

By: Senator(s) Clarke

To: Insurance;  
Appropriations

SENATE BILL NO. 2631  
(As Sent to Governor)

1 AN ACT TO CREATE THE PUBLIC SAFETY VERIFICATION AND  
2 ENFORCEMENT ACT; TO REQUIRE THE DEPARTMENT OF PUBLIC SAFETY, IN  
3 COOPERATION WITH THE COMMISSIONER OF INSURANCE AND THE DEPARTMENT  
4 OF REVENUE, TO CREATE AN ACCESSIBLE COMMON CARRIER-BASED MOTOR  
5 VEHICLE INSURANCE VERIFICATION SYSTEM; TO PROVIDE FOR LAW  
6 ENFORCEMENT USE OF THE SYSTEM; TO ALLOW INSURERS TO PROVIDE  
7 CERTAIN INFORMATION TO BE USED IN THE SYSTEM; TO REQUIRE THE  
8 DEPARTMENT OF PUBLIC SAFETY AND THE DEPARTMENT OF REVENUE TO  
9 ADMINISTER AND ENFORCE THE PROVISIONS OF THIS ACT AND REQUIRE THE  
10 DEPARTMENTS TO MAKE RULES NECESSARY FOR THE ADMINISTRATION OF THE  
11 MOTOR VEHICLE INSURANCE VERIFICATION SYSTEM CREATED UNDER THIS  
12 ACT; TO REQUIRE COMPLIANCE WITH THE MOTOR VEHICLE  
13 SAFETY-RESPONSIBILITY LAW BEFORE RECEIVING A MOTOR VEHICLE  
14 REGISTRATION; TO REQUIRE THE OWNER OF THE MOTOR VEHICLE TO  
15 MAINTAIN CONTINUOUS COVERAGE THROUGHOUT THE LICENSE PERIOD; TO  
16 REQUIRE THE COMMISSIONER OF PUBLIC SAFETY, THE COMMISSIONER OF  
17 REVENUE OR A COURT OF PROPER JURISDICTION TO SUSPEND THE DRIVING  
18 PRIVILEGES AND/OR REGISTRATION IF A MOTOR VEHICLE OWNER FAILS TO  
19 HAVE THE REQUIRED MOTOR VEHICLE LIABILITY INSURANCE; TO REQUIRE  
20 THE COMMISSIONER OF PUBLIC SAFETY, THE COMMISSIONER OF REVENUE OR  
21 A COURT OF PROPER JURISDICTION TO IMPOSE CIVIL PENALTIES BECAUSE  
22 OF SUCH FAILURE; TO PROVIDE THE REQUIREMENTS FOR REINSTATEMENT OF  
23 A SUSPENDED LICENSE OR REGISTRATION; TO PROVIDE THAT MONIES FROM  
24 THE CIVIL PENALTIES SHALL BE DEPOSITED INTO A SPECIAL FUND IN THE  
25 STATE TREASURY TO BE KNOWN AS THE UNINSURED MOTORIST  
26 IDENTIFICATION FUND; TO PROVIDE THAT CERTAIN MONIES FROM THE CIVIL  
27 PENALTIES SHALL BE DEPOSITED INTO A MUNICIPALITY OR COUNTY'S  
28 GENERAL FUND; TO PROVIDE THAT MONIES DEPOSITED IN THE SPECIAL FUND  
29 MAY BE USED BY THE DEPARTMENT OF PUBLIC SAFETY AND DEPARTMENT OF  
30 REVENUE, UPON APPROPRIATION BY THE LEGISLATURE, FOR THE PURPOSE OF  
31 DEFRAYING EXPENSES AND COSTS FOR THE MOTOR VEHICLE INSURANCE  
32 VERIFICATION SYSTEM; TO PROVIDE THAT MONIES IN THE SPECIAL FUND IN  
33 EXCESS OF THE AMOUNT NEEDED TO DEFRAY THE EXPENSES AND COSTS OF  
34 THE VERIFICATION SYSTEM REMAINING IN THE FUND AT THE END OF A  
35 FISCAL YEAR SHALL BE TRANSFERRED TO THE MOTOR VEHICLE AD VALOREM  
36 TAX REDUCTION FUND AND THE MISSISSIPPI TRAUMA CARE SYSTEMS FUND;  
37 TO AMEND SECTION 63-15-4, MISSISSIPPI CODE OF 1972, IN CONFORMITY  
38 THERETO; AND FOR RELATED PURPOSES.

