

HB 2170 -- MOTOR VEHICLE FINANCIAL RESPONSIBILITY

SPONSOR: Francis

This bill requires the Department of Revenue to establish by rule a process for the voluntary suspension of a motor vehicle registration for vehicles that are inoperable or being stored and not in operation. Registration can resume upon proof of financial responsibility. A violation of this provision is a class B misdemeanor. The Department may verify motor vehicle financial responsibility as provided by law, but shall not otherwise take enforcement action unless the Director determines that a violation has occurred as described in the bill.

Currently, a first violation of the Motor Vehicle Financial Responsibility Law is punishable as a class D misdemeanor, meaning a fine may be imposed of up to \$500; a second or subsequent offense is punishable by up to 15 days in jail and/or a fine not to exceed \$500. As specified in the bill, a second or subsequent offense may be punished by up to 15 days in jail and shall be punished by a fine not less than \$200 but not to exceed \$500. Fines owed to the state for violations of the Motor Vehicle Financial Responsibility Law may be eligible for payment in installments.

The bill creates in the State Treasury, the "Motor Vehicle Financial Responsibility Verification and Enforcement Fund". The Fund shall be a dedicated fund and moneys in the Fund will be used solely by the Department of Revenue for the administration of the "Motor Vehicle Financial Responsibility Enforcement and Compliance Incentive Program", also created in this bill. The Incentive Program will collect data as specified in the bill and after one year of implementation and every year after the Department shall provide a report to the President Pro Tem of the Senate, the Speaker of the House of Representatives, and the chairs of certain House and Senate committees as specified in the bill.

This bill requires the Department of Revenue to establish and maintain a web-based system for the verification of motor vehicle financial responsibility. The Department must provide access to insurance reporting data and vehicle registration and financial responsibility data. Motor vehicle insurers are required to establish functionality for the verification system. The verification system will supersede any existing verification system and will be the sole system used for the purpose of verifying financial responsibility as required by law. The verification system must be installed and fully operational by January 1, 2024, following an appropriate testing or pilot period of not less than nine months.