

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 SENATE BILL 701

By: Holt

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6 AS INTRODUCED

7 An Act relating to motor vehicle insurance; amending
8 47 O.S. 2011, Section 7-600.2, which relates to
9 verification of coverage; specifying duty of law
10 enforcement officer; providing for temporary license
11 plate; specifying duty of motor vehicle operator;
12 specifying duties of Insurance Department, Oklahoma
13 Tax Commission and Department of Public Safety;
14 providing for codification; and providing an
15 effective date.

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

17 SECTION 1. AMENDATORY 47 O.S. 2011, Section 7-600.2, is
18 amended to read as follows:

19 Section 7-600.2. A. The Department of Public Safety shall
20 promulgate and adopt, pursuant to the Administrative Procedures Act,
21 rules for an online verification system for motor vehicle liability
22 policies as required by the Compulsory Insurance Law, subject to the
23 following:

24 1. The Oklahoma Tax Commission and the Insurance Department
shall cooperate with the Department of Public Safety in the
development of the verification system;

1 2. The verification system shall be accessible through the
2 Internet, World Wide Web or a similar proprietary or common carrier
3 electronic system by authorized personnel of the Department, the Tax
4 Commission, the courts, law enforcement personnel, and any other
5 entities authorized by the Department;

6 3. The verification system shall provide for direct inquiry and
7 response between the Department and insurance carriers, or such
8 other method of inquiry and response as agreed to by the Department
9 and individual insurance carriers, and direct access to insurers'
10 records by personnel authorized by the Department;

11 4. The verification system shall be available twenty-four (24)
12 hours a day to verify the insurance status of any vehicle registered
13 in this state through the vehicle's identification number, policy
14 number, registered owner's name or other identifying characteristic
15 or marker as prescribed by the Department in its rules;

16 5. The Department may contract with a private vendor to assist
17 in establishing and maintaining the verification system;

18 6. The verification system shall include appropriate
19 provisions, consistent with industry standards, to secure its data
20 against unauthorized access and to maintain a record of all
21 information requests;

22 7. Information contained in the verification system shall not
23 be considered a public record;

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1 8. Any law enforcement officer, to establish compliance with
2 the Compulsory Insurance Law during a traffic stop or accident
3 investigation, shall access information from the online verification
4 system to verify the current validity of the policy described on a
5 security verification form produced by the operator of each motor
6 vehicle during the traffic stop or accident investigation. If
7 compliance is not confirmed for the policy described on the security
8 verification form produced by the operator and a subsequent
9 investigation conducted by the officer verifies that the operator is
10 not in compliance or if no security verification form is produced,
11 the officer shall issue a citation to the operator for failure to
12 comply with the Compulsory Insurance Law and shall immediately take
13 possession of the license plate of the vehicle being operated, as
14 provided in Section 2 of this act. Establishing compliance with the
15 Compulsory Insurance Law through the online verification system
16 shall not be the primary cause for law enforcement to stop a motor
17 vehicle; and

18 9. All information exchanged between the Department and
19 insurance companies, any database created, and all reports,
20 responses, or other information generated for the purposes of the
21 verification system shall not be subject to the Oklahoma Open
22 Records Act.

23 B. This section shall not apply to a policy issued pursuant to
24 paragraph 3 of subsection A of Section 7-601.1 of this title or

1 paragraph 3 of subsection A of Section 7-602 of this title to insure
2 a commercial motor vehicle or to insure any vehicle under a
3 commercial policy that provides commercial auto coverage as defined
4 in Section 7-600 of this title.

5 C. As a condition for writing motor vehicle liability policies
6 in this state, insurance carriers shall cooperate with the
7 Department in establishing and maintaining the insurance
8 verification system and shall provide access to motor vehicle
9 insurance policy status information as provided in the rules of the
10 Department.

11 SECTION 2. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 7-600.3 of Title 47, unless
13 there is created a duplication in numbering, reads as follows:

14 Upon a law enforcement officer taking possession of a license
15 plate as provided in paragraph 8 of subsection A of Section 7-600.2
16 of Title 47 of the Oklahoma Statutes, the officer shall provide a
17 temporary license plate to the operator of the vehicle. Such
18 license plate shall be valid for a maximum of five (5) business
19 days, during which time the operator of the vehicle shall be
20 required to:

- 21 1. Secure and provide evidence of motor vehicle liability
22 insurance as required by law;
- 23 2. Pay any fine or court costs associated with the citation
24 issued; and

1 3. Pay the cost of insurance coverage as determined by the
2 Insurance Department during such period that the vehicle was not
3 properly insured as required by law.

4 The Insurance Department, the Oklahoma Tax Commission and the
5 Department of Public Safety shall administer and implement the
6 provisions of this section.

7 SECTION 3. This act shall become effective November 1, 2013.

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