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

40 **SECTION 1.** Sections 1 through 7 of this act shall be known  
41 as the "Public Safety Verification and Enforcement Act."



42           **SECTION 2.** (1) The Department of Public Safety, hereinafter  
43 referred to in this section as "department," in cooperation with  
44 the Commissioner of Insurance and the Department of Revenue, shall  
45 establish an accessible common carrier-based motor vehicle  
46 insurance verification system to verify the compliance of a motor  
47 vehicle owner or operator with motor vehicle liability policy  
48 requirements under the Mississippi Motor Vehicle  
49 Safety-Responsibility Law.

50           (2) The department in cooperation with the Department of  
51 Revenue may contract with a private vendor or vendors to establish  
52 and maintain the system.

53           (3) The system must:

54           (a) Send requests to insurers for verification of motor  
55 vehicle liability insurance using electronic services established  
56 by the insurers through the Internet, World Wide Web, or a similar  
57 proprietary or common carrier electronic system in compliance with  
58 the specifications and standards of the Insurance Industry  
59 Committee on Motor Vehicle Administration and other applicable  
60 industry standards;

61           (b) Include appropriate provisions to secure its data  
62 against unauthorized access and to maintain a record of all  
63 requests and responses;

64           (c) Be accessible, without fee, to authorized personnel  
65 of the department, the Department of Revenue, the courts, law  
66 enforcement personnel, county tax collectors, and other entities  
67 authorized by the department or the Department of Revenue under  
68 the provisions of Section 4 of this act;

69           (d) Be able to interface with existing department and  
70 Department of Revenue systems;

71           (e) Be able to be accessed by authorized users via a  
72 secure web browser;

73           (f) Receive insurance data file transfers from insurers  
74 under specifications and standards set forth in paragraph (a) of



75 this subsection to identify motor vehicles that are not covered by  
76 an insurance policy;

77 (g) Provide a means by which low-volume insurers that  
78 are unable to deploy an online interface with the system can  
79 report insurance policy data to the department, the Department of  
80 Revenue or their designee for inclusion in the system;

81 (h) Provide a means to track separately or distinguish  
82 motor vehicles that are subject to a certificate of insurance  
83 under Section 63-15-39 or 63-15-41, a certificate of  
84 self-insurance under Section 63-15-53, a bond under Section  
85 63-15-49, or a certificate of deposit of money or securities under  
86 Section 63-15-51;

87 (i) Distinguish motor vehicles that are exempt from the  
88 provisions of Sections 1 through 7 of this act;

89 (j) Be available twenty-four (24) hours a day, seven  
90 (7) days a week, subject to reasonable allowances for scheduled  
91 maintenance or temporary system failures, to verify the insurance  
92 status of any motor vehicle in a manner prescribed by the  
93 department or the Department of Revenue; and

94 (k) Be installed and operational not later than July 1,  
95 2013, following an appropriate testing period of not less than six  
96 (6) months.

97 (4) Every insurer shall cooperate with the department and  
98 the Department of Revenue in establishing and maintaining the  
99 system and shall provide access to motor vehicle liability policy  
100 status information to verify liability coverage for:

101 (a) A motor vehicle insured by that company that is  
102 registered in this state; and

103 (b) If available, a motor vehicle that is insured by  
104 that company or that is operated in this state regardless of where  
105 the motor vehicle is registered.

106 **SECTION 3.** (1) A law enforcement officer or authorized  
107 employee of a law enforcement agency may, during the course of a



108 traffic stop or accident investigation, access the verification  
109 system established under Section 2 of this act to verify whether a  
110 motor vehicle is covered by a valid motor vehicle liability policy  
111 in at least the minimum amounts required under Section 63-15-3(j).

