

By: Senator(s) Kirby, Ross

To: Insurance; Finance

SENATE BILL NO. 2466

1 AN ACT TO AMEND SECTION 63-15-4, MISSISSIPPI CODE OF 1972, TO  
 2 AUTHORIZE THE STATE TAX COMMISSION TO IMPLEMENT A MOTORIST  
 3 IDENTIFICATION DATABASE PROGRAM FOR THE PURPOSE OF IDENTIFYING  
 4 UNINSURED MOTORISTS IN THIS STATE; TO REQUIRE A RANDOM SAMPLING OF  
 5 VEHICLE REGISTRANTS TO RESPOND TO AN INSURANCE QUESTIONNAIRE  
 6 SHOWING PROOF OF LIABILITY INSURANCE AS REQUIRED BY THE MOTOR  
 7 VEHICLE SAFETY-RESPONSIBILITY ACT; TO AUTHORIZE SUSPENSION OF  
 8 VEHICLE REGISTRATION IF THE REGISTRANT FAILS TO TIMELY RESPOND TO  
 9 THE QUESTIONNAIRE OR IF THE REGISTRANT DOES NOT SHOW PROOF OF  
 10 LIABILITY INSURANCE; TO AUTHORIZE A FEE FOR THE REINSTATEMENT OF A  
 11 VEHICLE REGISTRATION SUSPENDED PURSUANT TO THIS ACT; AND FOR  
 12 RELATED PURPOSES.

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

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

16 63-15-4. (1) The following vehicles are exempted from the  
 17 requirements of this section:

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

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

23 (c) Vehicles that are self-insured under Section  
 24 63-15-53; and

25 (d) Implements of husbandry.

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

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

33 furnish to the insured an insurance card for each vehicle at the  
34 time the insurance policy becomes effective. (3) Upon stopping a  
35 motor vehicle at a roadblock where all passing motorists are  
36 checked as a method to enforce traffic laws or upon stopping a  
37 motor vehicle for any other statutory violation, a law enforcement  
38 officer, who is authorized to issue traffic citations, shall  
39 verify that the insurance card required by this section is in the  
40 motor vehicle. However, no driver shall be stopped or detained  
41 solely for the purpose of verifying that an insurance card is in  
42 the motor vehicle unless the stop is part of such roadblock.

43 (4) Failure of the owner or the operator of a motor vehicle  
44 to have the insurance card in the motor vehicle is a misdemeanor  
45 and, upon conviction, is punishable by a fine of Five Hundred  
46 Dollars (\$500.00) and suspension of driving privilege for a period  
47 of one (1) year or until the owner of the motor vehicle shows  
48 proof of liability insurance that is in compliance with the  
49 liability limits required by Section 63-15-3(j). Fraudulent use  
50 of an insurance card shall be punishable in accordance with  
51 Section 97-7-10. The funds from such fines shall be deposited in  
52 the State General Fund in the State Treasury. However, if such  
53 fines are levied in a municipal court, twenty-five percent (25%)  
54 of the funds from such fines shall be deposited in the general  
55 fund of the municipality. If such fines are levied in any of the  
56 courts of the county, twenty-five percent (25%) of the funds from  
57 such fines shall be deposited in the general fund of the county.

58 (5) If, at the hearing date or the date of payment of the  
59 fine, the motor vehicle owner shows proof of motor vehicle  
60 liability insurance in the amounts required by Section 63-15-3(j),  
61 the fine shall be reduced to One Hundred Dollars (\$100.00). If  
62 the owner shows proof that such insurance was in effect at the  
63 time of citation, the case shall be dismissed as to the defendant  
64 with prejudice and all court costs shall be waived against the  
65 defendant.

66       (6) (a) The State Tax Commission shall implement a motorist  
67 identification database program for the purpose of identifying  
68 uninsured motorists in this state. The commission shall contract  
69 with a private vendor to implement the program. Such vendor shall  
70 have experience in managing state liability insurance programs and  
71 in managing large-scale data management services for the State of  
72 Mississippi. The commission, or its designated agent, shall  
73 convene a work group consisting of representatives of the  
74 insurance industry, the Department of Insurance and the State Tax  
75 Commission to develop a plan for the program. The commission, or  
76 its designated agent, shall be responsible for requesting any  
77 appropriate information from insurance companies on a recurring  
78 basis necessary to compile and maintain the database. All  
79 insurance companies issuing a policy of motor vehicle liability  
80 insurance as required by this section shall cooperate with the  
81 commission, or its designated agent, to maintain up-to-date  
82 information needed for the database. The Commissioner of  
83 Insurance shall notify the State Tax Commission when a motor  
84 vehicle liability insurer ceases to do business in Mississippi.

85       (b) The State Tax Commission shall prescribe rules and  
86 regulations for a program under which a random sampling of  
87 registered noncommercial vehicles occurs and such registrants are  
88 required to respond to an insurance questionnaire showing proof of  
89 having liability insurance as required by this section. Insurance  
90 companies shall substantiate or deny any registrant's claim to  
91 having liability insurance with that company in the manner  
92 prescribed by the State Tax Commission. If the registrant fails  
93 to respond with valid information within thirty (30) days from  
94 receipt of the questionnaire, a registration suspension notice  
95 shall be mailed to the registrant who shall have fifteen (15)  
96 business days from receipt of the notice to respond. If the  
97 registrant fails to respond within the required time period or if  
98 his response fails to show proof of liability insurance as

99 required by this section, his vehicle registration shall be  
100 suspended and a fee in the amount of Five Hundred Dollars  
101 (\$500.00) shall be charged to reinstate the registration. The  
102 registrant whose registration has been suspended may make a  
103 written request, within ten (10) days after receipt of notice of  
104 the suspension, to the commission for a hearing and such request  
105 shall operate as a stay of any suspension pending the outcome of  
106 the hearing. The hearing officer shall review the merits of the  
107 suspension and make a determination on its status. Any person  
108 whose suspension has been sustained shall have the right to appeal  
109 in a court of proper jurisdiction. However, the suspension shall  
110 not be stayed by the commission or any court while the appeal is  
111 pending. No vehicle registration may be renewed or transferred  
112 while it is in a suspended condition. Reinstatement fees  
113 collected under this subsection shall be deposited into the State  
114 General Fund; provided, however, that five percent (5%) of the  
115 collected fees shall be deposited into a special fund hereby  
116 created and named the "Motorist Identification Database Fund" to  
117 be used by the State Tax Commission to administer this subsection,  
118 and five percent (5%) of the collected fees shall be evenly  
119 distributed to the counties of this state.

120       **SECTION 2.** This act shall take effect and be in force from  
121 and after July 1, 2006.