

SECOND REGULAR SESSION

HOUSE BILL NO. 2286

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES YATES (Sponsor), RICHARD, MUSCHANY, KRAUS,
DUSENBERG, WALLACE, FAITH, AVERY, FISHER, NANCE, DIXON,
WASSON AND MCGHEE (Co-sponsors).

Read 1st time February 27, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

5220L.01I

AN ACT

To repeal sections 303.025, 303.042, 303.409, and 303.412, RSMo, and to enact in lieu thereof
six new sections relating to the uninsured motorists, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 303.025, 303.042, 303.409, and 303.412, RSMo, are repealed and
2 six new sections enacted in lieu thereof, to be known as sections 301.574, 303.025, 303.042,
3 303.390, 303.409, and 303.412, to read as follows:

301.574. All motor vehicle dealers licensed under sections 301.550 to 301.574 shall
2 **report, on a monthly basis, all sales of vehicles to the department of revenue for the**
3 **purpose of verifying the payment of all property taxes owed with respect to such vehicles.**
4 **Such report shall include the name, address, and county of residence of the previous**
5 **owner, the name of the purchaser, the date of the sale, and the vehicle identification**
6 **number of the vehicle sold.**

303.025. 1. No owner of a motor vehicle registered in this state, or required to be
2 registered in this state, shall operate, register or maintain registration of a motor vehicle, or
3 permit another person to operate such vehicle, unless the owner maintains the financial
4 responsibility which conforms to the requirements of the laws of this state. Furthermore, no
5 person shall operate a motor vehicle owned by another with the knowledge that the owner has
6 not maintained financial responsibility unless such person has financial responsibility which

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended
to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

7 covers the person's operation of the other's vehicle; however, no owner shall be in violation of
8 this subsection if he or she fails to maintain financial responsibility on a motor vehicle which is
9 inoperable or being stored and not in operation. The director may prescribe rules and regulations
10 for the implementation of this section.

11 2. A motor vehicle owner shall maintain the owner's financial responsibility in a manner
12 provided for in section 303.160, or with a motor vehicle liability policy which conforms to the
13 requirements of the laws of this state.

14 3. Any person who violates this section **for a first offense** is guilty of a class [C] B
15 misdemeanor. **Any person who violates this section for a second or subsequent violation is**
16 **guilty of a class A misdemeanor and shall have his or her motor vehicle impounded.**
17 However, no person shall be found guilty of violating this section if the operator demonstrates
18 to the court that he or she met the financial responsibility requirements of this section at the time
19 the peace officer, commercial vehicle enforcement officer or commercial vehicle inspector wrote
20 the citation. In addition to any other authorized punishment, the court shall notify the director
21 of revenue of any person convicted pursuant to this section and shall do one of the following:

22 (1) Enter an order suspending the driving privilege as of the date of the court order. If
23 the court orders the suspension of the driving privilege, the court shall require the defendant to
24 surrender to it any driver's license then held by such person. The length of the suspension shall
25 be as prescribed in subsection 2 of section 303.042. The court shall forward to the director of
26 revenue the order of suspension of driving privilege and any license surrendered within ten days;

27 (2) Forward the record of the conviction for an assessment of four points; or

28 (3) In lieu of an assessment of points, render an order of supervision as provided in
29 section 302.303, RSMo. An order of supervision shall not be used in lieu of points more than
30 one time in any thirty-six-month period. Every court having jurisdiction pursuant to the
31 provisions of this section shall forward a record of conviction to the Missouri state highway
32 patrol, or at the written direction of the Missouri state highway patrol, to the department of
33 revenue, in a manner approved by the director of the department of public safety. The director
34 shall establish procedures for the record keeping and administration of this section.

35 4. Nothing in sections 303.010 to 303.050, 303.060, 303.140, 303.220, 303.290, 303.330
36 and 303.370 shall be construed as prohibiting the department of insurance from approving or
37 authorizing those exclusions and limitations which are contained in automobile liability
38 insurance policies and the uninsured motorist provisions of automobile liability insurance
39 policies.

