



February 19, 2014

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# ENGROSSED HOUSE BILL No. 1059

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DIGEST OF HB 1059 (Updated February 18, 2014 10:18 am - DI 84)

**Citations Affected:** IC 9-13; IC 9-25; IC 9-29.

**Synopsis:** Motor vehicle financial responsibility. Makes various changes to the motor vehicle financial responsibility law, including the: (1) definition of "registration" to include the license plate issued in connection with the registration of a vehicle; (2) requirement of proof of financial responsibility; (3) suspension of a registration as a consequence of operation of the vehicle without financial responsibility in effect; and (4) requirement of proof of future financial responsibility for five years related to operating a vehicle without financial responsibility in effect. Increases fees for the reinstatement of a driving license suspended under the financial responsibility law. Specifies that \$30 of each reinstatement fee currently charged and the amount of the fee increase must be deposited in the motor vehicle highway account. (The introduced version of this bill was prepared by the interim study committee on insurance.)

**Effective:** July 1, 2014; January 1, 2015.

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## Lehman, Heaton, Austin

(SENATE SPONSOR — HOLDMAN)

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January 7, 2014, read first time and referred to Committee on Roads and Transportation.  
January 9, 2014, amended, reported — Do Pass. Recommitted to Committee on Ways and Means pursuant to Rule 127.

January 21, 2014, amended, reported — Do Pass.

January 23, 2014, read second time, ordered engrossed. Engrossed.

January 27, 2014, read third time, passed. Yeas 81, nays 13.

SENATE ACTION

February 4, 2014, read first time and referred to Committee on Homeland Security, Transportation, and Veterans Affairs.

February 18, 2014, reported favorably — Do Pass.

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EH 1059—LS 6879/DI 97





February 19, 2014

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1059

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A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 9-13-2-150.7 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JANUARY 1, 2015]: **Sec. 150.7. "Registration", for**  
4 **purposes of IC 9-25-8, with respect to a vehicle, includes the license**  
5 **plate that is issued by the bureau in connection with the**  
6 **registration of the vehicle.**

7 SECTION 2. IC 9-25-5-7, AS AMENDED BY P.L.59-2013,  
8 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JANUARY 1, 2015]: Sec. 7. Whenever a person required to give proof  
10 of financial responsibility under this article is not the owner of a motor  
11 vehicle, **the following apply:**

12 **(1) If the person seeks only to reinstate the person's suspended**  
13 **driver's license or driving privileges, the person is not**  
14 **required to give proof of financial responsibility.**  
15 **(2) If subdivision (1) does not apply, an operator's policy of**  
16 **liability insurance is sufficient proof of financial responsibility.**

EH 1059—LS 6879/DI 97



1 SECTION 3. IC 9-25-8-2, AS AMENDED BY P.L.59-2013,  
 2 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JANUARY 1, 2015]: Sec. 2. (a) A person who knowingly:

- 4 (1) operates; or  
 5 (2) permits the operation of;

6 a motor vehicle on a public highway in Indiana without financial  
 7 responsibility in effect as set forth in IC 9-25-4-4 commits a Class A  
 8 infraction. However, the offense is a Class C misdemeanor if the  
 9 person knowingly or intentionally violates this section and has a prior  
 10 unrelated conviction or judgment under this section.

11 (b) Subsection (a)(2) applies to:

- 12 (1) the owner of a rental company under IC 9-25-6-3(f)(1); and  
 13 (2) an employer under IC 9-25-6-3(f)(2).

14 (c) In addition to any other penalty imposed on a person for  
 15 violating this section, the court shall recommend the suspension of the  
 16 person's driving privileges for at least ninety (90) days but not more  
 17 than one (1) year. However, if, within the five (5) years preceding the  
 18 conviction under this section, the person had a prior unrelated  
 19 conviction under this section, the court shall recommend the  
 20 suspension of the person's driving privileges **and vehicle registration**  
 21 for one (1) year.

22 (d) Upon receiving the recommendation of the court under  
 23 subsection (c), the bureau shall suspend the person's driving privileges  
 24 **and vehicle registration, as applicable**, for the period recommended  
 25 by the court. If no suspension is recommended by the court, or if the  
 26 court recommends a fixed term that is less than the minimum term  
 27 required by statute, the bureau shall impose the minimum period of  
 28 suspension required under this article.

