

ENGROSSED HOUSE
BILL NO. 2750

By: Satterfield of the House

and

Long of the Senate

An Act relating to motor vehicles; amending 47 O.S. 1991, Sections 7-601.1 and 7-602, which relate to security verification; modifying contents of security verification form; requiring insurance policy to be consistent with vehicle registration; requiring certain wrecker or towing service vehicles to be registered; providing for design of license plate for wrecker or towing vehicles; requiring license plates to be permanent; providing exceptions; requiring copy of license and security verification form to be submitted when registering; requiring insurance companies to submit vehicle identification numbers for wrecker or towing vehicles by certain date when insurance policy issued; providing for Oklahoma Tax Commission to compare vehicle identification numbers to registered vehicles; providing for penalties for failure to properly register; stating that certain definitions apply; 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 7-601.1, is amended to read as follows:

Section 7-601.1 A. Every carrier, upon issuing an owner's policy, a renewal thereof, or a binder, shall supply a security verification form in duplicate to an owner for each insured vehicle on a form approved by the Insurance Commissioner.

1. The owner's security verification form shall contain the following minimum information:

- a. the name and address of the carrier,
- b. the name and address of the agent or office where the existence of security may be verified, if other than the carrier,
- c. the name of the named insured,
- d. a notice that an owner's liability insurance policy has been issued pursuant to the Compulsory Insurance Law of this state,
- e. the year of manufacture, make and at least the last three ~~(3)~~ digits of the vehicle identification number of each insured motor vehicle,
- f. the inclusive dates the motor vehicle liability insurance is in effect, ~~and~~
- g. a warning to the owner that state law:
 - (1) requires a current copy of the owner's security verification form must be surrendered to the motor license agent or other registering agency upon application or renewal for a motor vehicle license plate, and
 - (2) requires the other copy of the owner's security verification form to be carried in the motor vehicle at all times, and produced by any driver

of the vehicle upon request for inspection by any peace officer or representative of the Department of Public Safety. In case of a collision, the security verification form shall be shown upon request of any person affected by the collision, and

h. in the case of a vehicle used primarily for towing other vehicles and registered pursuant to Section 3 of this act, the type of insurance issued for the motor vehicle.

The security verification form shall not include the address of the named insured.

2. The owner's security verification form shall contain the following statement: "Examine policy exclusions carefully. This form does not constitute any part of your insurance policy."

3. When a carrier issues an owner's policy providing blanket liability coverage for a fleet of motor vehicles, the year of manufacture, make and at least the last three ~~(3)~~ digits of the vehicle identification number specified in subparagraph e of paragraph 1 of this subsection may be deleted. The security verification form shall bear the term "Fleet Coverage" and otherwise meet the provisions of Section 7-600 et seq. of this title.

4. In the event the effective dates within an owner's policy exceed one (1) year, the carrier shall furnish the owner a copy of the owner's security verification form at least annually in addition to the time of issuance or renewal in order for the owner to submit such copy for motor vehicle registration purposes.

5. In the event an owner's policy also provides liability coverage which meets the requirements of an operator's policy, the carrier may also issue to each person entitled thereto an operator's security verification form as provided in this section.

B. Every carrier, upon issuing an operator's policy, a renewal thereof, or a binder, may issue to the insured person a written operator's security verification form of a size which may conveniently be carried upon the person, containing the following minimum information:

1. The name and address of the carrier;
2. The name and address of the person or office where an inquiry may be made to verify the existence of security;
3. The name of the named insured;
4. A notice that in accordance with the Compulsory Insurance Law of this state, liability coverage has been issued for the named insured;
5. A statement reflecting the form may be carried in lieu of an owner's form pursuant to the Compulsory Insurance Law while operating a motor vehicle. Such form shall be produced upon request of any peace officer or representative of the Department of Public Safety. In case of a collision, the form shall be shown upon request of a person affected by a collision with a vehicle operated by the insured; and
6. The inclusive dates of liability coverage.

C. A carrier may provide any additional information consistent with the Compulsory Insurance Law of this state in an owner's or operator's security verification form, but shall not be required to list the actual amounts of liability coverage thereon. The security verification form shall not constitute nor be construed as any part of an insurance policy, renewal or binder.

SECTION 2. AMENDATORY 47 O.S. 1991, Section 7-602, is amended to read as follows:

Section 7-602. A. Until July 1, 1983, every person registering a motor vehicle in this state, except a licensed used car dealer, at the time of registration of such vehicle, shall certify the

existence of security with respect to such vehicle on a form prescribed by the Department.

Any person who knowingly issues or promulgates a false or fraudulent writing in connection with this subsection or otherwise fails to comply with this subsection shall be guilty of a misdemeanor and upon conviction shall be subject to a fine not exceeding Five Hundred Dollars (\$500.00).

Motor carriers required by the Corporation Commission, or any other entity, to maintain liability insurance are hereby exempt from Sections 7-600 through 7-610 of this title.

