

31A-22-302.5 Named driver exclusions.

- (1) A policy of personal lines insurance or combination of personal lines policies purchased to satisfy the owner's or operator's security requirement under Section 41-12a-301 may specifically exclude from coverage:
 - (a) a person who is a resident of the named insured's household, including a person who usually makes the person's home in the same household but temporarily lives elsewhere; or
 - (b) a person who usually or customarily operates the motor vehicle.
- (2) The named driver exclusion under Subsection (1) is effective only if:
 - (a) at the time of the proposed exclusion, each person excluded from coverage satisfies the owner's or operator's security requirement under Section 41-12a-301, independently of the named insured's proof of owner's or operator's security;
 - (b) any named insured and the person excluded from coverage each provide written consent to the exclusion; and
 - (c) the insurer includes the name of each person excluded from coverage in the evidence of insurance provided to an additional insured or loss payee.
- (3) The provisions of Subsection (2)(a) do not apply to the named driver exclusion of the person excluded from coverage if the person's driver license has been denied, suspended, or revoked.
- (4) The named driver exclusion shall remain effective until removed by the insurer.
- (5) If the driver license of a person excluded from coverage under Subsection (1) has been denied, suspended, revoked, or disqualified and the person excluded from coverage subsequently operates a motor vehicle, the exclusion shall:
 - (a) exclude all liability coverage and all physical damage coverage without regard to the comparative fault of the excluded driver;
 - (b) proportionately reduce any benefits otherwise payable to the person excluded from coverage and to any named insured for benefits payable under uninsured motorist coverage, underinsured motorist coverage, personal injury protection coverage, and first party medical coverage to the extent the person excluded from coverage was comparatively at fault; and
 - (c) if the person excluded from coverage is 50% or more at fault in causing the accident, bar both the excluded driver and any named insured from recovering any benefits under any coverage listed under Subsection (5)(b).
- (6) The named driver exclusion under Subsection (1) does not apply when the person excluded from coverage is:
 - (a) a non-driving passenger in a motor vehicle; or
 - (b) a pedestrian.

Amended by Chapter 425, 2011 General Session