

By: Representatives Chism, Robinson (84th)

To: Insurance

## HOUSE BILL NO. 535

1 AN ACT TO REQUIRE THE DEPARTMENT OF PUBLIC SAFETY TO SELECT  
2 RANDOM SAMPLES OF REGISTRATIONS OF MOTOR VEHICLES, OR OWNERS  
3 THEREOF, FOR THE PURPOSE OF VERIFYING WHETHER OR NOT THE MOTOR  
4 VEHICLES ARE INSURED; TO REQUIRE THE DEPARTMENT OF PUBLIC SAFETY  
5 TO SUSPEND THE VEHICLE REGISTRATION OF ANY MOTOR VEHICLE  
6 DETERMINED TO BE IN VIOLATION OF THE PROVISIONS OF THE MOTOR  
7 VEHICLE SAFETY RESPONSIBILITY LAW; TO REQUIRE THE DEPARTMENT OF  
8 PUBLIC SAFETY TO FURNISH A LIST OF OWNERS WHOSE LICENSE PLATES  
9 HAVE BEEN SUSPENDED PURSUANT TO THE MOTOR VEHICLE SAFETY  
10 RESPONSIBILITY LAW TO OFFICIALS AUTHORIZED TO ISSUE MOTOR VEHICLE  
11 LICENSE PLATES; TO REQUIRE THE DEPARTMENT OF PUBLIC SAFETY TO  
12 SUSPEND THE OWNER'S VEHICLE REGISTRATION IF THE DEPARTMENT  
13 DETERMINES THAT THE PROOF OF INSURANCE SUBMITTED BY A MOTOR  
14 VEHICLE OWNER IS FALSE; AND FOR RELATED PURPOSES.

15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

16 **SECTION 1.** (1) The department shall select random samples  
17 of registrations of motor vehicles subject to this chapter, or  
18 owners thereof, for the purpose of verifying whether or not the  
19 motor vehicles are insured.

20 (2) In addition to such general random samples of motor  
21 vehicle registrations, the department shall select for  
22 verification other random samples, including, but not limited to,  
23 registrations of motor vehicles owned by persons:

24 (a) Whose motor vehicle registrations during the  
25 preceding four (4) years have been suspended pursuant to Section  
26 63-15-11.

27 (b) Who during the preceding four (4) years have been  
28 convicted of violating Section 63-15-4 while operating vehicles  
29 owned by other persons.

30 (c) Whose driving privileges have been suspended or  
31 revoked during the preceding four (4) years.

32 (d) Who during the preceding four (4) years have  
33 received a disposition of supervision by the courts of this state  
34 for a violation of the provisions of this chapter.

35 (3) The department shall send to owners of randomly  
36 selected motor vehicles, requests for information about their  
37 motor vehicles and liability insurance coverage. The request  
38 shall require the owner to state:

39 (a) Whether or not the motor vehicle was insured on the  
40 verification date stated in the department's request, and the  
41 reason no insurance existed for the vehicle if not insured;

42 (b) The name, address and telephone number of the  
43 insurance company that insures the motor vehicle;

44 (c) The effective date of the policy and the expiration  
45 date of the policy;

46 (d) The owner's signature; and

47 (e) The policy number.

48 (4) Within thirty (30) calendar days after the department  
49 mails a request, the owner to whom it is sent shall furnish the  
50 requested information to the department with the owner's signed  
51 and dated affirmation that such information is true and correct.  
52 Proof of insurance in effect on the verification date, as  
53 prescribed by the department, may be considered by the department  
54 to be a satisfactory response to the request for information.

55 (5) Any owner whose response indicates that his or her  
56 vehicle was not covered by a liability insurance policy in  
57 accordance with the liability limits required in Section  
58 63-15-3(j) shall be deemed to have registered or maintained  
59 registration of a motor vehicle in violation of that section. Any  
60 owner who fails to respond to such a request shall be deemed to  
61 have registered or maintained registration of a motor vehicle in  
62 violation of liability limits required in Section 63-15-3(j).

63 (6) If the owner responds to the request for information by  
64 asserting that his vehicle was covered by a liability insurance

65 policy on the verification date stated in the department's  
66 request, the department may conduct a verification of the response  
67 by furnishing necessary information to the insurer named in the  
68 response. The insurer shall within thirty (30) calendar days  
69 inform the department if on the verification date stated the motor  
70 vehicle was not insured by the insurer in accordance with the  
71 liability limits required in Section 63-15-3(j).

72 (7) No random sample selected under this section shall be  
73 categorized on the basis of race, color, religion, sex, national  
74 origin, ancestry, age, marital status, physical or mental  
75 disability, economic status or geography.

76 **SECTION 2.** If the department determines that an owner has  
77 registered or maintained the registration of a motor vehicle  
78 without a liability insurance policy in compliance with the  
79 liability limits in Section 63-15-3(j), the department shall  
80 notify the owner that such owner's vehicle registration shall be  
81 suspended forty-five (45) calendar days after the date of the  
82 mailing of the notice unless the owner within thirty (30) calendar  
83 days furnishes proof of insurance in effect on the verification  
84 date, as prescribed by the department. The notice shall be in  
85 writing and shall be mailed by first class U.S. Postal Service or  
86 by certified mail, return receipt requested, to the owner's last  
87 known address.

