

SENATE BILL 259

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 55,
Chapter 12, Part 1 and Section 55-50-303, relative
to driver licenses.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-12-114, is amended by deleting the section and substituting:

(a) Whenever the commissioner suspends or revokes the license of a person by reason of a conviction, the commissioner shall request that the commissioner of revenue suspend or revoke all registrations in the person's name, and the commissioner of revenue shall suspend or revoke those registrations immediately; provided, that the registrations in the person's name must not be suspended or revoked, unless otherwise required by law, if the person provides and maintains proof of financial responsibility for the length of the license's revocation or suspension.

(b) Prior to the issuance of a restricted license as authorized by § 55-10-409, § 55-50-502, or § 55-50-505, the licensee shall provide to the department of safety proof of financial responsibility as required by § 55-12-126. The licensee shall maintain such proof of financial responsibility for the duration of the license's suspension or revocation, as required by § 55-12-126.

(c) When a person's license is restored after suspension or revocation, the person shall pay a one-hundred-dollar restoration fee, unless the person was convicted of driving on a revoked license pursuant to § 55-50-504 and the original suspension or revocation was made for a violation of an offense not requiring mandatory revocation, in which case the person shall pay a sixty-five-dollar restoration fee. If the license has

been expired, revoked, or suspended for more than one (1) renewal cycle, as described in § 55-50-337, then the person must pass the driver license examination. Payment of the appropriate restoration fee and, if applicable, passage of the driver license examination are conditions precedent to the restoration of the license. Upon restoration of a person's license, the commissioner of safety shall request that the commissioner of revenue reinstate the person's registrations and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registrations must be reinstated immediately, unless the person has another suspension or revocation under this chapter preventing reinstatement.

(d)

(1) In order to reinstate a driver license after suspension or revocation, if the person did not have a restricted license issued under subsection (b), or was not eligible for a restricted license, the person shall provide proof of financial responsibility prospectively for a length of time equal to the length of time for which the suspension or revocation was in effect.

(2) A person who is not eligible for a restricted license may provide proof of financial responsibility during the person's revocation or suspension period to satisfy this proof requirement. A person who provides proof of financial responsibility during the entire suspension or revocation period is not required to provide proof of financial responsibility to reinstate a driver license.

(e) The department of safety may release a person's requirement to provide proof of financial responsibility after the expiration of the period of suspension or revocation, if the department of safety's records establish that during the suspension or revocation period, the person was not convicted of an additional offense authorizing or

requiring the suspension or revocation of the person's license, nor was the person's license suspended, revoked, prohibited, or cancelled due to a separate violation of law. If the department of safety, pursuant to this subsection (e), releases the requirement that a person furnish proof of financial responsibility, and if the person's motor vehicle registration has been suspended or revoked because of the person's failure to furnish that proof, then the commissioner of safety shall request that the commissioner of revenue reinstate the person's registration and, upon payment of the appropriate motor vehicle registration fees to the commissioner of revenue provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately. Notwithstanding another law to the contrary, this subsection (e) does not apply if there is an unsatisfied judgment based on a motor vehicle accident.

(f) A Tennessee resident who moves to another state during the period of a cancellation, suspension, or revocation in this state complies with this section upon the department of safety receiving certification that the former resident has satisfied the financial responsibility laws of the new state, as well as upon meeting all other requirements and conditions for reinstatement of driving privileges in Tennessee. If the person returns to Tennessee as a Tennessee resident and reapplies for a Tennessee driver license, the requirements for regaining driving privileges are the same as for other Tennessee residents.

SECTION 2. Tennessee Code Annotated, Section 55-12-126, is amended by deleting the section and substituting:

(a) Except for suspensions under § 55-12-115, and the proof required as provided in § 55-12-114, a person who is required to provide proof of financial responsibility shall maintain that proof for the period of the revocation or suspension. If a person elects to use a policy of insurance and financial responsibility insurance

certificate as proof of financial responsibility under this section, then the effective date on the financial responsibility certificate is the date upon which financial responsibility was proven, and financial responsibility must be maintained for the period of the suspension or revocation.

(b)

(1) If a policy of insurance or a bond required under this section and issued to a person is cancelled or terminated, then the commissioner shall suspend the license of the person and shall request that the commissioner of revenue suspend the person's motor vehicle registration. The license of the person must immediately be surrendered to the commissioner of safety, and the person's motor vehicle registration must immediately be surrendered to the commissioner of revenue.

(2) If during the suspension or revocation period requiring proof of financial responsibility, the person filed proof of another policy or bond meeting the requirements of this part, then the person's license and registration shall not be suspended or revoked as required in subdivision (b)(1).

(3) A notice of suspension issued under this section must be sent by United States mail to the last known address of the person at least twenty (20) days prior to the effective date of suspension, and must state that the operator, owner, or both, are entitled to an administrative hearing before the commissioner of safety, or the commissioner's designee, conducted pursuant to a request under § 55-12-103(a). A request for an administrative hearing must be submitted in writing on or before the final date of suspension.

