

STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

HOUSE BILL NO. 1661

By: Fallin

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S.

1991, Sections 7-603, 7-605 and 7-606, which relate to compulsory liability insurance; requiring random verification of security by the Department of Public Safety; providing procedures for mandatory random verification; requiring certain annual reports; providing penalties for failure to provide certain proof of security; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 47 O.S. 1991, Section 7-603, is amended to read as follows:

Section 7-603. A. From its own records, the Department of Public Safety may verify the existence of security made in the form of a deposit or of self-insurance for which a certification has been made.

B. The Department may, either at the time of registration or at other intervals thereafter as it may determine, forward copies of certifications to insurance companies and surety companies, as the case may be, for verification of the security certified to in policies or bonds issued by such companies. The companies

thereafter and not later than thirty (30) days following receipt of such copies shall cause to be filed with the Department a written record of those certifications as respects which no policy or bond is applicable.

C. ~~Until July 1, 1991, the~~ The Department shall randomly verify the existence of security pursuant to the provisions of Section ~~7-603.1~~ 2 of this ~~title~~ act.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-603.2 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Whenever a citation is issued by a police or peace officer for a moving violation, the officer issuing the citation shall record on the citation the policy number and the name and address of the carrier or the name and address of the agent or office where the existence of security may be verified if other than the carrier, as the same appears on a security verification form. The Commissioner of the Department of Public Safety shall determine and provide to law enforcement agencies the best method, procedure and format for recording such information.

B. The Department of Public Safety shall select citations for verification of security at random from citations issued by state and local police or peace officers which are received by the Department. Upon selection of a citation for verification, the Department shall request proof of insurance from the registered vehicle owner's insurer or agent or surety company, or shall verify from its own records the existence of a deposit or self-insurance. Within thirty (30) days of the request for proof of insurance, the registered vehicle owner's insurer or agent or surety company shall certify on a form prescribed by the Department that the registered vehicle owner is not insured with that insurer or agent or surety company on the date specified by the Department.

C. 1. The Department shall promptly request by certified mail proof of insurance from a registered vehicle owner if:

- a. it receives notice that the vehicle owner is not insured with that agent or insurer or surety company, or
- b. the Department cannot determine from its records the name of the vehicle owner's agent or insurer or surety company or the vehicle owner's policy number.

2. Following a request under paragraph 1 of this subsection, the registered vehicle owner selected for verification shall submit to the Department proof of insurance within thirty (30) days of the request on a form prescribed by the Department and certified by an insurer or agent or surety company.

D. It shall be prima facie evidence that the vehicle is uninsured, and the Department shall suspend the driver's license of the owner and registration of any motor vehicle not covered by security pursuant to Section 7-605 of Title 47 of the Oklahoma Statutes, if the registered vehicle owner:

1. Fails to respond within a thirty-day period to a request for proof of insurance issued by the Department pursuant to subsection C of this section; or

2. Responds within a thirty-day period to a request for proof of insurance issued by the Department pursuant to subsection C of this section, but fails to prove coverage by the insurer, agent or surety company, or any other insurer, agent or surety company, on the date specified by the Department pursuant to subsection B of this section.

E. A registered vehicle owner who has maintained the required security, but who has failed to submit the required proof within the thirty-day period, may submit the required proof to rebut the presumption made pursuant to subsection D of this section.

F. The Department shall periodically select for verification any statement of the required security by a person who has previously been convicted of violating the provisions of Section 7-600 et seq. of Title 47 of the Oklahoma Statutes, or whose statements of required security have previously been found to be incorrect.

G. The Department may determine the accuracy of information relating to proof of required security satisfying the provisions of this section.

H. A registered vehicle owner who has not maintained the required security as determined pursuant to this section shall be subject to the penalties set out in paragraph 2 of subsection A of Section 7-606 of Title 47 of the Oklahoma Statutes.

I. The Department shall submit annually by February 1 a report to the President Pro Tempore of the Senate and the Speaker of the House of Representatives which shall include:

1. The number of citations issued by police and peace officers and received by the Department;

2. The number of citations selected by the Department for verification of security;

3. The number of suspension orders issued to registered vehicle owners failing to provide proof of insurance;

4. The number of statements selected for verification pursuant to subsection F of this section and, of those statements, the number of registered vehicle owners failing to provide proof of insurance; and

5. The costs incurred by the Department to verify security as required by this section.

In each annual report to be submitted, the Department shall evaluate the effectiveness of the random verification program for the previous year and submit recommendations to the Legislature pertaining to changes in or continuance of the program.