112 (2) The response received from the system supersedes an  
113 insurance card produced by a motor vehicle owner or operator, and  
114 notwithstanding the display of an insurance card by the owner or  
115 operator, the law enforcement officer may issue a complaint and  
116 notice to appear to the owner or operator for a violation of the  
117 Mississippi Motor Vehicle Safety-Responsibility Law.

118 (3) Except upon reasonable cause to believe that a driver  
119 has violated another traffic regulation or that the driver's motor  
120 vehicle is unsafe or not equipped as required by law, a law  
121 enforcement officer may not use the verification system to stop a  
122 driver for operating a motor vehicle in violation of this act.

123 **SECTION 4.** (1) The Department of Public Safety, hereinafter  
124 referred to in this section as "department," and the Department of  
125 Revenue shall administer and enforce the provisions of Sections 1  
126 through 7 of this act, as applicable, and shall make rules,  
127 jointly or separately, necessary for the administration of the  
128 motor vehicle insurance verification system created under Section  
129 2 of this act.

130 (2) The rules must:

131 (a) Establish standards and procedures for accessing  
132 the system by authorized personnel of the department, the  
133 Department of Revenue, the courts, law enforcement personnel, tax  
134 collectors of each county and any other entities authorized by the  
135 department or the Department of Revenue that are consistent with  
136 specifications and standards of the Insurance Industry Committee  
137 on Motor Vehicle Administration and other applicable industry  
138 standards;



139           (b) Provide for the suspension of a vehicle  
140 registration and/or a driver's license when required by Sections 1  
141 through 7 of this act;

142           (c) Prohibit the reinstatement of a vehicle  
143 registration or driver's license unless the applicable fines have  
144 been paid; and

145           (d) Provide for periodic insurance data file transfers  
146 from insurers to identify motor vehicles that are not covered by  
147 an insurance policy and to monitor ongoing compliance with  
148 mandatory motor vehicle liability insurance requirements.

149           (3) The department and/or the Department of Revenue may  
150 adopt additional rules to:

151           (a) Assist authorized users in interpreting responses  
152 received from the motor vehicle insurance verification system and  
153 determining the appropriate action to be taken as a result of a  
154 response; and

155           (b) Otherwise clarify system operations and business  
156 rules.

157           **SECTION 5.** Every owner of a motor vehicle in this state  
158 shall comply with the motor vehicle liability insurance coverage  
159 in at least the minimum amounts required under Section 63-15-3(j)  
160 before that owner may receive a registration for a motor vehicle  
161 or renew a registration. The owner must also maintain continuous  
162 coverage in at least the minimum amounts required under Section  
163 63-15-3(j) throughout the registration period. The verification  
164 system shall be used at registration to determine compliance with  
165 this section and the response received from the system supersedes  
166 an insurance card produced by a motor vehicle owner or operator,  
167 and notwithstanding the display of an insurance card by the owner  
168 or operator, the owner shall be denied a registration for a motor  
169 vehicle or renewal of a registration based on the verification  
170 system's response of noncompliance. The Department of Revenue  
171 must make the verification system available to the tax collector



172 through its title/registration network system. If the owner is  
173 applying for the initial registration of a motor vehicle, then the  
174 owner may be granted a registration notwithstanding the response  
175 received from the verification system.

176 **SECTION 6.** (1) Sections 1 through 7 of this act shall not  
177 apply to any motor vehicle that:

178 (a) Has commercial auto coverage;

179 (b) Is qualified for a fleet registration;

180 (c) Is part of a self-insured corporate or individual  
181 fleet registered under Section 27-19-66, or self-insured under  
182 Section 63-15-53;

183 (d) Is included in an insurance binder that has not  
184 been entered into the system at the time the verification system  
185 is accessed;

186 (e) Is exempted from the proof of insurance requirement  
187 under Section 63-15-4(1); or

188 (f) Has a gross vehicle weight of sixteen thousand  
189 (16,000) pounds or greater.

