

1 ENGROSSED HOUSE  
2 BILL NO. 2332

By: Coody and Moore of the  
House

3 and

4 Quinn of the Senate  
5  
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8 An Act relating to motor vehicles; amending 47 O.S.  
9 2011, Sections 7-600.2, as amended by Section 1,  
10 Chapter 88, O.S.L. 2016 and 7-602, as amended by  
11 Section 1, Chapter 146, O.S.L. 2015 and Section 1,  
12 Chapter 365, O.S.L. 2016 (47 O.S. Supp. 2016,  
13 Sections 7-600.2, 7-602 and 7-606.1), which relate to  
14 compulsory liability insurance; transferring the  
15 online compulsory insurance verification system from  
16 the Department of Public Safety to the Oklahoma  
17 Insurance Department; authorizing the Insurance  
18 Department to promulgate rules; authorizing district  
19 attorneys to access the verification system;  
20 modifying information to be included in the security  
21 verification system; authorizing the Insurance  
22 Commissioner to initiate administrative proceedings  
23 against noncomplying insurance companies; modifying  
24 acceptable verification in certain circumstances;  
expanding who may submit such verification;  
authorizing use of electronic mail in certain  
circumstances at no cost to the person registering  
the vehicle; updating references; and providing an  
effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 47 O.S. 2011, Section 7-600.2, as  
amended by Section 1, Chapter 88, O.S.L. 2016 (47 O.S. Supp. 2016,  
Section 7-600.2), is amended to read as follows:

1 Section 7-600.2 A. The Department of Public Safety shall  
2 ~~promulgate and adopt, pursuant to the Administrative Procedures Act,~~  
3 ~~rules for an~~ transfer to the Oklahoma Insurance Department the  
4 online verification system for motor vehicle liability policies as  
5 required by the Compulsory Insurance Law, by January 1, 2018. The  
6 Insurance Department shall promulgate and adopt, pursuant to the  
7 Administrative Procedures Act, rules for the online insurance  
8 verification system, subject to the following:

9 1. The Oklahoma Tax Commission and the ~~Insurance~~ Department of  
10 Public Safety shall cooperate with the Insurance Department ~~of~~  
11 ~~Public Safety~~ in the ~~development~~ ongoing improvement and maintenance  
12 of the verification system;

13 2. The verification system shall be accessible through the  
14 Internet, World Wide Web or a similar proprietary or common carrier  
15 electronic system by authorized personnel of the Department of  
16 Public Safety, the Tax Commission, the district attorneys, the  
17 courts, law enforcement personnel, and any other entities authorized  
18 by the Insurance Department;

19 3. The verification system shall provide for direct inquiry and  
20 response between the Insurance Department and insurance carriers, or  
21 such other method of inquiry and response as agreed to by the  
22 Insurance Department and individual insurance carriers, and direct  
23 access to insurers' records by personnel authorized by the Insurance  
24 Department;

1           4. The verification system shall be available twenty-four (24)  
2 hours a day to verify the insurance status of any vehicle registered  
3 in this state through the vehicle's identification number, policy  
4 number, registered owner's name, license plate number or other  
5 identifying characteristic or marker as prescribed by the Insurance  
6 Department in its rules;

7           5. The Insurance Department may contract with a private vendor  
8 to assist in establishing and maintaining the verification system;

9           6. The verification system shall include appropriate  
10 provisions, consistent with industry standards, to secure its data  
11 against unauthorized access and to maintain a record of all  
12 information requests;

13           7. Information contained in the verification system shall not  
14 be considered a public record;

15           8. Any law enforcement officer, to establish compliance with  
16 the Compulsory Insurance Law during a traffic stop or accident  
17 investigation, shall access information from the online verification  
18 system to verify the current validity of the policy described on a  
19 security verification form produced by the operator of each motor  
20 vehicle during the traffic stop or accident investigation. If  
21 compliance is not confirmed for the policy described on the security  
22 verification form produced by the operator and a subsequent  
23 investigation conducted by the officer verifies that the operator is  
24

1 not in compliance, the officer may issue a citation to the operator  
2 for failure to comply with the Compulsory Insurance Law;