40 5. If a court enters an order of suspension, the offender may appeal such order directly
41 pursuant to chapter 512, RSMo, and the provisions of section 302.311, RSMo, shall not apply.

303.042. 1. The suspension shall become effective thirty days after the subject person is deemed to have received the notice of suspension by ordinary mail as provided in section 303.041.

2. The period of suspension under this section shall be as follows:

(1) If the person's record shows no prior violation, the director shall terminate the suspension upon payment of a reinstatement fee of [twenty] **one hundred** dollars and submission of proof of insurance as prescribed in section 303.026 or some other form of proof of insurance as prescribed by the director;

(2) If the person's record shows one prior violation within the immediately preceding two years, the director shall terminate the suspension ninety days after its effective date upon payment of a reinstatement fee of two hundred dollars and submission of proof of insurance as prescribed in section 303.026 or some other form of proof of insurance as prescribed by the director;

(3) If the person's record shows two or more prior violations, the period of suspension shall terminate one year after its effective date upon payment of a reinstatement fee of four hundred dollars and submission of proof of insurance as prescribed in section 303.026 or some other form of proof of insurance as prescribed by the director.

3. In the event that proof of insurance required by this section has not been filed with the department of revenue in accordance with this chapter prior to the end of the period of suspension provided in this section, such period of suspension shall be extended until such proof of insurance as prescribed by the director has been filed. In no event shall filing proof of insurance as prescribed by the director reduce any period of suspension.

4. If the director determines that the proof of insurance submitted by a motor vehicle owner or operator pursuant to this chapter is false, the director shall suspend the owner's vehicle registration and operator's driving privilege. The director shall terminate the suspension one year after the effective date upon payment by the owner or operator of a reinstatement fee of one hundred fifty dollars and submission of proof of insurance as prescribed in section 303.026 or some other form of proof of insurance as prescribed by the director.

5. In all cases involving a suspension as provided in this section, the director shall not require an individual to file a certificate of insurance as provided in section 303.170 or section 303.180 or some other form of high-risk insurance in order to terminate the suspension, excluding cases involving a motor vehicle accident where one or more parties involved in the accident were uninsured.

303.390. 1. This section shall be known and may be cited as the "Uninsured Motorist Stipulation of Benefits Act of 2008".

3 **2. An owner and operator of a motor vehicle who operates the motor vehicle on the**
4 **public highways of this state, or who knowingly permits the operation of the motor vehicle**
5 **on the public highways of this state, who fails to have in full force and effect a complying**
6 **liability policy providing at least the minimum liability coverage required by this state and**
7 **covering the motor vehicle at the time of an accident shall:**

8 **(1) Be deemed to have waived any right to recover against a complying policyholder**
9 **for noneconomic loss; and**

10 **(2) Recover, if at all, only for an award covering economic loss.**

11
12 **Such waiver shall not apply if it can be proven that the accident was caused, wholly or in**
13 **part, by a tortfeasor's operating a motor vehicle under the influence of drugs or alcohol,**
14 **or who is convicted of vehicular assault or homicide. The provisions of this section shall**
15 **not apply to an uninsured motorist whose immediately previous insurance policy meeting**
16 **the requirements of section 303.190 was terminated or nonrenewed for failure to pay the**
17 **premium, unless notice of termination or nonrenewal for failure to pay such premium was**
18 **provided by such insurer at least thirty days prior to the time of the accident.**

19 **3. In an action against a complying policyholder by a person deemed to have**
20 **waived recovery under subsection 2 of this section:**

21 **(1) Any award in favor of such person shall be reduced by an amount equal to the**
22 **portion of the award representing compensation for noneconomic losses;**

23 **(2) The trier of fact shall not be informed, directly or indirectly, of such waiver or**
24 **of its effect on the total amount of such person's recovery.**

