

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

HOUSE BILL 2332

By: Coody

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S. 2011, Section 7-600.2, as amended by Section 1, Chapter 88, O.S.L. 2016 and Section 1, Chapter 365, O.S.L. 2016 (47 O.S. Supp. 2016, Sections 7-600.2 and 7-606.1), which relate to compulsory liability insurance; transferring the online compulsory insurance verification system from the Department of Public Safety to the Oklahoma Insurance Department; authorizing the Insurance Department to promulgate rules; authorizing district attorneys to access the verification system; authorizing the Insurance Commissioner to initiate administrative proceedings against noncomplying insurance companies; updating references; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 7-600.2, as amended by Section 1, Chapter 88, O.S.L. 2016 (47 O.S. Supp. 2016, Section 7-600.2), is amended to read as follows:

Section 7-600.2 A. The Department of Public Safety shall ~~promulgate and adopt, pursuant to the Administrative Procedures Act,~~ rules for an transfer to the Oklahoma Insurance Department the online verification system for motor vehicle liability policies as

1 required by the Compulsory Insurance Law, by January 1, 2018. The
2 Insurance Department shall promulgate and adopt, pursuant to the
3 Administrative Procedures Act, rules for the online insurance
4 verification system, subject to the following:

5 1. The Oklahoma Tax Commission and the ~~Insurance~~ Department of
6 Public Safety shall cooperate with the Insurance Department ~~of~~
7 ~~Public Safety~~ in the ~~development~~ ongoing improvement and maintenance
8 of the verification system;

9 2. The verification system shall be accessible through the
10 Internet, World Wide Web or a similar proprietary or common carrier
11 electronic system by authorized personnel of the Department of
12 Public Safety, the Tax Commission, the district attorneys, the
13 courts, law enforcement personnel, and any other entities authorized
14 by the Insurance Department;

15 3. The verification system shall provide for direct inquiry and
16 response between the Insurance Department and insurance carriers, or
17 such other method of inquiry and response as agreed to by the
18 Insurance Department and individual insurance carriers, and direct
19 access to insurers' records by personnel authorized by the Insurance
20 Department;

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

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

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

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

11 8. Any law enforcement officer, to establish compliance with
12 the Compulsory Insurance Law during a traffic stop or accident
13 investigation, shall access information from the online verification
14 system to verify the current validity of the policy described on a
15 security verification form produced by the operator of each motor
16 vehicle during the traffic stop or accident investigation. If
17 compliance is not confirmed for the policy described on the security
18 verification form produced by the operator and a subsequent
19 investigation conducted by the officer verifies that the operator is
20 not in compliance, the officer may issue a citation to the operator
21 for failure to comply with the Compulsory Insurance Law;

22 9. If the operator fails to produce the security verification
23 form during a traffic stop or accident investigation, the requesting
24 law enforcement officer shall access information from the online

1 verification system through the vehicle's identification number,
2 registered owner's name or other identifying characteristic or
3 marker to verify valid and current security and establish compliance
4 with the Compulsory Insurance Law and shall not issue a citation if
5 valid and current security is established. If the operator fails to
6 produce the security verification form and compliance is not
7 confirmed through the online verification system, the officer may
8 issue a citation to the operator for failure to comply with the
9 Compulsory Insurance Law;

10 10. Establishing compliance with the Compulsory Insurance Law
11 through the online verification system shall not be the primary
12 cause for law enforcement to stop a motor vehicle; and

13 11. All information exchanged between the Insurance Department
14 and insurance companies, any database created, and all reports,
15 responses, or other information generated for the purposes of the
16 verification system shall not be subject to the Oklahoma Open
17 Records Act.

18 B. This section shall not apply to a policy issued pursuant to
19 paragraph 3 of subsection A of Section 7-601.1 of this title or
20 paragraph 3 of subsection A of Section 7-602 of this title to insure
21 a commercial motor vehicle or to insure any vehicle under a
22 commercial policy that provides commercial auto coverage as defined
23 in Section 7-600 of this title.

1 C. As a condition for writing motor vehicle liability policies
2 in this state, insurance carriers shall cooperate with the Insurance
3 Department in establishing and maintaining the insurance
4 verification system and shall provide access to motor vehicle
5 insurance policy status information as provided in the rules of the
6 Insurance Department. The Insurance Commissioner may, pursuant to
7 Title 36 of the Oklahoma Statutes, initiate an administrative
8 proceeding against any insurance company found by the Commissioner
9 to not be in compliance with the provisions of this section or any
10 rules promulgated pursuant to this section.

