#### **HOUSE BILL 1212**

# By Baum

AN ACT to amend Tennessee Code Annotated, Title 4; Title 9; Title 55 and Title 56, relative to motor vehicle insurance.

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

SECTION 1. Tennessee Code Annotated, Title 55, Chapter 12, is amended by adding the following as a new part:

### 55-12-401. Part definitions.

As used in this part:

- (1) "Camera sensor":
- (A) Means an image recording device that is capable of operation with or without the presence of a person at the site of the device; and
  - (B) Includes:
    - (i) Traffic enforcement cameras;
    - (ii) Traffic light signal monitoring systems;
  - (iii) Traffic monitoring cameras, Smart Way cameras, and other intelligent transportation system cameras;
    - (iv) Security cameras; and
  - (v) Vehicle-mounted, trailer-mounted, or hand-held mobile cameras;
- (2) "Commissioner" means the commissioner of revenue;
- (3) "Consumer report" and "consumer reporting agency" have the same meanings as defined in § 604 of the Fair Credit Reporting Act (15 U.S.C. § 1681(a));

- (4) "Credit report" means any written, oral, or other communication of information, including a consumer report, by a consumer reporting agency bearing on a consumer's creditworthiness, credit standing, or credit capacity, which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing a consumer's eligibility for credit to be used primarily for personal, family, or household purposes;
  - (5) "Department" means the department of revenue;
- (6) "Uninsured vehicle diversion program" or "diversion program" means a program that uses vehicle recognition systems to detect violations of and promote compliance with this chapter; and
- (7) "Vehicle recognition system" means a system of one (1) or more camera sensors combined with computer software to convert images of vehicles and registration plates into computer-readable data.

## 55-12-402. Uninsured vehicle diversion program establishment.

- (a) The department shall establish an uninsured vehicle diversion program that uses vehicle recognition systems to aid in detection of violations of this chapter. The commissioner may contract with other government entities or private entities for services or assistance that the commissioner deems necessary or appropriate for the administration of the diversion program.
  - (b) Notwithstanding a law to the contrary, the commissioner may:

(1)

(A) Install and implement a vehicle recognition system on appropriate infrastructure owned by this state or a political subdivision of this state, including within rights of way; on physical structures such as bridges and overpasses; on supporting structures and equipment, such

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as traffic signals, gantries, highway signs, and other equipment supporting the use and maintenance of the roadways; and

- (B) Use infrastructure described by subdivision (b)(1)(A) as necessary to ensure that a vehicle recognition system has access to the necessary power to operate;
- (2) Authorize an entity with which the commissioner contracts pursuant to subsection (a) to access data from the vehicle insurance verification program established by this part for purposes limited to the administration of the diversion program; and
- (3) Enter into an agreement with another state or local agency to authorize the agency to access and use a vehicle recognition system used by the diversion program for a purpose limited to that agency's statutory powers and duties. An agency's access and use of a vehicle recognition system under this subdivision (b)(3) must not interfere with the operation of the vehicle recognition system by the department or a law enforcement agency administering the program.

### 55-12-403. Notice of violation and penalties.

(a)

(1) Only POST-certified or state-commissioned law enforcement officers are authorized to review video evidence from a vehicle recognition system and make a determination as to whether a violation of this chapter has occurred. If a determination is made that a violation has occurred, then the department shall send a notice of violation to the registered owner of the vehicle that was captured by the vehicle recognition system. The department shall send the notice of

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violation within twenty (20) business days after the occurrence of the violation, absent exigent circumstances arising from registration irregularities.

- (2) All notices of violation must have a Tennessee return address and all responses and payments must be made to an address in this state. A notice of violation must allow for payment of the diversion program fee within thirty (30) days of the mailing of the notice.
- (3) The notice of violation must state the amount of the fee that is required to participate in the diversion program. The notice of violation must state separately any additional fees or costs that may be assessed or sanctions that may be imposed if the fee is not paid timely or if the violation is contested and the person is found guilty of the offense.
- (4) A notice of violation that is based solely upon evidence obtained from a vehicle recognition system must have printed on the notice the following disclaimer in bold-face type and a font that is the same size as the largest font used on the notice: "Non-payment of this notice cannot adversely affect your credit score or report, driver license, and/or automobile insurance rates."
- (5) The department shall not assess an additional penalty or other costs, or impose a sanction for nonpayment of a fee that is based solely on evidence obtained from a vehicle recognition system, unless a second notice is sent to the registered owner of the motor vehicle and the second notice provides for an additional thirty (30) days for payment of the fee.
- (b) The department may assess a fee in the following amounts based upon a determination made pursuant to subdivision (a)(1) that a violation of this chapter has occurred:
  - (1) Two hundred seventy-five dollars (\$275) for the first violation; and

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(2) Three hundred fifty dollars (\$350) for a second or subsequent violation.

(c)

- (1) Except as otherwise provided in this subsection (c), the registered owner of the motor vehicle is responsible for payment of any notice of violation issued as the result of vehicle recognition system.
- (2) An owner of a vehicle is not responsible for the violation if, on or before the designated payment due date, the owner furnishes the department with an affidavit stating the name and address of the person or entity that leased, rented, or otherwise had care, custody, or control of the motor vehicle at the time of the violation.
- (3) If a motor vehicle or its plates were stolen at the time of the alleged violation, then the registered owner shall provide an affidavit denying the owner was an operator and provide a certified copy of the police report reflecting the theft.
- (4) An affidavit alleging theft of a motor vehicle or its plates must be provided by the registered owner of a vehicle receiving a notice of violation within thirty (30) days of the date of the notice of violation.
- (d) The department shall not assess more than one (1) fee for each distinct and separate occurrence of a violation of this chapter.
- (e) A person having charge, custody of, or control over any records or information regarding a violation of this section, including payments made pursuant to receipt of a notice of violation, whether timely or delinquent, shall not disclose these records or information to a consumer reporting agency. In addition, information regarding a violation shall not be disclosed or identified in any credit report.

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SECTION 2. The commissioner of revenue is authorized to promulgate rules to effectuate the purposes of this act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.

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