

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6177**

**BILL NUMBER: SB 19**

**NOTE PREPARED: Dec 4, 2023**

**BILL AMENDED:**

**SUBJECT:** Proof of Insurance and License Suspension.

**FIRST AUTHOR:** Sen. Dernulc

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires the Bureau of Motor Vehicles (BMV) to send a copy of a request for proof of financial responsibility (request) to the insurance carrier identified in the most recent registration for a vehicle involved in an accident.

The bill establishes an applicable compliance response period of not less than 60 days for a person identified in an accident report to respond to a request. It also requires the BMV to provide a person with notice that: (1) the applicable compliance response period has expired; and (2) the person may request a hearing before the BMV to present evidence of a certificate of compliance; before the Bureau may suspend a person's driving privileges or motor vehicle registration.

**Effective Date:** July 1, 2024.

**Explanation of State Expenditures:** This bill will increase BMV workload and expenditures to send a request of financial responsibility to insurance companies in addition to parties involved in an automobile accident. The BMV reports 179,000 requests were sent to individuals who were involved in automobile accidents in FY 2023 at a total cost of \$106,000. This bill would double the mailing requirement for the BMV, so it is expected BMV Commission Fund expenditures would increase by \$106,000 in FY 2025 to meet the mailing requirements of the bill.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** BMV.

**Local Agencies Affected:**

**Information Sources:** Cody Eckart, BMV.

**Fiscal Analyst:** Bill Brumbach, 317-232-9559.