

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 38.2-2232 of the Code of Virginia, relating to liability insurance;*
3 *private pleasure watercraft; optional uninsured private pleasure watercraft coverage.*

4 [H 2292]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 38.2-2232 of the Code of Virginia is amended and reenacted as follows:**

8 § 38.2-2232. Liability insurance on private pleasure watercraft; optional coverage.

9 A. Every insurer issuing a new or renewal policy or contract covering liability arising from the
10 ownership, maintenance or use of a private pleasure watercraft shall offer, in writing, to the named
11 insured the option of purchasing coverage ~~undertaking to pay all sums the insured is legally entitled to~~
12 ~~recover~~ *as for damages which the insured is legally entitled to recover* from the owner or operator of an
13 uninsured private pleasure watercraft arising out of the ownership, maintenance, or use of such
14 uninsured watercraft. *Such insurer shall be required to offer limits of liability for uninsured private*
15 *pleasure watercraft coverage equal to the limits of the liability insurance provided by the policy.*
16 *However, no insurer shall be required to pay damages for uninsured private pleasure watercraft*
17 *coverage in excess of the limits of uninsured private pleasure watercraft coverage provided by the*
18 *policy. Uninsured private pleasure watercraft coverage shall include coverage for bodily injury and*
19 *property damage liability; provided, however, that such property damage liability coverage shall be*
20 *excess over any other valid and collectible insurance of any kind applicable to the property. Insurers*
21 *issuing or providing liability policies that are of an excess or umbrella type or which provide liability*
22 *coverage incidental to a policy not related to a specifically insured private pleasure watercraft shall not*
23 *be required to offer, provide or make available to those policies uninsured private pleasure watercraft*
24 *coverage.*

25 *For purposes of this section, a "new or renewal policy or contract covering liability arising from the*
26 *ownership, maintenance or use of a private pleasure watercraft" shall mean and include only a policy*
27 *or contract of marine protection and indemnity insurance, as defined in subsection B of § 38.2-126,*
28 *written as a separate policy, which is not in combination with any other class of insurance defined in*
29 *Article 2 (§ 38.2-200 et seq.) of Chapter 1 of this title, to insure a private pleasure watercraft.*

30 For purposes of this section, "uninsured private pleasure watercraft" means a private pleasure
31 watercraft for which there is no ~~liability insurance~~ *valid insurance policy or contract covering liability*
32 *arising from the ownership, maintenance, or use of such private pleasure watercraft in effect at the time*
33 *liability is incurred. Such term does not, however, include any watercraft owned by, furnished to, or*
34 *available for the regular use of any insured, or owned by any governmental unit or agency.*

35 B. If any action is instituted against an owner or operator of an uninsured private pleasure
36 watercraft by any insured intending to rely on the coverage required by this section, then the insured
37 shall serve a copy of the process upon the insurer in the manner prescribed by law, as though the
38 insurer were a party defendant, but the provisions of § 8.01-288 shall not be applicable to service of
39 process under this section. The insurer shall then have the right to file pleadings and take other actions
40 allowable by law in the name of the owner or operator of the uninsured private pleasure watercraft or
41 in its own name.

42 Any insurer paying a claim under coverage required by this section shall be subrogated to the rights
43 of the insured to the extent of any payment on such claim.

ENROLLED

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