25 **4. Nothing in this section shall be construed to preclude recovery against an alleged**
26 **tortfeasor of benefits provided or economic loss coverage.**

27 **5. There is a rebuttable presumption of a knowing violation of the minimum**
28 **insurance requirements contained in subsection 2 of this section if such insurance has**
29 **lapsed, terminated, or otherwise been ineffective for a period of at least thirty days prior**
30 **to the accident.**

31 **6. Passengers in the uninsured motor vehicle are not subject to such waiver.**

303.409. 1. If the motorist insurance identification database indicates the owner of a
2 registered motor vehicle has, regardless of the owner's operation of such motor vehicle, failed
3 to maintain the financial responsibility required in section 303.025 for two consecutive months,
4 the designated agent shall on behalf of the director inform the owner that the director will
5 suspend the owner's vehicle registration **and impose administrative penalties** if the owner does
6 not present proof of insurance as prescribed by the director within thirty days from the date of
7 mailing. The designated agent shall not select owners of fleet or rental vehicles or vehicles that

8 are insured pursuant to a commercial line policy for notification to determine motor vehicle
9 liability coverage. The director may prescribe rules and regulations necessary for the
10 implementation of this subsection. The notice issued to the vehicle owner by the designated
11 agent shall be sent to the last known address shown on the department's records. The notice is
12 deemed received three days after mailing. The notice of suspension shall clearly specify the
13 reason and statutory grounds for the suspension **and imposition of administrative penalty** and
14 the effective date of the suspension **and penalty**, the right of the person to request a hearing, the
15 procedure for requesting a hearing and the date by which that request for a hearing must be made.
16 The suspension **and penalty** shall become effective thirty days after the subject person is deemed
17 to have received the notice of suspension **and imposition of penalty** by first class mail as
18 provided in section 303.041. If the request for a hearing is received prior to the effective date
19 of the suspension **and imposition of penalty**, the effective date of the suspension **and**
20 **imposition of penalty** will be stayed until a final order is issued following the hearing; however,
21 any delay in the hearing which is caused or requested by the subject person or counsel
22 representing that person without good cause shown shall not result in a stay of the suspension
23 **or imposition of penalty** during the period of delay.

24 2. Neither the fact that, subsequent to the date of verification, the owner acquired the
25 required liability insurance policy nor the fact that the owner terminated ownership of the motor
26 vehicle shall have any bearing upon the director's decision to suspend **or impose an**
27 **administrative penalty**. The suspension **and penalty** shall remain in force until termination
28 despite the renewal of registration or acquisition of a new registration for the motor vehicle. The
29 suspension **and penalty** shall also apply to any motor vehicle to which the owner transfers the
30 registration.

31 3. Upon receipt of notification from the designated agent, the director shall suspend the
32 owner's vehicle registration effective immediately **and impose administrative penalties**. The
33 suspension period **and penalties** shall be as follows:

34 (1) If the person's record shows no prior violation, the director shall terminate the
35 suspension upon payment of a reinstatement fee of twenty dollars and submission of proof of
36 insurance, as prescribed by the director;

37 (2) If the person's record shows one prior violation for failure to maintain financial
38 responsibility within the immediately preceding two years, the director shall terminate the
39 suspension ninety days after its effective date upon payment of a reinstatement fee of two
40 hundred dollars and submission of proof of insurance, as prescribed by the director;

41 (3) If the person's record shows two or more prior violations for failure to maintain
42 financial responsibility, the period of suspension shall terminate one year after its effective date

43 upon payment of a reinstatement fee of four hundred dollars and submission of proof of
44 insurance, as prescribed by the director:

45 **(4) The following administrative penalties shall be imposed:**

46 **(a) For the first through the thirtieth day of the violation, a monetary penalty of**
47 **four dollars per day for each day of continued violation;**

48 **(b) For the thirty-first day through the sixtieth day, a monetary penalty of five**
49 **dollars a day for each day of continued violation;**