(c) Upon reapplying for a driver license, a person whose license, registration, or both have been suspended for failure to maintain evidence of financial responsibility

shall refile and maintain with the commissioner of safety evidence of financial responsibility, pay a sixty-five-dollar restoration fee, and pass the driver license examination if the license has been expired, revoked, or suspended for more than one (1) renewal cycle, as described in § 55-50-337. If the commissioner of safety, pursuant to this subsection (c), reinstates a person's driver license that has been suspended under the authority of this section, then the commissioner of safety shall request that the commissioner of revenue reinstate the person's motor vehicle registration revoked under authority of this section. After the person has paid to the commissioner of revenue the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately.

(d) The department of safety may release a person's requirement to provide proof of financial responsibility after the expiration of the period of suspension or revocation, if the department of safety's records establish that during the suspension or revocation period, the person was not convicted of an additional offense authorizing or requiring the suspension or revocation of the person's license, nor was the person's license suspended, revoked, prohibited, or cancelled due to a separate violation of law. If the department of safety, pursuant to this subsection (d), releases the requirement that a person furnish proof of financial responsibility, and if the person's motor vehicle registration has been suspended or revoked because of the person's failure to furnish that proof, then the commissioner of safety shall request that the commissioner of revenue reinstate the person's registration and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately. Notwithstanding another law to the contrary, this subsection (d) does not apply if there is an unsatisfied judgment based on a motor vehicle accident.

(e) On or after January 1, 2024, a person who was subject to the requirements of proof of financial responsibility in this chapter prior to January 1, 2024, may petition the department of safety to reduce the time that remains for the person to comply with the proof of financial responsibility requirements. If the person has not been convicted of an additional offense requiring the suspension or revocation of a license by the department, has no outstanding suspension, revocation, cancellation, or other prohibition on the person's license, and the person does not have an unsatisfied judgment based on a motor vehicle accident, then the department shall grant the reduction.

SECTION 3. Tennessee Code Annotated, Section 55-12-109(c), is amended by deleting the subsection and substituting:

(c) The department of safety may release a person's requirement to provide proof of financial responsibility after the expiration of the period of suspension or revocation, if the department of safety's records establish that during the suspension or revocation period, the person was not convicted of an additional offense authorizing or requiring the suspension or revocation of the person's license, nor was the person's license suspended, revoked, prohibited, or cancelled due to a separate violation of law. If the department of safety, pursuant to this subsection (c), releases the requirement that a person furnish proof of financial responsibility, and if the person's motor vehicle registration has been revoked or suspended because of the person's failure to furnish that proof, then the commissioner shall request that the commissioner of revenue reinstate the person's registration and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately. Notwithstanding another law

to the contrary, this subsection (c) does not apply if there is an unsatisfied judgment based on a motor vehicle accident.

SECTION 4. Tennessee Code Annotated, Section 55-12-115(b)(2), is amended by deleting the subdivision and substituting:

(2) After satisfying the requirements of subdivision (b)(1), the person is entitled to the return of operating privileges, unless otherwise suspended or revoked under this title.

SECTION 5. Tennessee Code Annotated, Section 55-12-116, is amended by deleting the section and substituting:

(a) Where proof of financial responsibility is required by § 55-12-114, the license and registration must remain suspended or revoked and shall not be renewed, a license shall not be issued to the person, and a motor vehicle shall not be registered in the person's name, until permitted by the motor vehicle laws of this state. The licensee shall maintain proof of financial responsibility for the duration of the license's suspension or revocation, as required by § 55-12-126. The licensee shall also pay a sixty-five-dollar restoration fee as a condition precedent to the restoration of the license. Once a person's license is restored, the commissioner of safety shall request that the commissioner of revenue reinstate the person's vehicle registration and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately.

(b) The department of safety may release a person's requirement to provide proof of financial responsibility after the expiration of the period of suspension or revocation if the department of safety's records establish that during the suspension or revocation period, the person was not convicted of an additional offense authorizing or

requiring the suspension or revocation of the person's license, nor was the person's license suspended, revoked, prohibited, or cancelled due to a separate violation of law. If the department of safety, pursuant to this subsection (b), releases the requirement that a person furnish proof of financial responsibility, and if the person's motor vehicle registration has been suspended or revoked because of the person's failure to furnish that proof, then the commissioner of safety shall request that the commissioner of revenue reinstate the person's registration and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately. Notwithstanding another law to the contrary, this subsection (b) does not apply if there is an unsatisfied judgment based on a motor vehicle accident.

SECTION 6. Tennessee Code Annotated, Section 55-12-117, is amended by deleting the section and substituting:

(a) Whenever, by reason of a conviction, the commissioner suspends or revokes a nonresident's operating privileges in this state, or requests that the commissioner of revenue suspend or revoke the person's registration privileges, the privileges remain suspended or revoked as permitted under the motor vehicle laws of this state until the person provides proof of financial responsibility and maintains proof, as required by § 55-12-126. The person shall also pay to the commissioner of safety a sixty-five-dollar restoration fee before the suspended or revoked privileges may be reinstated. Upon restoration of the person's operating privileges, the commissioner of safety shall request that the commissioner of revenue reinstate the person's motor vehicle registration and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately.

