject to the limit for one person, to a limit of not less than
33 \$300,000 because of bodily injury to, or death of, two or more persons in
34 any one accident, and to a limit of not less than \$25,000 because of harm
35 to or destruction of property of others in any one accident if the owner
36 has, within 10 years immediately preceding commission of the offense, a

1 conviction for: (A) Vehicular battery or aggravated vehicular homicide,
2 prior to their repeal, if the crime is committed while committing a
3 violation of K.S.A. 8-1567, and amendments thereto, or the ordinance of a
4 city or resolution of a county in this state that prohibits any acts prohibited
5 by that statute; (B) a violation of K.S.A. 8-2,144 or 8-1567 or K.S.A. 2017
6 Supp. 8-1025, and amendments thereto; (C) aggravated battery as
7 described in K.S.A. 2017 Supp. 21-5413(b)(3), and amendments thereto;
8 (D) involuntary manslaughter as described in K.S.A. 2017 Supp. 21-
9 5405(a)(3), and amendments thereto; (E) a violation of a law of another
10 state that would constitute a crime described in this paragraph if
11 committed in this state; (F) a violation of an ordinance of a city in this
12 state or a resolution of a county in this state that would constitute a crime
13 described in this paragraph, whether or not such conviction is in a court
14 of record; or (G) an act which was committed on a military reservation
15 and that would constitute a violation of K.S.A. 8-2,144 or 8-1567 or K.S.A.
16 2017 Supp. 8-1025, and amendments thereto, or would constitute a crime
17 described in this paragraph if committed off a military reservation in this
18 state;

19 (f) include personal injury protection benefits to the named insured,
20 relatives residing in the same household, persons operating the insured
21 motor vehicle, passengers in such motor vehicle and other persons struck
22 by such motor vehicle and suffering bodily injury while not an occupant of
23 a motor vehicle, not exceeding the limits prescribed for each of such
24 benefits, for loss sustained by any such person as a result of injury. The
25 owner of a motorcycle, as defined by K.S.A. 8-1438, and amendments
26 thereto or motor-driven cycle, defined by K.S.A. 8-1439, and amendments
27 thereto, who is the named insured, shall have the right to reject in writing
28 insurance coverage including such benefits for injury to a person which
29 occurs while the named insured is operating or is a passenger on such
30 motorcycle or motor-driven cycle; and unless the named insured requests
31 such coverage in writing, such coverage need not be provided in or
32 supplemental to a renewal policy when the named insured has rejected the
33 coverage in connection with a policy previously issued by the same
34 insurer. The fact that the insured has rejected such coverage shall not cause
35 such motorcycle or motor-driven cycle to be an uninsured motor vehicle;

36 (g) notwithstanding any omitted or inconsistent language, any
37 contract of insurance which an insurer represents as or which purports to
38 be a motor vehicle liability insurance policy meeting the requirements of
39 this act shall be construed to obligate the insurer to meet all the mandatory
40 requirements and obligations of this act;

41 (h) notwithstanding any other provision contained in this section, any
42 insurer may exclude coverage required by subsections (a), (b), (c) and (d)
43 ~~of this section~~ while any insured vehicles are:

1 (1) Rented to others or used to carry persons for a charge, however,
2 such exclusion shall not apply to the use of a private passenger car on a
3 share the expense basis; or

4 (2) being repaired, serviced or used by any person employed or
5 engaged in any way in the automobile business. This does not apply to the
6 named insured, spouse or relative residents; or the agents, employers,
7 employees or partners of the named insured, spouse or resident relative;
8 and

9 (i) in addition to the provisions of subsection (h) and notwithstanding
10 any other provision contained in subsections (a), (b), (c) and (d) ~~of this~~
11 ~~section~~, any insurer may exclude coverage:

12 (1) For any damages for which the United States government might
13 be liable for the insured's use of the vehicle;

14 (2) for any damages to property owned by, rented to, or in charge of
15 or transported by an insured, however, this exclusion shall not apply to
16 coverage for a rented residence or rented private garage;

17 (3) for any obligation of an insured, or the insured's insurer under any
18 type of workers' compensation or disability or similar law;

19 (4) for liability assumed by an insured under any contract or
20 agreement;

21 (5) if two or more vehicle liability policies apply to the same
22 accident, the total limits of liability under all such policies shall not exceed
23 that of the policy with the highest limit of liability;

24 (6) for any damages arising from an intentional act;

25 (7) for any damages to any person who would be covered for such
26 damages under a nuclear energy liability policy;

27 (8) for any obligation of the insured to indemnify another for
28 damages resulting from bodily injury to the insured's employee by
29 accident arising out of and in the course of such employee's employment;

30 (9) for bodily injury to any fellow employee of the insured arising out
31 of and in the course of such employee's employment;

32 (10) for bodily injury or property damage resulting from the handling
33 of property:

34 (A) Before it is moved from the place where it is accepted by the
35 insured for movement into or onto the covered auto; or

36 (B) after it is moved from the covered auto to the place where it is
37 finally delivered by the insured;

38 (11) for bodily injury or property damage resulting from the
39 movement of property by a mechanical device, other than a hand truck, not
40 attached to the covered auto; and

41 (12) for bodily injury or property damage caused by the dumping,
42 discharge or escape of irritants, pollutants or contaminants; however, this
43 exclusion does not apply if the discharge is sudden and accidental.

1 (j) Commencing with the 2026 legislative interim period, and at least
2 every 10 years thereafter, subject to authorization by the legislative
3 coordinating council, a legislative interim study committee shall study the
4 issue of whether the minimum limits of liability in subsection (e) should
5 be adjusted.

6 Sec. 2. K.S.A. 2017 Supp. 40-3107 is hereby repealed.

7 Sec. 3. This act shall take effect and be in force from and after its
8 publication in the statute book.