190 (2) For the purposes of Sections 1 through 7 of this act,  
191 "commercial auto coverage" is defined as any coverage provided to  
192 an insured, regardless of number of vehicles or entity covered,  
193 under a commercial coverage form and rated from a commercial  
194 manual approved by the Department of Insurance. Sections 1  
195 through 7 of this act shall not apply to vehicles insured under  
196 commercial auto coverage; however, insurers of such vehicles may  
197 participate on a voluntary basis.

198 **SECTION 7.** (1) If the owner of a motor vehicle being  
199 operated on the public roads, streets or highways of the State of  
200 Mississippi or registered in the State of Mississippi fails to  
201 have motor vehicle liability insurance in at least the minimum  
202 amounts required under Section 63-15-3(j), the Commissioner of  
203 Public Safety, the Commissioner of Revenue or a court of proper  
204 jurisdiction shall suspend the vehicle registration and/or the



205 owner's or the operator's driving privilege and shall impose a  
206 civil penalty in an amount of Three Hundred Dollars (\$300.00) upon  
207 a first conviction, in an amount of Four Hundred Dollars (\$400.00)  
208 upon a second conviction and in an amount of Five Hundred Dollars  
209 (\$500.00) upon a third or subsequent conviction. If suspended,  
210 the registration or driving privilege shall not be reinstated  
211 until the owner has motor vehicle liability insurance in at least  
212 the minimum amounts required under Section 63-15-3(j) and has paid  
213 the civil penalties imposed. Any person shall have the right to  
214 appeal any suspension or civil penalty under this section in a  
215 court of proper jurisdiction. If the matter is appealed and a  
216 violation is found, then the court shall not reduce, suspend or  
217 suspend the execution of any penalty imposed under the provisions  
218 of this subsection, in whole or in part. It shall be the duty of  
219 the county prosecuting attorney, an attorney employed under the  
220 provisions of Section 19-3-49, or in the event there is no such  
221 prosecuting attorney for the county, the duty of the district  
222 attorney to represent the state in any appeal held under this  
223 subsection. Civil penalties collected under this subsection shall  
224 be deposited into the special fund created under subsection (2) of  
225 this section. However, if the appeal of such civil penalty would  
226 be under the proper jurisdiction of a municipal court, One Hundred  
227 Dollars (\$100.00) of the funds from such civil penalty shall be  
228 deposited in the general fund of that municipality. If the appeal  
229 of such civil penalty would be under the proper jurisdiction of  
230 any of the courts of a county, One Hundred Dollars (\$100.00) of  
231 the funds from such civil penalty shall be deposited in the  
232 general fund of that county. A person convicted of a civil  
233 violation under this subsection (1) shall not be convicted of a  
234 criminal offense under Section 63-15-4(4) arising from the same  
235 incident.

236 (2) (a) There is created in the State Treasury a special  
237 fund to be designated as the "Uninsured Motorist Identification



238 Fund." The fund shall consist of monies deposited therein as  
239 provided under subsection (1) of this section and monies from any  
240 other source designated for deposit into such fund. Unexpended  
241 amounts remaining in the fund at the end of a fiscal year shall  
242 not lapse into the State General Fund, and any interest earned or  
243 investment earnings on amounts in the fund shall be deposited to  
244 the credit of the fund; however, one-half (1/2) of any monies in  
245 excess of the amount needed to defray the expenses and costs of  
246 the verification system created under Section 2 of this act  
247 remaining in the fund at the end of a fiscal year shall be  
248 transferred to the Motor Vehicle Ad Valorem Tax Reduction Fund  
249 created under Section 27-51-105, and one-half (1/2) of any monies  
250 in excess of the amount needed to defray the expenses and costs of  
251 the verification system created under Section 2 of this act  
252 remaining in the fund at the end of a fiscal year shall be  
253 transferred to the Mississippi Trauma Care Systems Fund created  
254 under Section 41-59-75.

255 (b) Monies in the special fund may be used by the  
256 Department of Public Safety and the Department of Revenue, upon  
257 appropriation by the Legislature, only for the purpose of  
258 defraying expenses and costs for the motor vehicle insurance  
259 verification system created under Section 2 of this act. Monies  
260 in the fund used for the purposes described in this paragraph (b)  
261 shall be in addition to other funds available from any other  
262 source for such purposes.

