



**STATE OF ARIZONA
DEPARTMENT OF INSURANCE**

JANET NAPOLITANO
Governor

2910 NORTH 44th STREET, 2ND FLOOR
PHOENIX, ARIZONA 85018-7256

CHARLES R. COHEN
Director

REGULATORY BULLETIN 2003-10*

TO: All Insurance Industry Representatives, Insurance Trade Associations,
Insurers That Sell Motor Vehicle Liability Insurance, And Interested Parties

FROM: Charles R. Cohen
Director of Insurance

DATE: July 15, 2003

RE: **Form for Selection of Limits or Rejection of Uninsured Motorist
Coverage or Underinsured Motorist Coverage**

This regulatory bulletin amends Circular Letters 1998-05 (August 11, 1998) and 1998-12 (November 9, 1998), and Regulatory Bulletin 2003-03 (March 24, 2003), to reflect amendments to A.R.S. § 20-259.01 made by Laws 2003, Chapter 86, effective September 18, 2003 ("HB2151").

Currently, A.R.S. § 20-259.01 requires that every insurer writing motor vehicle liability insurance in Arizona make available and offer, by written notice, uninsured motorist (UM) coverage and underinsured motorist (UIM) coverage for all persons insured under the policy, in limits not less than the policy's liability limits for bodily injury or death. A.R.S. § 20-259.01 further requires an insurer to provide an applicant with a selection form containing the written notice and offer of the two coverages. In the circular letters and bulletin referenced above, the Department discussed the statutory requirements and provided a sample form, in English and Spanish, that insurers can use to satisfy the requirements of A.R.S. § 20-259.01.

A.R.S. § 20-259.01, as amended by HB2151, provides that the completion of the notice and offer form is not required when the insured purchases both UM coverage and UIM coverage in an amount equal to the limits for bodily injury or death contained in the policy. UM coverage and UIM coverages are separate and distinct coverages. If the insured rejects either or both coverages, or purchases either coverage in an amount that is less than the bodily injury limits, the form is still required.

Please direct any questions regarding this bulletin to Jack Sneathen, Property and Casualty Division, at 602-912-8466.

* This Substantive Policy Statement is advisory only. A Substantive Policy Statement does not include internal procedural documents that only affect the internal procedures of the Agency, and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the Arizona Administrative Procedure Act. If you believe that this Substantive Policy Statement does impose additional requirements or penalties on regulated parties you may petition the agency under Arizona Revised Statutes Section 41-1033 for a review of the Statement.