3 9. If the operator fails to produce the security verification  
4 form during a traffic stop or accident investigation, the requesting  
5 law enforcement officer shall access information from the online  
6 verification system through the vehicle's identification number,  
7 registered owner's name or other identifying characteristic or  
8 marker to verify valid and current security and establish compliance  
9 with the Compulsory Insurance Law and shall not issue a citation if  
10 valid and current security is established. If the operator fails to  
11 produce the security verification form and compliance is not  
12 confirmed through the online verification system, the officer may  
13 issue a citation to the operator for failure to comply with the  
14 Compulsory Insurance Law;

15 10. Establishing compliance with the Compulsory Insurance Law  
16 through the online verification system shall not be the primary  
17 cause for law enforcement to stop a motor vehicle; and

18 11. All information exchanged between the Insurance Department  
19 and insurance companies, any database created, and all reports,  
20 responses, or other information generated for the purposes of the  
21 verification system shall not be subject to the Oklahoma Open  
22 Records Act.

23 B. This section shall not apply to a policy issued pursuant to  
24 paragraph 3 of subsection A of Section 7-601.1 of this title or

1 paragraph 3 of subsection A of Section 7-602 of this title to insure  
2 a commercial motor vehicle or to insure any vehicle under a  
3 commercial policy that provides commercial auto coverage as defined  
4 in Section 7-600 of this title.

5 C. As a condition for writing motor vehicle liability policies  
6 in this state, insurance carriers shall cooperate with the Insurance  
7 Department in establishing and maintaining the insurance  
8 verification system and shall provide access to motor vehicle  
9 insurance policy status information as provided in the rules of the  
10 Insurance Department. The Insurance Commissioner may, pursuant to  
11 Title 36 of the Oklahoma Statutes, initiate an administrative  
12 proceeding against any insurance company found by the Commissioner  
13 to not be in compliance with the provisions of this section or any  
14 rules promulgated pursuant to this section.

15 SECTION 2. AMENDATORY 47 O.S. 2011, Section 7-602, as  
16 amended by Section 1, Chapter 146, O.S.L. 2015 (47 O.S. Supp. 2016,  
17 Section 7-602), is amended to read as follows:

18 Section 7-602. A. 1. The owner of a motor vehicle registered  
19 in this state shall carry in the vehicle at all times a current  
20 owner's security verification form listing the vehicle or an  
21 equivalent form which has been issued by the Department of Public  
22 Safety, and the operator of the vehicle shall produce the form upon  
23 request for inspection by any law enforcement officer or  
24 representative of the Department and, in case of an accident, the

1 form shall be shown upon request to any person affected by the  
2 accident.

- 3       2.    a.    Every person registering a motor vehicle in this  
4               state, except a motor vehicle which is not being used  
5               upon the public highways or public streets, or a  
6               manufactured home while on a permanent foundation, at  
7               the time of registration of the vehicle, shall certify  
8               the existence of security with respect to the vehicle  
9               by providing to a motor license agent or other  
10              registering agency necessary information from the  
11              current owner's security verification in a manner that  
12              allows verification of coverage through the online  
13              verification system. The information shall include  
14              the name or number issued by the National Association  
15              of Insurance Commissioners of the current insurance  
16              carrier authorized to do business in this state and  
17              the policy number applicable to the vehicle being  
18              registered. A motor license agent or other  
19              registering agency shall require the submission of the  
20              form or other verifying information prior to  
21              processing an application for registration or renewal.
- 22        b.    Every motor license agent or other registering agency  
23               shall use the online verification system to certify  
24               the existence of security with respect to the vehicle

1 from an insurance carrier authorized to do business in  
2 this state unless the online verification system is  
3 not online or the required information is otherwise  
4 not available. In such a case, the license agent or  
5 other registering agency may accept verification as  
6 provided in subparagraph a of this paragraph or from a  
7 licensed insurance producer or customer service  
8 representative to certify the existence of the  
9 required insurance prior to processing any application  
10 for motor vehicle registration. Every motor license  
11 agent or other registering agent shall allow  
12 submission of proof from a licensed insurance producer  
13 or customer service representative pursuant to this  
14 subparagraph via electronic mail at no additional cost  
15 to the person registering the vehicle.