263 **SECTION 8.** Section 63-15-4, Mississippi Code of 1972, is  
264 amended as follows:

265 63-15-4. (1) The following vehicles are exempted from the  
266 requirements of this section:

- 267 (a) Motor vehicles exempted by Section 63-15-5;  
268 (b) Motor vehicles for which a bond or a certificate of  
269 deposit of money or securities in at least the minimum amounts





270 required for proof of financial responsibility is on file with the  
271 department;

272 (c) Motor vehicles that are self-insured under Section  
273 63-15-53; and

274 (d) Implements of husbandry.

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

281 (b) An insurance company issuing a policy of motor  
282 vehicle liability insurance as required by this section shall  
283 furnish to the insured an insurance card for each motor vehicle at  
284 the time the insurance policy becomes effective. Beginning on  
285 July 1, 2013, insurers shall furnish commercial auto coverage  
286 customers with an insurance card clearly marked with the  
287 identifier, "Commercial Auto Insurance" or "Fleet" or similar  
288 language, to reflect that the vehicle is insured under a  
289 commercial auto policy.

290 (3) Upon stopping a motor vehicle at a roadblock where all  
291 passing motorists are checked as a method to enforce traffic laws  
292 or upon stopping a motor vehicle for any other statutory  
293 violation, a law enforcement officer, who is authorized to issue  
294 traffic citations, shall verify that the insurance card required  
295 by this section is in the motor vehicle. However, no driver shall  
296 be stopped or detained solely for the purpose of verifying that an  
297 insurance card is in the motor vehicle unless the stop is part of  
298 such roadblock. If the law enforcement officer uses the  
299 verification system created in Section 2 of this act and receives  
300 a response from the system verifying that the owner of the motor  
301 vehicle has liability insurance in the amounts required under  
302 Section 63-15-3(j), then the officer shall not issue a citation



303 under this section notwithstanding any failure to display an  
304 insurance card by the owner or operator.

305 (4) Failure of the owner or the operator of a motor vehicle  
306 to have the insurance card in the motor vehicle is a misdemeanor  
307 and, upon conviction, is punishable by a fine of Five Hundred  
308 Dollars (\$500.00) and suspension of driving privilege for a period  
309 of one (1) year or until the owner of the motor vehicle shows  
310 proof of liability insurance that is in compliance with the  
311 liability limits required by Section 63-15-3(j). Fraudulent use  
312 of an insurance card shall be punishable in accordance with  
313 Section 97-7-10. The funds from such fines shall be deposited in  
314 the State General Fund in the State Treasury. However, if such  
315 fines are levied in a municipal court, fifty percent (50%) of the  
316 funds from such fines shall be deposited in the general fund of  
317 the municipality. If such fines are levied in any of the courts  
318 of the county, fifty percent (50%) of the funds from such fines  
319 shall be deposited in the general fund of the county. A person  
320 convicted of a criminal offense under this subsection (4) shall  
321 not be convicted of a civil violation under Section 7(1) of this  
322 act arising from the same incident.

323 (5) If, at the hearing date or the date of payment of the  
324 fine, the motor vehicle owner shows proof of motor vehicle  
325 liability insurance in the amounts required by Section 63-15-3(j),  
326 the fine shall be reduced to One Hundred Dollars (\$100.00). If  
327 the owner shows proof that such insurance was in effect at the  
328 time of citation, the case shall be dismissed as to the defendant  
329 with prejudice and all court costs shall be waived against the  
330 defendant.

331 **SECTION 9.** It is the intent of the Legislature that no  
332 portion of this act shall be interpreted to mean that any  
333 particular vendor's verification system or methodology be  
334 considered preferential to another's solely based on any language



335 in this act and as long as the system is in compliance with this  
336 act.

337         **SECTION 10.** Sections 1 through 7 of this act shall stand  
338 repealed from and after July 1, 2018.

339         **SECTION 11.** This act shall take effect and be in force from  
340 and after July 1, 2012, except for Section 5 of this act which  
341 shall take effect and be in force from and after July 1, 2013.

