



1 SECTION 1. AMENDATORY 47 O.S. 2011, Section 7-606, as  
2 last amended by Section 10, Chapter 54, O.S.L. 2015 (47 O.S. Supp.  
3 2015, Section 7-606), is amended to read as follows:

4 Section 7-606. A. 1. An owner or operator who fails to comply  
5 with the Compulsory Insurance Law, or who fails to produce for  
6 inspection a valid and current security verification form or  
7 equivalent form which has been issued by the Department of Public  
8 Safety upon request of any peace officer, representative of the  
9 Department of Public Safety or other authorized person, shall be  
10 guilty of a misdemeanor and upon conviction shall be subject to a  
11 fine of not more than Two Hundred Fifty Dollars (\$250.00), or  
12 imprisonment for not more than thirty (30) days, or by both such  
13 fine and imprisonment, and in addition thereto, shall be subject to  
14 suspension of the driving privilege of the person in accordance with  
15 Section 7-605 of this title. Upon issuing a citation under this  
16 paragraph, the law enforcement officer issuing the citation may:

17 a. seize the vehicle being operated by the person and  
18 cause the vehicle to be towed and stored as provided  
19 by subsection B of Section 955 of this title, if the  
20 officer has probable cause to believe that the vehicle  
21 is not insured as required by the Compulsory Insurance  
22 Law of this state, or

23 b. seize the license plate of the vehicle and issue the  
24 citation to the vehicle operator, provided that the

1 vehicle is in a drivable condition at the time of  
2 issuing the citation. A copy of the citation retained  
3 by the owner or operator of the vehicle shall serve as  
4 the temporary license plate of the vehicle for up to  
5 ten (10) calendar days after the issuance of the  
6 citation. After ten (10) calendar days, the vehicle  
7 shall not be used until the vehicle operator or owner  
8 completes the requirements to retrieve the license  
9 plate.

10 (1) After the issuance of the citation, and if the  
11 charges are to be filed in district court, the  
12 law enforcement agency issuing the citation  
13 shall, within three (3) days, deposit the license  
14 plate and deliver a copy of the citation to the  
15 county sheriff's office of the county where the  
16 violation has occurred. If the charges are to be  
17 filed in municipal court, the law enforcement  
18 agency issuing the citation may deposit the  
19 license plate within their own agency. The  
20 county sheriff's office or municipal police  
21 department that is storing the license plate  
22 shall provide the plan administrator with the  
23 seized license plate number by entering the  
24 required information into the statewide database

1           maintained by the plan administrator. The plan  
2 administrator shall maintain a database including  
3 all seized license plates and shall submit such  
4 information to the Oklahoma Tax Commission.

5           (2) The vehicle owner or operator may retrieve the  
6 license plate from the county sheriff's office or  
7 municipal police department upon providing  
8 verification of compliance with the Compulsory  
9 Insurance Law, payment in full of an  
10 administrative fee of One Hundred Twenty-five  
11 Dollars (\$125.00) to the county sheriff's office  
12 or municipal police department and payment in  
13 full of the citation to the court clerk. The  
14 county sheriff's office or municipal police  
15 department shall transfer the administrative fee  
16 to the Plan Administrator. The Plan  
17 Administrator shall notify the Oklahoma Tax  
18 Commission that the vehicle owner or operator is  
19 in compliance with this division and shall  
20 distribute the administrative fee as follows:

21           (a) Twenty Dollars (\$20.00) of the fee shall be  
22 distributed to the county sheriff's office  
23 or municipal police department that stored  
24 the seized license plate to defray any

1 expenses involved in the storage of the  
2 license plate,

3 (b) Seventy Dollars (\$70.00) of the fee shall be  
4 transferred to the law enforcement agency  
5 which issued the citation and may be used  
6 for any lawful purpose,

7 (c) Twenty-five Dollars (\$25.00) of the fee  
8 shall be transferred to the Temporary  
9 Insurance Premium Pool, ~~and~~

10 (d) the Plan Administrator shall retain Ten  
11 Dollars (\$10.00) of the fee, and

12 (e) if, by the end of the second business day  
13 immediately following the date of citation,  
14 a person produces proof to the law  
15 enforcement agency that issued the citation  
16 and is storing the seized license plate that  
17 a current security verification form or  
18 equivalent form which has been issued by the  
19 Department of Public Safety reflecting  
20 liability coverage for the person was in  
21 force at the time of the alleged offense,  
22 the person shall not be required to pay the  
23 administrative fee required by this  
24 division. If no such proof is presented

1                   within that time, the person shall pay the  
2                   full administrative fee required by this  
3                   division, regardless of whether the person  
4                   had minimum auto liability insurance  
5                   coverage at the time of citation.

6                   (3) The county sheriff's office or municipal police  
7                   department may dispose of any unclaimed license  
8                   plate after ninety (90) days according to  
9                   applicable state law. After the license plate  
10                  has been disposed of by the county sheriff's  
11                  office or municipal police department, the  
12                  operator or owner shall be required to obtain a  
13                  new license plate pursuant to all existing  
14                  requirements.

15 If the operator of the vehicle produces what appears to be a valid  
16 security verification form and the officer is unable to confirm  
17 compliance through the online verification system or noncompliance  
18 by a subsequent investigation, the officer shall be prohibited from  
19 seizing the license plate or seizing the vehicle and causing such  
20 vehicle to be towed and stored. Further, no vehicle shall be seized  
21 and towed under the provisions of this paragraph if the vehicle is  
22 displaying a temporary license plate that has not expired pursuant  
23 to the provisions of Sections 1137.1 and 1137.3 of this title.

