

SECOND REGULAR SESSION

HOUSE BILL NO. 1975

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MORRIS (140).

4666H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 303.026 and 303.041, RSMo, and to enact in lieu thereof three new sections relating to uninsured motorists.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 303.026 and 303.041, RSMo, are repealed and three new sections
2 enacted in lieu thereof, to be known as sections 303.026, 303.027, and 303.041, to read as
3 follows:

303.026. 1. The director shall inform each owner who registers a motor vehicle of the
2 following:

3 (1) The existence of the requirement that every motor vehicle owner in the state must
4 maintain his financial responsibility;

5 (2) The requirement that every motor vehicle owner show an insurance identification
6 card, or a copy thereof, or other proof of financial responsibility at the time of vehicle
7 registration; this notice shall be given at least thirty days prior to the month for renewal and shall
8 be shown in bold, colored print;

9 (3) The penalties which apply to violations of the requirement to maintain financial
10 responsibility;

11 (4) The benefits of maintaining coverages in excess of those which are required;

12 (5) The director's authority to conduct samples of Missouri motor vehicle owners to
13 ensure compliance.

14 2. No motor vehicle owner shall be issued registration for a vehicle unless the owner,
15 or **[his]** the owner's authorized agent, signs an affidavit provided by the director of revenue at
16 the time of registration of the vehicle certifying that such owner has and will maintain, during

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 the period of registration, financial responsibility with respect to each motor vehicle that is
18 owned, licensed or operated on the streets or highways. The affidavit need not be notarized, but
19 it shall be acknowledged by the person processing the form. The affidavit shall state clearly and
20 in bold print the following: "Any false affidavit is a crime under section 575.050 of Missouri
21 law.". In addition, every motor vehicle owner shall show proof of such financial responsibility
22 by presenting his or her insurance identification card, as described in section 303.024, or a copy
23 thereof, or some other proof of financial responsibility in the form prescribed by the director of
24 revenue at the time of registration unless such owner registers his vehicle in conjunction with
25 a reciprocity agreement entered into by the Missouri highway reciprocity commission pursuant
26 to sections 301.271 to 301.279 or unless the owner insures the vehicle according to the
27 requirements of ~~[the division of motor carrier and railroad safety pursuant to]~~ section 390.126.

28 3. **(1) To ensure compliance with this chapter, all insurers issuing motor vehicle**
29 **liability insurance policies in this state shall electronically notify the department of revenue**
30 **within three business days of the lapse of any motor vehicle liability policy issued in this**
31 **state. Such notification shall include the following:**

32 **(a) The name and full address of the policyholder or policyholders, and the owner**
33 **or owners of the motor vehicle if different from the policyholder; and**

34 **(b) The year, make, vehicle identification number, and license plate number, if**
35 **known, of the insured motor vehicle.**

36 **(2) In accordance with the provisions of section 303.210, no insurer shall cancel or**
37 **terminate any lapsed motor vehicle liability insurance policy until at least ten days after**
38 **the notice required under subdivision (1) of this subsection has been electronically filed.**

39 **(3) (a) In addition to the requirements under subdivisions (1) and (2) of this**
40 **subsection, the director may utilize a variety of sampling techniques to ensure compliance with**
41 **this chapter** including, but not limited to, random samples of registrations subject to this section,
42 uniform traffic tickets, insurance information provided to the director at the time of motor
43 vehicle registration, and persons who during the preceding year have received a disposition of
44 court-ordered supervision or suspension. The director may verify the financial responsibility of
45 any person sampled or reported.

46 ~~[(1) Beginning January 1, 2001,]~~ **(b) The director may require [such] any additional**
47 **information, as in his or her discretion is necessary to enforce the requirements of subdivision**
48 **(1) of subsection 1 of this section, to be submitted from the person's insurer or insurance**
49 **company. As required under subdivisions (1) and (2) of this subsection and** when requested
50 by the director of revenue, all licensed insurance companies in this state which sell private
51 passenger (noncommercial) motor vehicle insurance policies shall report information regarding
52 the issuance, nonrenewal and cancellation of such policies to the director, excluding policies

53 issued to owners of fleet or rental vehicles or issued on vehicles that are insured pursuant to a
54 commercial line policy. Such information shall be reported electronically in a format as
55 prescribed by the director of the department of revenue by rule except that such rule shall provide
56 for an exemption from electronic reporting for insurers with a statistically insignificant number
57 of policies in force.

58 ~~[(2)]~~ (c) When required by the director of revenue, each insurance company shall provide
59 to the department a record of each policy issued, cancelled, terminated or revoked during the
60 period since the previous report. Nothing in this section shall prohibit insurance companies from
61 reporting more frequently than once per month.

62 ~~[(3)]~~ (d) The director may use reports described in **paragraph (b) of this** subdivision
63 ~~[(1) of this subsection]~~ for sampling purposes as provided in this section.

64 4. Information provided to the department by an insurance company for use in
65 accordance with this section is the property of the insurer and is not subject to disclosure
66 pursuant to chapter 610. Such information may be utilized by the department for enforcement
67 of this chapter but ~~[may]~~ **shall** not be disclosed except that the department shall disclose whether
68 an individual is maintaining the required insurance coverage upon request of the following
69 individuals and agencies only:

70 (1) The individual;

71 (2) The parent or legal guardian of an individual if the individual is an unemancipated
72 minor;

73 (3) The legal guardian of the individual if the individual is legally incapacitated;

74 (4) Any person who has power of attorney from the individual;

75 (5) Any person who submits a notarized release from the individual that is dated no more
76 than ninety days before the request is made;

77 (6) Any person claiming loss or injury in a motor vehicle accident in which the
78 individual is involved;

79 (7) The office of the state auditor, for the purpose of conducting any audit authorized by
80 law; **and**

81 **(8) Pursuant to an order of a court of competent jurisdiction.**

82 5. The director may adopt any rules and regulations necessary to carry out the provisions
83 ~~[of subdivisions (1) through (3)]~~ of subsection 3 of this section. Any rule or portion of a rule,
84 as that term is defined in section 536.010, that is created under the authority delegated in this
85 section shall become effective only if it complies with and is subject to all of the provisions of
86 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable
87 and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to
88 delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional,

89 then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2000,
90 shall be invalid and void.

