

2018 -- H 7607 SUBSTITUTE A

LC004685/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES - UNINSURED MOTORIST
IDENTIFICATION DATABASE PROCEDURE

Introduced By: Representatives Kennedy, Keable, Craven, Marshall, and Edwards

Date Introduced: February 14, 2018

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 31-47.4-2, 31-47.4-3 and 31-47.4-4 of the General Laws in
2 Chapter 31-47.4 entitled "Uninsured Motorist Identification Database Procedure" are hereby
3 amended to read as follows:

4 **31-47.4-2. Program creation -- Administration -- Selection of designated agent --**
5 **Duties -- Rulemaking -- Audits.**

6 (a) There is hereby created the Uninsured Motorist Identification Database Program to:

7 (1) Establish an Uninsured Motorist Identification Database to verify compliance with
8 motor vehicle owner's or operator's security requirements under chapter 31-47 and other
9 provisions under this chapter, and;

10 (2) Assist in reducing the number of uninsured motor vehicles on the highways of the
11 state;

12 (b) The program shall be administered by the division of motor vehicles with the
13 assistance of the designated agent.

14 (c) The program will be funded by a percentage of the reinstatement fees collected
15 pursuant to this chapter. The percentage of the reinstatement fee that will be provided to the
16 designated agent will be determined by the division of motor vehicles. These fees will be
17 maintained in the uninsured motorist identification restricted account.

18 (d) (1) The division of motor vehicles shall contract with a third party to establish and

1 maintain an Uninsured Motorist Identification Database for the purposes established under this
2 chapter.

3 (2) The contract may not obligate the department to pay the third party more money than
4 is available in the account.

5 (e) (1) The third party under contract under this section is the department's designated
6 agent, and shall develop and maintain a computer database from the information provided by:

7 (i) Automobile liability insurers under § 31-47.4-3; and

8 (ii) The division of motor vehicles.

9 (2) The database shall be developed and maintained by the designated agent in
10 accordance with guidelines established by the division of motor vehicles so that state and local
11 law enforcement agencies can efficiently access the records of the database, including reports
12 useful for the implementation of the provisions of this chapter.

13 (i) The reports provided by the designated agent shall be in a form and contain
14 information approved by the division of motor vehicles.

15 (ii) The reports may be made available through the Internet or through other electronic
16 medium, if the division of motor vehicles determines that sufficient security is provided to ensure
17 compliance regarding limitations on disclosure of information in the database.

18 (f) With information provided by the division of motor vehicles, the designated agent
19 shall, ~~at least monthly,~~ on a weekly basis, for submissions under subsection 31-47.4-3:

20 (1) Update the database with the motor vehicle insurance information provided by the
21 insurers in accordance with § 31-47.4-3; and

22 (2) Compare all current motor vehicle registrations against the database.

23 (g) The division shall provide the designated agent with the name, date of birth, address,
24 and driver license number, if available, of all persons having active registrations. The division
25 shall also provide the make, year and vehicle identification number for all active registrations.

26 (h) In accordance with chapter 42-35, "The Administrative Procedures Act," the division
27 of motor vehicles shall make rules and develop procedures to use the database for the purpose of
28 administering and enforcing this chapter.

29 (i) The designated agent shall archive computer data files at least semi-annually for
30 auditing purposes.

31 (2) The internal audit unit of the department of administration shall audit the program at
32 least every three (3) years.

33 (3) The audit under subdivision (h)(2) shall include verification of:

34 (i) Billings made by the designated agent; and

1 (ii) The accuracy of the designated agent's matching of vehicle registration with insurance
2 data.

3 **31-47.4-3. Motor vehicle insurance reporting -- Penalty.**

4 (a) Each insurer that issues a policy that includes motor vehicle liability coverage,
5 uninsured motorist coverage, underinsured motorist coverage, or personal injury coverage under
6 this section shall, ~~before the seventh (7th) day of each calendar month,~~ provide weekly to the
7 division of motor vehicles designated agent selected in accordance with the uninsured motorist
8 identification database program, a record of each motor vehicle insurance policy in effect for
9 vehicles registered or garaged in Rhode Island as of the date of the previous submission that was
10 issued by the insurer.

11 (b) This subsection does not preclude more frequent reporting by an insurer on a
12 voluntary basis.

