

By: Representatives Formby, Beckett, Wells-
Smith, Snowden, Upshaw

To: Insurance

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1238

1 AN ACT TO AMEND SECTION 63-15-4, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE THE DEPARTMENT OF PUBLIC SAFETY TO MAINTAIN A DATABASE OF
3 INSURED MOTORISTS; TO PROVIDE THAT LAW ENFORCEMENT OFFICERS MAY
4 ASK FOR PROOF OF INSURANCE AT ROADBLOCKS; TO PROVIDE THAT A
5 PORTION OF THE FINES LEVIED IN MUNICIPAL COURT OR ANY OF THE
6 COURTS OF THE COUNTY ON PERSONS WHO DO NOT HAVE PROOF OF MOTOR
7 VEHICLE LIABILITY INSURANCE SHALL BE DEPOSITED IN THE GENERAL FUND
8 OF THE MUNICIPALITY OR THE COUNTY; TO REVISE CERTAIN FEES FOR
9 FAILURE TO HAVE INSURANCE; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 63-15-4, Mississippi Code of 1972, is
12 amended as follows:

13 63-15-4. (1) The following vehicles are exempted from the
14 requirements of this section:

15 (a) Vehicles exempted by Section 63-15-5;

16 (b) Vehicles for which a bond or a certificate of
17 deposit of money or securities in at least the minimum amounts
18 required for proof of financial responsibility is on file with the
19 department;

20 (c) Vehicles that are self-insured under Section
21 63-15-53; and

22 (d) Implements of husbandry.

23 (2) (a) Every motor vehicle operated in this state shall
24 have an insurance card maintained in the vehicle as proof of
25 liability insurance that is in compliance with the liability
26 limits required by Section 63-15-3(j). The insured parties shall
27 be responsible for maintaining the insurance card in each vehicle.

28 (b) An insurance company issuing a policy of motor
29 vehicle liability insurance as required by this section shall

30 furnish to the insured an insurance card for each vehicle at the
31 time the insurance policy becomes effective.

32 (c) The Department of Public Safety shall maintain a
33 database of insured motorists. An insurance company issuing a
34 policy of motor vehicle liability insurance as required by this
35 section shall furnish to the Department of Public Safety
36 information on each policy written for each insured motorist
37 within thirty (30) business days of issuing the coverage. The
38 insurance company shall notify the Department of Public Safety
39 within fifteen (15) business days of the date when liability
40 insurance or security is recalled, reinstated or terminated or
41 when there is a changed binder on vehicles registered in
42 Mississippi. The Commissioner of Insurance shall notify the
43 Department of Public Safety when an authorized company ceases to
44 do business in Mississippi due to bankruptcy or liquidation.

45 (3) Upon stopping a motor vehicle for any other statutory
46 violation, a law enforcement officer, who is authorized to issue
47 traffic citations, shall verify that the insurance card required
48 by this section is in the motor vehicle. However, no driver shall
49 be stopped or detained solely for the purpose of verifying that an
50 insurance card is in the motor vehicle unless the stop is part of
51 an authorized vehicle checkpoint.

52 (4) Failure of the owner or the operator of a motor vehicle
53 to have the insurance card in the motor vehicle is a misdemeanor
54 and, upon conviction, is punishable by a fine of Five Hundred
55 Dollars (\$500.00) and suspension of driving privilege for a period
56 of one (1) year or until the owner of the motor vehicle shows
57 proof of liability insurance that is in compliance with the
58 liability limits required by Section 63-15-3(j) for the first
59 offense. Second and subsequent convictions shall be punishable by
60 a fine of One Thousand Dollars (\$1,000.00) and suspension of
61 driving privilege for a period of one (1) year. Fraudulent use of
62 an insurance card shall be punishable in accordance with Section

63 97-7-10. Except as otherwise provided herein, the funds from such
64 finances shall be deposited in the State General Fund in the State
65 Treasury; however, three percent (3%) of the funds collected for
66 violations of this section shall be deposited into a special fund
67 in the State Treasury to the credit of the Department of Public
68 Safety for the purpose of administering this section. If such
69 finances are levied in a municipal court, twenty-five percent (25%)
70 of the remaining funds from such fines shall be deposited in the
71 General Fund of the municipality. If such fines are levied in any
72 of the courts of the county, twenty-five percent (25%) of the
73 remaining funds from such fines shall be deposited in the general
74 fund of the county.

75 (5) If, at the hearing date or the date of payment of the
76 fine, the motor vehicle owner shows proof of motor vehicle
77 liability insurance which was in effect on the date of the
78 citation in the amounts required by Section 63-15-3(j), the fine
79 shall be waived; if the motor vehicle owner shows proof of motor
80 vehicle liability insurance which went into effect after the date
81 of the citation in the amounts required by Section 63-15-3(j), the
82 fine shall be reduced to Two Hundred Fifty Dollars (\$250.00) for
83 the first offense and Five Hundred Dollars (\$500.00) for any
84 second or subsequent offense; however, the penalty providing for
85 the suspension of the driving privilege shall not be reduced.

86 **SECTION 2.** This act shall take effect and be in force from
87 and after July 1, 2005.