11 SECTION 2. AMENDATORY Section 1, Chapter 365, O.S.L.
12 2016 (47 O.S. Supp. 2016, Section 7-606.1), is amended to read as
13 follows:

14 Section 7-606.1 A. There is hereby created the Uninsured
15 Vehicle Enforcement Program.

16 B. The Uninsured Vehicle Enforcement Program shall be
17 implemented and administered by the district attorneys of the State
18 of Oklahoma within their respective districts or at the District
19 Attorneys Council. To implement this program, the use of technology
20 and software to aid in detection of offenses involving uninsured
21 motorists is necessary and district attorneys and participating law
22 enforcement agencies shall have the authority to enter into
23 contractual agreements with automated license plate reader providers
24 to provide necessary technology, equipment and maintenance thereof.

1 C. 1. Participating law enforcement agencies may use automatic
2 license plate reader systems utilizing individual automatic license
3 plate reader system units to access and collect data for the
4 investigation, detection, analysis or enforcement of Oklahoma's
5 Compulsory Insurance Law.

6 2. To accomplish the purposes of the program, law enforcement
7 agencies shall be allowed to access the online verification system
8 for motor vehicle liability policies to establish compliance with
9 the Compulsory Insurance Law as provided in Section 7-600.2 of ~~Title~~
10 ~~47 of the Oklahoma Statutes~~ this title.

11 3. Access to the system shall be restricted to authorized law
12 enforcement agency users in the program; provided, any entity with
13 which a contract is executed to provide necessary technology,
14 equipment and maintenance for purposes of the program shall be
15 authorized, as necessary, to collaborate for required updates and
16 maintenance of their software.

17 4. Any data collected and stored by law enforcement pursuant to
18 the program shall be considered evidence if noncompliance with the
19 Compulsory Insurance Law is confirmed.

20 D. A law enforcement officer may verify by sworn affidavit that
21 a photograph generated by an automatic license plate reader system
22 unit identifies a particular vehicle operating on or having been
23 operated on a public road, highway, street, turnpike, other public
24 place or upon any private road, street, alley or lane which provides

1 access to one or more single-family or multifamily dwellings and
2 that the online verification system shows that the vehicle was
3 uninsured at the time such vehicle was being operated. The
4 affidavit shall constitute probable cause for prosecution under
5 applicable state law.

6 E. Data collected or retained through the use of an automated
7 license plate reader system pursuant to the program shall be
8 retained by a law enforcement agency when the data is being used as
9 evidence of a violation of the Compulsory Insurance Law; provided,
10 when the data is no longer needed as evidence of a violation, the
11 data shall be deleted or destroyed.

12 F. Data collected or retained through the use of an automated
13 license plate reader system shall not be used by any individual or
14 agency for purposes other than enforcement of the Compulsory
15 Insurance Law or as otherwise permitted by law.

16 1. No law enforcement agency or other entity authorized to
17 operate under this program shall sell captured license plate data
18 for any purpose or share it for any purpose not expressly authorized
19 by this section.

20 2. Any and all data collected, retained or shared through the
21 use of an automated license plate reader system, except data
22 retained as evidence of a violation of the Compulsory Insurance Law,
23 shall be exempt from the Oklahoma Open Records Act.
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1 G. The provisions of the program shall not apply to, or be
2 construed or interpreted in a manner to prohibit the use of, any
3 other automated license plate reader system by an individual or
4 private legal entity for purposes not otherwise prohibited by law.

5 H. The provisions of the program shall not be implemented until
6 such time that the Oklahoma Insurance Department ~~of Public Safety~~
7 verifies that the following conditions have been met:

8 1. At least ~~Ninety-Five Percent~~ ninety-five percent (95%) of
9 the personal lines auto insurance market in the state participates
10 in the Oklahoma Compulsory Insurance Verification System using a
11 real-time web portal system; and

12 2. The Oklahoma Compulsory Insurance Verification System is
13 updated in such a way to allow for the provisions of the program to
14 be implemented without interrupting or impeding any other lawful
15 uses of the system.

16 I. Following the implementation of the program and every year
17 thereafter, the District Attorneys Council shall publish an annual
18 report for the previous fiscal year of the Uninsured Vehicle
19 Enforcement Program by September 1. An electronic copy of the
20 report shall be distributed to the President Pro Tempore of the
21 Senate and the Speaker of the House of Representatives and the
22 chairs of the House and Senate Appropriations Committees. The
23 report shall comprise an evaluation of program operations, and may
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1 include any information and recommendations for improvement of the
2 program deemed appropriate by the entity submitting the report.

3 J. For purposes of this section:

4 1. "Automatic license plate reader system" means a system of
5 one or more mobile or law-enforcement-controlled cameras combined
6 with computer algorithms to convert images of registration plates
7 into computer-readable data;

8 2. "Law enforcement agency" includes the district attorney's
9 office of any county, the Department of Public Safety, the sheriff's
10 office of any county, and the chiefs of police of any city or town
11 having a population of more than one hundred thousand (100,000)
12 residents; and

13 3. "Program" means the Uninsured Vehicle Enforcement Program.

14 SECTION 3. This act shall become effective November 1, 2017.

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