16 3. Fleet vehicles operating under the authority of the  
17 Corporation Commission, the Federal Highway Administration, or  
18 vehicles registered pursuant to the provisions of Section 1120 of  
19 this title, shall certify the existence of security with respect to  
20 each vehicle at the time of registration by submitting one of the  
21 following:

- 22 a. a current owner's security verification form verifying  
23 the existence of security as required by the  
24 Compulsory Insurance Law, or

1           b. a permit number verified by the Corporation Commission  
2           indicating the existence of a current liability  
3           insurance policy. Provided, in the event the  
4           Corporation Commission is unable to verify the  
5           existence of insurance as provided herein in a prompt  
6           and timely fashion, the Corporation Commission may  
7           accept a current single state registration form issued  
8           by the Corporation Commission or any other regulating  
9           entity with which the Corporation Commission has  
10          entered into a reciprocal compact or agreement  
11          regarding the regulation of motor vehicles engaged in  
12          interstate or foreign commerce upon and over the  
13          public highways.

14          4. The following shall not be required to carry an owner's or  
15          operator's security verification form or an equivalent form from the  
16          Department of Public Safety during operation of the vehicle and  
17          shall not be required to surrender a security verification form for  
18          vehicle registration purposes:

19           a. any vehicle owned or leased by the federal or state  
20           government, or any agency or political subdivision  
21           thereof,

22           b. any vehicle bearing the name, symbol, or logo of a  
23           business, corporation or utility on the exterior and  
24           which is in compliance with the provisions of the



1 Compulsory Insurance Law according to records of the  
2 Corporation Commission which reflect a deposit or  
3 fleet policy,

4 c. fleet vehicles maintaining current vehicle liability  
5 insurance as required by the Corporation Commission or  
6 any other regulating entity,

7 d. any licensed taxicab, and

8 e. any vehicle owned by a licensed used motor vehicle  
9 dealer.

10 5. Any person who knowingly issues or promulgates false or  
11 fraudulent information in connection with either an owner's or  
12 operator's security verification form or an equivalent form which  
13 has been issued by the Department of Public Safety shall be guilty  
14 of a misdemeanor and upon conviction shall be subject to a fine not  
15 exceeding Five Hundred Dollars (\$500.00), or imprisonment for not  
16 more than six (6) months, or by both such fine and imprisonment.

17 B. Each motor license agent is authorized to charge a fee of  
18 One Dollar and fifty cents (\$1.50) to each person to whom the agent  
19 issues a certificate of registration and who is required to  
20 surrender proof of financial responsibility, or for whom the motor  
21 license agent certifies the existence of financial responsibility  
22 through an authorized online certification system, pursuant to the  
23 provisions of the Compulsory Insurance Law. The fee may be retained  
24 by the agent as compensation for services in processing the proof of

1 financial responsibility and for processing the driver license  
2 information, insurance verification information, and other  
3 additional information furnished to the agent pursuant to Section  
4 1112 of this title, if such agent does not receive the maximum  
5 compensation as authorized by law.

6 SECTION 3. AMENDATORY Section 1, Chapter 365, O.S.L.  
7 2016 (47 O.S. Supp. 2016, Section 7-606.1), is amended to read as  
8 follows:

9 Section 7-606.1 A. There is hereby created the Uninsured  
10 Vehicle Enforcement Program.

11 B. The Uninsured Vehicle Enforcement Program shall be  
12 implemented and administered by the district attorneys of the State  
13 of Oklahoma within their respective districts or at the District  
14 Attorneys Council. To implement this program, the use of technology  
15 and software to aid in detection of offenses involving uninsured  
16 motorists is necessary and district attorneys and participating law  
17 enforcement agencies shall have the authority to enter into  
18 contractual agreements with automated license plate reader providers  
19 to provide necessary technology, equipment and maintenance thereof.

20 C. 1. Participating law enforcement agencies may use automatic  
21 license plate reader systems utilizing individual automatic license  
22 plate reader system units to access and collect data for the  
23 investigation, detection, analysis or enforcement of Oklahoma's  
24 Compulsory Insurance Law.

1           2. To accomplish the purposes of the program, law enforcement  
2 agencies shall be allowed to access the online verification system  
3 for motor vehicle liability policies to establish compliance with  
4 the Compulsory Insurance Law as provided in Section 7-600.2 of ~~Title~~  
5 ~~47 of the Oklahoma Statutes~~ this title.