29 SECTION 4. IC 9-25-8-6, AS ADDED BY P.L.59-2013, SECTION  
 30 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JANUARY 1, 2015]: Sec. 6. (a) This section applies to a person:

- 32 (1) who is convicted of;  
 33 (2) against whom a judgment is entered for;  
 34 (3) against whom the bureau has taken administrative action for;  
 35 or  
 36 (4) who the bureau otherwise determines was;

37 operating a motor vehicle without financial responsibility in violation  
 38 of this article.

39 (b) A person described in subsection (a) must provide proof of  
 40 future financial responsibility:

- 41 (1) **for a first or second offense**, for a period of three (3) years;  
 42 or



1           **(2) for a third or subsequent offense, for a period of five (5)**  
 2           **years;**  
 3 beginning on the date on which the suspension of the person's driving  
 4 privileges terminates.

5           SECTION 5. IC 9-29-10-1 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) **Before January**  
 7 **1, 2015**, the fee for the reinstatement of a driving license that was  
 8 suspended under IC 9-25 is as follows:

- 9           (1) For a first suspension, one hundred fifty dollars (\$150).  
 10           (2) For a second suspension, two hundred twenty-five dollars  
 11 (\$225).  
 12           (3) For a third or subsequent suspension, three hundred dollars  
 13 (\$300).

14           **(b) Beginning January 1, 2015, the fee for the reinstatement of**  
 15 **a driving license that was suspended under IC 9-25 is as follows:**

- 16           **(1) For a first suspension, two hundred fifty dollars (\$250).**  
 17           **(2) For a second suspension, five hundred dollars (\$500).**  
 18           **(3) For a third or subsequent suspension, one thousand dollars**  
 19 **(\$1,000).**

20           ~~(b)~~ (c) The following amount of each fee paid under this section  
 21 shall be deposited in the financial responsibility compliance  
 22 verification fund established by IC 9-25-9-7:

- 23           (1) Of the fee paid for reinstatement after a first suspension, one  
 24 hundred twenty dollars (\$120).  
 25           (2) Of the fee paid for reinstatement after a second suspension,  
 26 one hundred ninety-five dollars (\$195).  
 27           (3) Of the fee paid for reinstatement after a third or subsequent  
 28 suspension, two hundred seventy dollars (\$270).

29           **The remaining amount of each fee paid under this section must be**  
 30 **deposited in the motor vehicle highway account.**

31           ~~(c)~~ (d) If:

- 32           (1) a person's driving license is suspended for registering or  
 33 operating a vehicle in violation of IC 9-25-4-1;  
 34           (2) the person is required to pay a fee for the reinstatement of the  
 35 person's license under this section; and  
 36           (3) the person later establishes that the person did not register or  
 37 operate a vehicle in violation of IC 9-25-4-1;

38 the fee paid by the person under this section shall be refunded.

39           **(e) Notwithstanding subsection (a), during the period beginning**  
 40 **on July 1, 2014, and ending on December 31, 2014, the bureau of**  
 41 **motor vehicles may negotiate, with an individual whose driver's**  
 42 **license or driving privileges were suspended before July 1, 2014, a**



1        **reinstatement fee that is lower than the reinstatement fee specified**  
2        **in subsection (a). This subsection expires January 1, 2015.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1059, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 1, line 9, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 2, line 3, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 2, line 30, delete "JULY 1," and insert "JANUARY 1, 2015]:".

Page 2, line 31, delete "2014]:".

and when so amended that said bill do pass.

(Reference is to HB 1059 as introduced.)

SOLIDAY, Chair

Committee Vote: yeas 11, nays 0.

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 COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1059, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 28 and 29, begin a new line blocked left and insert:

**"The remaining amount of each fee paid under this section must be deposited in the motor vehicle highway account."**

and when so amended that said bill do pass.

(Reference is to HB 1059 as printed January 10, 2014.)

BROWN T, Chair

Committee Vote: yeas 20, nays 2.



COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation, and Veterans Affairs, to which was referred House Bill No. 1059, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to HB 1059 as printed January 21, 2014.)

Committee Vote: Yeas 6, Nays 0

Senator Wyss, Chairperson