1           2. An owner other than an owner of an antique or a classic  
2 automobile as defined by the Oklahoma Tax Commission who files an  
3 affidavit that a vehicle shall not be driven upon the public  
4 highways or public streets, pursuant to Section 7-607 of this title,  
5 who drives or permits the driving of the vehicle upon the public  
6 highways or public streets, shall be guilty of a misdemeanor and  
7 upon conviction thereof shall be subject to a fine of not more than  
8 Five Hundred Dollars (\$500.00), or imprisonment for not more than  
9 thirty (30) days, or by both such fine and imprisonment, and in  
10 addition thereto, shall be subject to suspension of the driving  
11 privilege of the person in accordance with Section 7-605 of this  
12 title.

13           B. A sentence imposed for any violation of the Compulsory  
14 Insurance Law may be suspended or deferred in whole or in part by  
15 the court.

16           C. Any person producing proof in court that a current security  
17 verification form or equivalent form which has been issued by the  
18 Department of Public Safety reflecting liability coverage for the  
19 person was in force at the time of the alleged offense shall be  
20 entitled to dismissal of the charge. If proof of security  
21 verification is presented to the court by no later than the business  
22 day preceding the first scheduled court appearance date, the  
23 dismissal shall be without payment of court costs. The court may  
24 access information from the online verification system to confirm

1 liability coverage. The court shall not dismiss the fine unless  
2 proof that liability coverage for the person was in force at the  
3 time of the alleged offense is presented to the court.

4 D. Upon conviction or bond forfeiture, the court clerk shall  
5 forward an abstract to the Department of Public Safety within five  
6 (5) days reflecting the action taken by the court.

7 E. For purposes of this section, "court" means any court in  
8 this state.

9 SECTION 2. AMENDATORY Section 5, Chapter 176, O.S.L.  
10 2013 (47 O.S. Supp. 2015, Section 7-625), is amended to read as  
11 follows:

12 Section 7-625. A. The Insurance Commissioner shall ~~annually~~  
13 when necessary, develop and approve a policy form for the purpose of  
14 providing coverage under the Oklahoma Temporary Motorist Liability  
15 Plan. All coverage and exclusions shall be defined in the form  
16 prescribed by the Commissioner. The exclusions may include, but are  
17 not limited to, driving without a license, driving during the  
18 commission of a felony or driving while under the influence. The  
19 approved policy form shall become part of a Request for Proposals.

20 B. The Office of Management and Enterprise Services, in  
21 consultation with the Insurance Commissioner, shall select an  
22 insurer through a competitive bidding process to administer  
23 insurance coverage under the Plan. The contract for insurance  
24 coverage awarded pursuant to this section may be a multi-year

1 contract, renewable annually, in accordance with any applicable  
2 Office of Management and Enterprise Services guidelines or  
3 procedures.

4 C. Bids shall be received by the Office of Management and  
5 Enterprise Services by November 1 ~~of each~~ as required for any  
6 rebidding year. Bids shall be expressed as a daily temporary  
7 insurance rate and shall include all costs associated with  
8 administering the insurance portion of the Plan. Bids may not  
9 include any additional administrative fees. The Office of  
10 Management and Enterprise Services, in consultation with the  
11 Insurance Commissioner, shall select the lowest and best bid.

12 D. If no acceptable bids are received, the Office of Management  
13 and Enterprise Services may suspend coverage provided under the Plan  
14 until acceptable bids are received.

15 SECTION 3. AMENDATORY Section 6, Chapter 176, O.S.L.  
16 2013 (47 O.S. Supp. 2015, Section 7-626), is amended to read as  
17 follows:

18 Section 7-626. A. A statewide association of county sheriffs  
19 in Oklahoma shall serve as the Plan Administrator.

20 B. The daily rate for temporary insurance under the Oklahoma  
21 Temporary Motorist Liability Plan for the following calendar year  
22 shall be announced on the first Monday in December. The daily cost  
23 of coverage and administrative fee shall be paid to the county  
24 sheriff's office or municipal police department and the fine and

1 court fees associated with the traffic ticket shall be paid to the  
2 court clerk. The daily cost of coverage shall be calculated on each  
3 twenty-four-hour period from the time the citation was issued  
4 pursuant to subparagraph b of paragraph 1 of subsection A of Section  
5 7-606 of Title 47 of the Oklahoma Statutes, rounding up. The county  
6 sheriff's office or municipal police department shall not waive  
7 premium dues for any defendant, except as provided in subsection D  
8 of this section. The county sheriff's office or municipal police  
9 department shall remit all proceeds from the daily cost of insurance  
10 to the Plan on the first business day of each month to the Plan  
11 Administrator. The Plan Administrator shall remit the total  
12 statewide monthly premium to the appropriate insurance carrier  
13 within sixty (60) days of the premium being earned.

14 C. If for any reason the premium is not collected, then the  
15 Oklahoma Temporary Motorist Liability Plan shall pay the premium out  
16 of the Temporary Insurance Premium Pool.

17 D. If the citation issued pursuant to subparagraph b of  
18 paragraph 1 of subsection A of Section 7-606 of Title 47 of the  
19 Oklahoma Statutes is dismissed without cost, the coverage provided  
20 under the Plan is considered never activated and the premium is  
21 considered unearned and shall be waived.

22 E. Tag agents shall not issue a new or renewed tag for this  
23 vehicle until all fines, fees and premiums have been paid and the  
24 license plate has been released by the county sheriff's office.

SECTION 4. This act shall become effective November 1, 2016.

COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 03/31/2016 - DO  
PASS.