6           3. Access to the system shall be restricted to authorized law  
7 enforcement agency users in the program; provided, any entity with  
8 which a contract is executed to provide necessary technology,  
9 equipment and maintenance for purposes of the program shall be  
10 authorized, as necessary, to collaborate for required updates and  
11 maintenance of their software.

12           4. Any data collected and stored by law enforcement pursuant to  
13 the program shall be considered evidence if noncompliance with the  
14 Compulsory Insurance Law is confirmed.

15           D. A law enforcement officer may verify by sworn affidavit that  
16 a photograph generated by an automatic license plate reader system  
17 unit identifies a particular vehicle operating on or having been  
18 operated on a public road, highway, street, turnpike, other public  
19 place or upon any private road, street, alley or lane which provides  
20 access to one or more single-family or multifamily dwellings and  
21 that the online verification system shows that the vehicle was  
22 uninsured at the time such vehicle was being operated. The  
23 affidavit shall constitute probable cause for prosecution under  
24 applicable state law.

1 E. Data collected or retained through the use of an automated  
2 license plate reader system pursuant to the program shall be  
3 retained by a law enforcement agency when the data is being used as  
4 evidence of a violation of the Compulsory Insurance Law; provided,  
5 when the data is no longer needed as evidence of a violation, the  
6 data shall be deleted or destroyed.

7 F. Data collected or retained through the use of an automated  
8 license plate reader system shall not be used by any individual or  
9 agency for purposes other than enforcement of the Compulsory  
10 Insurance Law or as otherwise permitted by law.

11 1. No law enforcement agency or other entity authorized to  
12 operate under this program shall sell captured license plate data  
13 for any purpose or share it for any purpose not expressly authorized  
14 by this section.

15 2. Any and all data collected, retained or shared through the  
16 use of an automated license plate reader system, except data  
17 retained as evidence of a violation of the Compulsory Insurance Law,  
18 shall be exempt from the Oklahoma Open Records Act.

19 G. The provisions of the program shall not apply to, or be  
20 construed or interpreted in a manner to prohibit the use of, any  
21 other automated license plate reader system by an individual or  
22 private legal entity for purposes not otherwise prohibited by law.

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1 H. The provisions of the program shall not be implemented until  
2 such time that the Oklahoma Insurance Department ~~of Public Safety~~  
3 verifies that the following conditions have been met:

4 1. At least ~~Ninety-Five Percent~~ ninety-five percent (95%) of  
5 the personal lines auto insurance market in the state participates  
6 in the Oklahoma Compulsory Insurance Verification System using a  
7 real-time web portal system; and

8 2. The Oklahoma Compulsory Insurance Verification System is  
9 updated in such a way to allow for the provisions of the program to  
10 be implemented without interrupting or impeding any other lawful  
11 uses of the system.

12 I. Following the implementation of the program and every year  
13 thereafter, the District Attorneys Council shall publish an annual  
14 report for the previous fiscal year of the Uninsured Vehicle  
15 Enforcement Program by September 1. An electronic copy of the  
16 report shall be distributed to the President Pro Tempore of the  
17 Senate and the Speaker of the House of Representatives and the  
18 chairs of the House and Senate Appropriations Committees. The  
19 report shall comprise an evaluation of program operations, and may  
20 include any information and recommendations for improvement of the  
21 program deemed appropriate by the entity submitting the report.

22 J. For purposes of this section:

23 1. "Automatic license plate reader system" means a system of  
24 one or more mobile or law-enforcement-controlled cameras combined

1 with computer algorithms to convert images of registration plates  
2 into computer-readable data;

3 2. "Law enforcement agency" includes the district attorney's  
4 office of any county, the Department of Public Safety, the sheriff's  
5 office of any county, and the chiefs of police of any city or town  
6 having a population of more than one hundred thousand (100,000)  
7 residents; and

8 3. "Program" means the Uninsured Vehicle Enforcement Program.

9 SECTION 4. This act shall become effective November 1, 2017.

10 Passed the House of Representatives the 15th day of February,  
11 2017.

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13 \_\_\_\_\_  
14 Presiding Officer of the House  
of Representatives

15 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2017.

16  
17 \_\_\_\_\_  
18 Presiding Officer of the Senate