

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

To: Insurance

HOUSE BILL NO. 1238
(As Passed the House)

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 CERTAIN PENALTIES ON INSURANCE
4 COMPANIES THAT FAIL TO PROVIDE THE DEPARTMENT OF PUBLIC SAFETY
5 WITH THE REQUIRED INFORMATION ON EACH MOTOR VEHICLE LIABILITY
6 INSURANCE POLICY ISSUED; TO PROVIDE THAT LAW ENFORCEMENT OFFICERS
7 MAY ASK FOR PROOF OF INSURANCE AT ROADBLOCKS; TO PROVIDE THAT A
8 PORTION OF THE FINES LEVIED IN MUNICIPAL COURT OR ANY OF THE
9 COURTS OF THE COUNTY ON PERSONS WHO DO NOT HAVE PROOF OF MOTOR
10 VEHICLE LIABILITY INSURANCE SHALL BE DEPOSITED IN THE GENERAL FUND
11 OF THE MUNICIPALITY OR THE COUNTY; TO REVISE CERTAIN FEES FOR
12 FAILURE TO HAVE INSURANCE; AND FOR 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.

35 (c) The Department of Public Safety shall maintain a
36 database of insured motorists. An insurance company issuing a
37 policy of motor vehicle liability insurance as required by this
38 section shall furnish to the Department of Public Safety
39 information on each policy written for each insured motorist
40 within thirty (30) business days of issuing the coverage. The
41 insurance company shall notify the Department of Public Safety
42 within fifteen (15) business days of the date when liability
43 insurance or security is recalled, reinstated or terminated or
44 when there is a changed binder on vehicles registered in
45 Mississippi. Failure of the insurance company to furnish the
46 Department of Public Safety with the information on aforementioned
47 policy will result in a fine of Five Hundred Dollars (\$500.00) for
48 each omission. The Commissioner of Insurance shall notify the
49 Department of Public Safety when an authorized company ceases to
50 do business in Mississippi due to bankruptcy or liquidation.

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

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

66 a fine of One Thousand Dollars (\$1,000.00) and suspension of
67 driving privilege for a period of one (1) year. Fraudulent use of
68 an insurance card shall be punishable in accordance with Section
69 97-7-10. Except as otherwise provided herein, the funds from such
70 finances shall be deposited in the State General Fund in the State
71 Treasury; however, three percent (3%) of the funds collected for
72 violations of this section shall be deposited into a special fund
73 in the State Treasury to the credit of the Department of Public
74 Safety for the purpose of administering this section. If such
75 finances are levied in a municipal court, twenty-five percent (25%)
76 of the remaining funds from such fines shall be deposited in the
77 General Fund of the municipality. If such fines are levied in any
78 of the courts of the county, twenty-five percent (25%) of the
79 remaining funds from such fines shall be deposited in the general
80 fund of the county.

81 (5) If, at the hearing date or the date of payment of the
82 fine, the motor vehicle owner shows proof of motor vehicle
83 liability insurance which was in effect on the date of the
84 citation in the amounts required by Section 63-15-3(j), the fine
85 shall be waived; if the motor vehicle owner shows proof of motor
86 vehicle liability insurance which went into effect after the date
87 of the citation in the amounts required by Section 63-15-3(j), the
88 fine shall be reduced to One Hundred Dollars (\$100.00).

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