SECTION 3. AMENDATORY 47 O.S. 1991, Section 7-605, is amended to read as follows:

Section 7-605. A. Every owner or operator of a motor vehicle registered in this state who operates the vehicle or permits it to be operated in this state when no security exists as required by Section 7-601 of this title, or, ~~until July 1, 1991,~~ any owner who fails to provide proof of security pursuant to the provisions of Section ~~7-603.1~~ 2 of this ~~title~~ act, or any person who receives a deferred sentence, forfeits a bond or is convicted in any state or municipal court for failure to carry a security verification form, shall be subject to suspension of the driver's license and registrations of any motor vehicle not covered by security. Such suspension shall remain in effect until payment of a reinstatement fee of One Hundred Dollars (\$100.00), and proof of security is furnished through filing of a certificate of insurance with the Department which complies with the requirements of Section 7-321 of this title. The certificate of insurance shall be kept on file with the Department for three (3) years. Suspension under this section shall be effective upon the Department giving notice pursuant to Section 2-116 of this title that the owner or operator is without security. Any person failing to voluntarily relinquish the suspended license or registration to the Department within sixty (60) days of receipt of said notice shall pay a fee of Fifty Dollars (\$50.00) in addition to the One Hundred Dollar (\$100.00) reinstatement fee. If a person furnishes proof to the satisfaction of the Department that security was in effect at the time of the alleged offense, the Department shall vacate the suspension order and shall not require the filing of a certificate of insurance nor either of the above fees.

B. The Department may rely upon an abstract which indicates a charge and the imposition of a deferred sentence pending compliance with the Compulsory Insurance Law, Section 7-600 et seq. of this

title, or an abstract of conviction or a notice of bond forfeiture from any court of competent jurisdiction, which indicates that the person was either convicted, or failed to appear upon a charge of failure to carry a security verification form or the lack of security, indicated by "No Security Form", "No Insurance" or other such term indicating lack of security. The Department may continue to rely on such abstract or notice unless proof is submitted from the issuing court clerk which indicates that the abstract or notice was issued in error, or was not related to a violation of the Compulsory Insurance Law or a security verification form as required by Chapter 7 of this title or by municipal ordinance.

SECTION 4. AMENDATORY 47 O.S. 1991, Section 7-606, is amended to read as follows:

Section 7-606. A. 1. An owner or operator who fails to comply with the Compulsory Insurance Law of this state, or who fails to produce for inspection a valid and current security verification form or equivalent form which has been issued by the Department of Public Safety upon request of any peace officer, representative of the Department of Public Safety or other authorized person, shall be guilty of a misdemeanor and upon conviction shall be subject to a fine of not more than Two Hundred Fifty Dollars (\$250.00), or imprisonment for not more than thirty (30) days, or by both such fine and imprisonment, and in addition thereto, shall be subject to suspension of license and registration in accordance with Section 7-605 of this title.

2. An owner who fails to provide proof of security pursuant to the provisions of Section ~~7-603.1~~ 2 of this ~~title~~ act shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than Five Hundred Dollars (\$500.00), or imprisonment for not more than six (6) months, or by both fine and imprisonment, and in addition thereto, the driver's license of the owner and registration of any motor vehicle not covered by security

shall be suspended in accordance with the provisions of Section 7-605 of this title. The penalties provided for in this paragraph only apply to the registered vehicle owner. Beginning July 1, 1991, the provisions of this subsection shall cease to have the force or effect of law.

3. An owner other than an owner of an antique or a classic automobile as defined by the Oklahoma Tax Commission who files an affidavit that a vehicle shall not be driven upon the public highways or public streets, pursuant to Section 7-607 of this title, who drives or permits the driving of the vehicle upon the public highways or public streets, shall be guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than Five Hundred Dollars (\$500.00), or imprisonment for not more than thirty (30) days, or by both such fine and imprisonment, and in addition thereto, shall be subject to suspension of license and registration in accordance with Section 7-605 of this title.

B. A sentence imposed for any violation of Section 7-600 et seq. of this title may be suspended or deferred in whole or in part by the court.

C. Any person producing proof in court that a current security verification form or equivalent form which has been issued by the Department reflecting liability coverage for such person was in force at the time of the alleged offense shall be entitled to dismissal of such charge upon payment of court costs; however, if proof of security verification is presented to the court within forty-eight (48) hours after the violation, the charge shall be dismissed without payment of court costs.

D. Upon conviction, bond forfeiture or deferral of sentence, the court clerk shall forward an abstract to the Department of Public Safety within ten (10) days reflecting the action taken by the court.

SECTION 5. This act shall become effective September 1, 1993.

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