13 (c) (1) A record provided by an insurer under subsection (a) shall include:

14 (i) The make, year, and vehicle identification number of each insured vehicle; and

15 (ii) The policy number, effective date, and expiration date of each policy.

16 (iii) The name, date of birth, and if available, driver's license number of each insured
17 owner or operator, and the address of the named insured; and

18 (d) Each insurer shall provide this information by an electronic means or by another form
19 the division of motor vehicles designated agent agrees to accept.

20 (e) (1) The division of motor vehicles may, following procedures adopted pursuant to
21 chapter 42-35, "The Administrative Procedures Act," assess a fine against an insurer of up to two
22 hundred fifty dollars (\$250) for each day the insurer fails to comply with this section.

23 (2) The division of motor vehicles shall excuse the fine if an insurer shows that the failure
24 to comply with this section was:

25 (i) Inadvertent;

26 (ii) Accidental; or

27 (iii) The result of excusable neglect.

28 **31-47.4-4. Notice -- Proof -- Revocation of registration -- False statement --**
29 **Penalties.**

30 (a) If the comparison under § 31-47.4-2 shows that a motor vehicle is not insured for
31 ~~three (3)~~ four (4) consecutive reporting periods as set forth in § 31-47.4-3(a), ~~months,~~ the division
32 of motor vehicles shall direct that the designated agent provide notice to the owner of the motor
33 vehicle that the owner has fifteen (15) days to provide to the designated agent:

34 (1) Proof of owner's or operator's security; or

1 (2) Proof of exemption from the owner's or operator's security requirements.

2 (b) If an owner of a motor vehicle fails to provide satisfactory proof of owner's or
3 operator's security to the designated agent, the designated agent shall:

4 (1) Provide a second (2nd) notice to the owner of the motor vehicle that the owner now
5 has fifteen (15) days to provide:

6 (i) Proof of owner's or operator's security; or
7 (ii) Proof of exemption from the owner's or operator's security requirements;

8 (c) For each notice provided, the designated agent shall:

9 (i) Indicate information relating to the owner's failure to provide proof of owner's or
10 operator's security in the database;

11 (ii) Provide this information to the division of motor vehicles; and

12 (d) If the designated agent notifies the department of motor vehicles that an owner of a
13 motor vehicle failed to provide satisfactory proof of owner's or operator's security to the
14 designated agent, the division of motor vehicles:

15 (1) Shall revoke the registration;

16 (2) Shall provide appropriate notices of the revocation, the legal consequences of
17 operating a vehicle with revoked registration and without owner's or operator's security and
18 instructions on how to get the registration reinstated.

19 (e) A registration that has been revoked under this section shall not be reinstated and a
20 new license or registration shall not be issued to the holder of the revoked registration until the
21 person:

22 (1) Pays to the division of motor vehicles an administrative reinstatement fee of two
23 hundred fifty dollars (\$250), the fee imposed by the section is in addition to any other fines or
24 penalties imposed by law;

25 (2) Complies with the other requirements of this act. The fee imposed by this section is in
26 addition to any other fees or penalties imposed by law.

27 (f) The department of motor vehicles may direct the designated agent to provide the
28 notices under subsection (d)(2).

29 (g) Any action by the division of motor vehicles to revoke the registration of a motor
30 vehicle under this section may be in addition to an action by a law enforcement agency to impose
31 the penalties.

32 (h) (1) A person may not provide a false or fraudulent statement to the division of motor
33 vehicles or designated agent.

34 (2) In addition to any other penalties, a person who violates paragraph (h)(1) is guilty of a

1 misdemeanor.

2 (i) This section does not affect other actions or penalties that may be taken or imposed for
3 violation of the owner's and operator's security requirements of this title.

4 SECTION 3. This act shall take effect on January 1, 2019.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO MOTOR AND OTHER VEHICLES - UNINSURED MOTORIST
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1 This act would mandate each insurer that issues a policy that includes motor vehicle
2 liability coverage, uninsured motorist coverage, underinsured motorist coverage, or personal
3 injury coverage to provide weekly records of each policy to an agent of the division of motor
4 vehicles. The agent shall also give notice to an owner of a vehicle who, for four (4) consecutive
5 reporting periods, is shown not to be insured and shall be required to provide insurance
6 information to the division within fifteen (15) days.

7 This act would take effect on January 1, 2019.

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