91 6. Any person or agency who knowingly discloses information received from insurance
92 companies pursuant to this section for any purpose, or to a person, other than those authorized
93 in this section is guilty of a class A misdemeanor. No insurer shall be liable to any person for
94 performing its duties pursuant to this section unless and to the extent the insurer commits a
95 willful and wanton act of omission.

96 7. The department of revenue shall notify the department of insurance, financial
97 institutions and professional registration of any insurer who violates any provisions of this
98 section. The department of insurance, financial institutions and professional registration may,
99 against any insurer who knowingly fails to comply with this section, assess an administrative
100 penalty up to five hundred dollars per day of noncompliance. The department of insurance,
101 financial institutions and professional registration may excuse the administrative penalty if an
102 assessed insurer provides acceptable proof that such insurer's noncompliance was inadvertent,
103 accidental or the result of excusable neglect. The penalty provisions of this section shall become
104 effective six months after the rule issued pursuant to subsections 3 and 5 of this section is
105 published in the code of state regulations.

106 8. To verify that financial responsibility is being maintained, the director shall notify the
107 owner or operator of the need to provide, within fifteen days, proof of the existence of the
108 required financial responsibility. The request shall require the owner or the operator to state
109 whether or not the motor vehicle was insured on the verification date stated in the director's
110 request. The request may include but not be limited to a statement of the names and addresses
111 of insurers, policy numbers and expiration date of insurance coverage. Failure to provide such
112 information shall result in the suspension of the registration of the owner's motor vehicle, and
113 where applicable, the owner's or the operator's driving privilege, for failing to meet such
114 requirements, as is provided in this chapter.

**303.027. 1. All insurers providing motor vehicle liability insurance policies in this
2 state shall, in addition to the notification required under subdivision (1) of subsection 3 of
3 section 303.026, notify a policyholder within three business days of any lapse of such
4 policyholder's motor vehicle liability policy.**

**5 2. After providing notice to the policyholder under subsection 1 of this section, the
6 owner of the motor vehicle with a lapsed liability insurance policy shall file proof of
7 liability insurance coverage for such motor vehicle and pay all related fees to the
8 department of revenue within twenty days of cancellation or termination of such policy.**

**9 3. If such owner fails to comply with the requirements in subsection 2 of this
10 section, the department of revenue shall notify the owner of the motor vehicle, in writing,**

11 of the owner's failure to maintain the required financial responsibility for the motor
12 vehicle and instruct the owner to surrender the motor vehicle license plates to the nearest
13 license office of the department of revenue.

14 **4. If proof of financial responsibility is not filed and the motor vehicle license plates**
15 **are not surrendered within thirty days of the cancellation or termination of the motor**
16 **vehicle liability insurance policy, the department of revenue shall notify the Missouri state**
17 **highway patrol that the registration for such motor vehicle is no longer valid and the**
18 **license plates for such motor vehicle are required to be surrendered to the nearest license**
19 **office of the department of revenue.**

20 **5. The department of revenue shall notify all of its license offices that an additional**
21 **reinstatement fee in the amount of fifty dollars shall be imposed for any new license plates**
22 **for the same motor vehicle or for the renewal of the existing license plates for the motor**
23 **vehicle.**

24 **6. The department of revenue shall promulgate rules to implement the provisions**
25 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that**
26 **is created under the authority delegated in this section shall become effective only if it**
27 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
28 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**
29 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**
30 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
31 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2020,**
32 **shall be invalid and void.**

303.041. 1. If the director determines that as a result of **electronic notification by an**
2 **insurer**, a verification sample, or accident report that the owner of a motor vehicle has not
3 maintained financial responsibility, or if the director determines as a result of an order of
4 supervision that the operator of a motor vehicle has not maintained the financial responsibility
5 as required in this chapter, **or if the director determines that the provisions of section 303.027**
6 **have not been met**, the director shall, thirty-three days after mailing notice, suspend the driving
7 privilege of the owner or operator and/or the registration of the vehicle failing to meet such
8 requirement. The notice of suspension shall be mailed to the person at the last known address
9 shown on the department's records. The notice of suspension is deemed received three days after
10 mailing. The notice of suspension shall clearly specify the reason and statutory grounds for the
11 suspension and the effective date of the suspension, the right of the person to request a hearing,
12 the procedure for requesting a hearing, and the date by which that request for a hearing must be
13 made. If the request for a hearing is received by the department prior to the effective date of the

14 suspension, the effective date of the suspension will be stayed until a final order is issued
15 following the hearing.

16 2. Neither the fact that subsequent to the date of verification or conviction, the owner
17 acquired the required liability insurance policy nor the fact that the owner terminated ownership
18 of the motor vehicle, shall have any bearing upon the director's decision to suspend. Until it is
19 terminated, the suspension shall remain in force after the registration is renewed or a new
20 registration is acquired for the motor vehicle. The suspension also shall apply to any motor
21 vehicle to which the owner transfers the registration. ~~[Effective January 1, 2000,]~~ The
22 department shall not extend any suspension for failure to pay a delinquent late surrender fee
23 pursuant to this subsection.

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