88 **SECTION 3.** (1) The department shall suspend the vehicle  
89 registration of any motor vehicle determined to be in violation of  
90 the provisions of this chapter, including any motor vehicle  
91 operated in violation of Section 63-15-4 by an operator other than  
92 the owner of the vehicle. Neither the fact that, subsequent to  
93 the date of verification or violation, the owner acquired the  
94 required liability insurance policy nor the fact that the owner  
95 terminated ownership of the motor vehicle shall have any bearing  
96 upon the required suspension.

97           (2) The registration of any motor vehicle registered in this  
98 state shall be suspended upon the department receiving notice of  
99 the conviction of the operator of the motor vehicle in another  
100 state of an offense which, if committed in this state, would  
101 constitute a violation of this chapter. Until it is terminated,  
102 any suspension under this chapter shall remain in force even if  
103 the registration is renewed or a new registration is acquired for  
104 the motor vehicle.

105           (3) In the case of a first violation, the department shall  
106 terminate the suspension upon payment by the owner of a  
107 reinstatement fee of One Hundred Dollars (\$100.00) in certified  
108 funds and submission of proof of insurance as prescribed by the  
109 department. Upon a first violation, the owner's name and  
110 identifying information shall be provided to the director by the  
111 department, for the purpose of requiring the owner to purchase and  
112 maintain insurance pursuant to this chapter for a period of one  
113 (1) year.

114           (4) In the case of a second or subsequent violation by a  
115 person having ownership interest in a motor vehicle or vehicles  
116 within the preceding four (4) years, or a violation of this  
117 chapter, the department shall terminate the suspension four (4)  
118 months after its effective date upon payment by the owner of a  
119 reinstatement fee of Two Hundred Dollars (\$200.00) in certified  
120 funds and submission of proof of insurance as prescribed by the  
121 department. In the case of a second or subsequent violation, the  
122 owner's name and identifying information shall be provided to the  
123 director by the department, for the purpose of the director  
124 requiring the owner to purchase and maintain insurance pursuant to  
125 this chapter for a period of three (3) years.

126           (5) All fees collected under this section shall be retained  
127 by the department for use in the administration of this chapter.  
128 Refunds of reinstatement fees shall be granted in cases of  
129 duplicate payment, or as approved by the department.

130           **SECTION 4.** (1) No later than the tenth day of each month,  
131 the department shall provide a current list of owners whose  
132 license plates have been suspended pursuant to this chapter to  
133 officials authorized to issue motor vehicle license plates or  
134 authorized to perform other duties in connection with the issuance  
135 of motor vehicle license plates, or both. The department may  
136 provide the list electronically to those officials indicating a  
137 preference for electronic transmission of information.

138           (2) All officials authorized by law to register motor  
139 vehicles, issue motor vehicle license plates and to perform other  
140 duties in connection with the issuance of motor vehicle license  
141 plates shall refuse to register or reregister a motor vehicle or  
142 refuse to transfer the license plates if the registration is  
143 suspended pursuant to this chapter.

144           (3) Beginning January 1, 2005, all officials authorized by  
145 law to issue motor vehicle license plates shall obtain, when  
146 issuing or transferring motor vehicle registrations, the driver's  
147 license number of the owner of the vehicle, or, if the owner does  
148 not have a driver's license number, or for a company or other  
149 entity, the federal employer identification number, for inclusion  
150 with the motor vehicle registration records in the state and  
151 county databases. However, the county shall not include these  
152 numbers on the motor vehicle registration receipts. This  
153 information shall be used by the department in the administration  
154 of the provisions of this chapter.

155           (4) Officials authorized to issue motor vehicle license  
156 plates shall require an affirmation that the owners are in  
157 compliance with the liability insurance requirements of this  
158 chapter on each registration and on each transfer of registration.  
159 If the county allows renewal by mail or electronic means, it shall  
160 allow the owner to indicate compliance with this chapter by  
161 including affirmation language as developed by the department on  
162 the renewal notice along with a signature line on mail renewals

163 and an alternative method to indicate acceptance of the  
164 affirmation on electronic renewals.

165 **SECTION 5.** (1) If the department determines that the proof  
166 of insurance submitted by a motor vehicle owner under this chapter  
167 is false, the department shall suspend the owner's vehicle  
168 registration. The department shall terminate the suspension six  
169 (6) months after its effective date upon payment by the owner of a  
170 reinstatement fee of Two Hundred Dollars (\$200.00) in certified  
171 funds and submission of proof of insurance as prescribed by the  
172 department.

173 (2) All funds collected under this section shall be retained  
174 by the department for use in the administration of this chapter.

175 **SECTION 6.** The provisions of this act shall be codified  
176 within Chapter 15, Title 63, Mississippi Code of 1972.

177 **SECTION 7.** This act shall take effect and be in force from  
178 and after July 1, 2004.