B. On and after July 1, 1983:

1. The owner of a motor vehicle registered in this state shall carry in such vehicle at all times a current owner's security verification form listing the vehicle or an equivalent form which has been issued by the Department and shall produce such form upon request for inspection by any law enforcement officer or representative of the Department of Public Safety and, in case of a collision, the form shall be shown upon request to any person affected by ~~said~~ the collision;

2. Every person registering a motor vehicle in this state, except a motor vehicle which is not being used upon the public highways or public streets, or a manufactured home while ~~said~~ the manufactured home is on a permanent foundation, at the time of registration of such vehicle, shall certify the existence of security with respect to such vehicle by surrendering to a motor license agent or other registering agency a current owner's security verification form or an equivalent form issued by the Department. A motor license agent or other registering agency shall require the surrender of such form prior to processing an application for registration or renewal. The owner of a motor vehicle used primarily for towing other vehicles and registered pursuant to Section 3 of this act shall have an insurance policy consistent with

the type of registration of the vehicle, and the motor license agent shall verify this fact prior to processing the application for registration or renewal;

3. The following shall not be required to carry an owner's or operator's security verification form or an equivalent form from the Department during operation of the vehicle and shall not be required to surrender such form for vehicle registration purposes:

- a. any vehicle owned or leased by the federal or state government, or any agency or political subdivision thereof,
- b. any vehicle bearing the name, symbol, or logo of a business, corporation or utility on the exterior and which is in compliance with the provisions of Sections 7-600 through 7-610 of this title according to records of the Department of Public Safety which reflect a deposit, bond, self-insurance, or fleet policy,
- c. any vehicle authorized for operation pursuant to a permit number issued by the Interstate Commerce Commission or the Corporation Commission,
- d. any licensed taxicab, and
- e. any vehicle owned by a licensed used motor vehicle dealer; and

4. Any person who knowingly issues or promulgates false or fraudulent information in connection with either an owner's or operator's security verification form or an equivalent form which has been issued by the Department of Public Safety shall be guilty of a misdemeanor and upon conviction shall be subject to a fine not exceeding Five Hundred Dollars (\$500.00), or imprisonment for not more than six (6) months, or by both such fine and imprisonment.

C. Each motor license agent is authorized to charge a fee of One Dollar and fifty cents (\$1.50) to each person to whom said agent issues a certificate of registration and who is required to

surrender proof of financial responsibility pursuant to the provisions of Sections 7-600 through 7-610 of this title. ~~Said~~ The fee may be retained by the agent as compensation for ~~his~~ the services in processing the proof of financial responsibility and for processing the driver's license information, insurance verification information, and other additional information furnished to the agent pursuant to Section 1112 of this title, if such agent does not receive the maximum compensation as authorized by law.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1134.3 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Each operator of a wrecker or towing service licensed pursuant to Sections 951 through 957 of Title 47 of the Oklahoma Statutes using a wrecker, wrecker vehicle, combination wrecker, combination wrecker vehicle, or any other motor vehicle used primarily for towing other motor vehicles shall register such vehicle in accordance with this section.

B. The Oklahoma Tax Commission shall design an appropriate license plate for all wrecker vehicles registered pursuant to this section. Such license plates shall be permanent in nature and shall be designed in such manner as to remain with the vehicle for the duration of the vehicle's life span or until the title is transferred or the vehicle is no longer used for the purposes specified in Sections 951 through 957 of Title 47 of the Oklahoma Statutes.

C. When registering the vehicle, a person shall be required to submit to the Oklahoma Tax Commission or a motor license agent a copy of the license issued pursuant to law to operate a wrecker or towing service. In addition, a security verification form as required pursuant to Sections 7-601.1 and 7-602 of Title 47 of the Oklahoma Statutes shall be presented clearly setting forth on the

face of such verification that the vehicle being registered is insured by a commercial insurance policy.

D. Each insurance carrier which issues a commercial vehicle insurance liability policy for a wrecker or towing vehicle under this section shall provide notice to the Oklahoma Tax Commission of the vehicle identification number (VIN) of all such wrecker or towing vehicles being insured to operate in this state. The notice shall be provided no later than the last day of each month by means of electronic communication. The Tax Commission shall compare the VINs received from the insurance carriers to the wrecker or towing vehicles registered in this state.

E. The owner of any wrecker or towing vehicle not properly registered pursuant to this section or the Oklahoma Vehicle License and Registration Act shall be immediately notified in writing by the Tax Commission, and such owner shall be subject to any penalties and fines imposed by law for improper registration of a vehicle, for failure to register a vehicle, or for failure to display a proper commercial license plate and decal. The owner shall also be subject to revocation of the owner's license to operate a wrecker or towing service.

F. The definitions provided for in Section 951 of Title 47 of the Oklahoma Statutes shall apply to and have the same meanings as the terms provided for in this section.

SECTION 4. This act shall become effective November 1, 1998.

Passed the House of Representatives the 24th day of February, 1998.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1998.

President

of the Senate