(b) The department of safety may release a person's requirement to provide proof of financial responsibility after the expiration of the period of suspension or revocation if the department of safety's records establish that during the suspension or revocation period, the person was not convicted of an additional offense authorizing or requiring the suspension or revocation of the person's license, nor was the person's license suspended, revoked, prohibited, or cancelled due to a separate violation of law. If the department of safety, pursuant to this subsection (b), releases the requirement that a person furnish proof of financial responsibility, and if the person's motor vehicle registration has been suspended or revoked because of the person's failure to furnish proof, then the commissioner of safety shall request that the commissioner of revenue reinstate the person's registration and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registration must be reinstated immediately. Notwithstanding another law to the contrary, this subsection (b) does not apply if there is an unsatisfied judgment based on a motor vehicle accident.

SECTION 7. Tennessee Code Annotated, Section 55-12-118(c), is amended by deleting the subsection and substituting:

(c) A license or registration revoked under the authority of this section remains revoked until it is stayed, satisfied in full as to the extent outlined in subsection (a) or (b), and until the person whose license and registration were revoked provides and maintains proof of financial responsibility as required by § 55-12-126, pays a one-hundred-dollar restoration fee as required by § 55-12-129, and passes a driver license examination if the license has been expired, revoked, or suspended for more than one (1) renewal cycle, as described in § 55-50-337, as a condition precedent to the restoration of such privileges. If the department of safety, pursuant to this subsection

(c), reinstates a person's driver license that has been revoked under the authority of this section, then the commissioner of safety shall request that the commissioner of revenue reinstate the person's motor vehicle registrations revoked under authority of this section and, upon payment to the commissioner of revenue of the appropriate motor vehicle registration fees provided by § 55-4-111, § 55-4-112, or § 55-4-113, the registrations must be reinstated immediately.

SECTION 8. Tennessee Code Annotated, Section 55-12-125, is amended by deleting the section and substituting:

(a) Upon request, in any of the following events described in subdivisions (a)(1)-(3), the commissioner shall consent to the immediate cancellation of a bond or certificate of insurance, or the commissioner shall authorize the return of money deposited as proof of financial responsibility, which the state treasurer shall return to the person entitled to the money, or the commissioner shall waive the requirement of filing proof of financial responsibility:

(1) At any time after expiration of the period of suspension or revocation if, during the period of suspension or revocation, the person has maintained the bond, certificate of insurance, or deposit for the entire period of suspension or revocation, and the commissioner has not received record of an additional conviction that would require or permit the suspension or revocation of the license, registration or nonresident's operating privilege of the person by or for whom the proof was furnished;

(2) In the event of the death of the person on whose behalf the proof was filed or the permanent incapacity of the person to operate a motor vehicle; or

(3) If the license of a person who has given proof is surrendered to the commissioner and the person's registration is surrendered to the commissioner of revenue.

(b) The commissioner shall not consent to the cancellation of a bond or return of money if:

(1) There is a pending action for damages upon a covered liability;

(2) A judgment upon the liability is unsatisfied; or

(3) In the event the person who has filed the bond or deposited the money has, within the preceding suspension or revocation period, been involved as the owner or operator in a motor vehicle accident resulting in injury or damage to another's person or property.

(c) An affidavit of the applicant as to the nonexistence of the facts in subdivisions (b)(1)-(3), or that the applicant has been released from all liability or has been finally adjudicated not to be liable for such injury or damage, is sufficient evidence thereof in the absence of evidence to the contrary in the records of the commissioner.

(d) If a person whose proof of financial responsibility has been cancelled or returned under subdivision (a)(1) applies to the commissioner for a license within the period of suspension or revocation when proof of financial responsibility was originally required, then the commissioner shall refuse the application and request that the commissioner of revenue refuse any registration application, unless the applicant reestablishes the proof of financial responsibility for the remainder of the suspension or revocation.

(e) The department of safety may release a person's requirement to provide proof of financial responsibility after the expiration of the period of suspension or revocation if the department of safety's records establish that during the suspension or

revocation period, the person was not convicted of an additional offense authorizing or requiring the suspension or revocation of the person's license, nor was the person's license suspended, revoked, prohibited, or cancelled due to a separate violation of law. This subsection (e) does not apply if there is an unsatisfied judgment based on a motor vehicle accident.

SECTION 9. Tennessee Code Annotated, Section 55-50-303, is amended by adding the following as a new subsection:

(f)

(1) The department shall not issue a new Tennessee-only license or reinstate a suspended or revoked Tennessee-only driver license on or after January 1, 2024.

(2) A valid Tennessee-only driver license issued on or before December 31, 2023, remains valid until its expiration, unless otherwise revoked or suspended under this title.

(3) To receive a Tennessee driver license that can be used to operate a motor vehicle outside of the state of Tennessee, a person who held a Tennessee-only license that is suspended, revoked, or expired shall meet all applicable driver license issuance requirements as set out in this chapter.

SECTION 10. If any provision of this act or the application of any provision of this act to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are declared to be severable.

SECTION 11. For the purposes of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect

January 1, 2024, the public welfare requiring it, and applies to violations occurring on or after that date.