50 **(c) For the sixty-first day through the ninetieth day, a monetary penalty of six**
51 **dollars per day for each day of continued violation.**

52 4. In the event that proof of insurance as prescribed by the director has not been filed
53 with the department of revenue in accordance with this chapter prior to the end of the period of
54 suspension provided in this section, such period of suspension shall be extended until such proof
55 of insurance has been filed. In no event shall filing proof of insurance reduce any period of
56 suspension. If proof of insurance is not maintained during the three-year period following the
57 reinstatement or termination of the suspension, the director shall again suspend the license and
58 motor vehicle registration until proof of insurance is filed or the three-year period has elapsed.
59 In no event shall filing proof of insurance reduce any period of suspension.

60 5. Notwithstanding the provisions of subsection 1 of this section, the director shall not
61 suspend the registration or registrations of any owner who establishes to the satisfaction of the
62 director that the owner's motor vehicle was inoperable or being stored and not operated on the
63 date proof of financial responsibility is required by the director.

64 **6. In addition to any other remedy provided by law, any owner who fails to**
65 **maintain financial responsibility shall be required to immediately surrender the license**
66 **plates to any and all vehicles registered under the owner's name.**

67 **7. For any second or subsequent violation of the motor vehicle financial**
68 **responsibility laws, the department of revenue shall create a restricted driver's license and**
69 **issue special license plates indicating that the license holder or owner of the vehicle is a**
70 **repeat offender of the motor vehicle financial responsibility laws.**

303.412. 1. Beginning March 1, 2003, before the seventh working date of each calendar
2 month, all licensed insurance companies in this state shall provide to the designated agent a
3 record of all policies in effect on the last day of the preceding month. This subsection shall not
4 prohibit more frequent reporting.

5 2. The record pursuant to subsection 1 of this section shall include the following:

6 (1) The name, date of birth, driver's license number and address of each insured;

7 (2) The make, year and vehicle identification number of each insured motor vehicle;

8 (3) The policy number and effective date of the policy.

9 3. The department of revenue shall notify the department of insurance, **financial**
10 **institutions and professional registration** of any insurer who violates any provisions of this
11 act. The department [of insurance] may, against any insurer who fails to comply with this
12 section, assess a fine not greater than one thousand dollars per day of noncompliance. The
13 department of revenue may assess a fine not greater than one thousand dollars per day against
14 the designated agent for failure to complete the project by the dates designated in sections
15 303.400 to 303.415 unless the delay is deemed beyond the control of the designated agent or the
16 designated agent provides acceptable proof that such a noncompliance was inadvertent,
17 accidental or the result of excusable neglect. The department of insurance, **financial institutions**
18 **and professional registration** shall excuse the fine against any insurer if an assessed insurer
19 provides acceptable proof that such insurer's noncompliance was inadvertent, accidental or the
20 result of excusable neglect.

21 **4. Beginning September 1, 2008, all licensed insurance companies in this state**
22 **offering policies which meet the state's requirements for motor vehicle financial**
23 **responsibility shall:**

24 (1) Provide to the department of revenue the names of all policyholders who
25 terminated coverage during the immediately preceding month. The department of revenue
26 shall request verification of current motor vehicle financial responsibility for any person
27 whose insurance policy was reported as terminated under this subsection; and

28 (2) Provide policyholders with a proof of insurance card that is resistant to
29 duplication, including but not limited to the inclusion of watermarks, color requirements,
30 bar codes, holographic images, or other tamper-resistant technologies. The department
31 of insurance, financial institutions and professional registration shall promulgate rules to
32 implement this subdivision. Any rule or portion of a rule, as that term is defined in section
33 536.010, RSMo, that is created under the authority delegated in this subdivision shall
34 become effective only if it complies with and is subject to all of the provisions of chapter
35 536, RSMo, and, if applicable, section 536.028, RSMo. This subdivision and chapter 536,
36 RSMo, are nonseverable and if any of the powers vested with the general assembly
37 pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and
38 annul a rule are subsequently held unconstitutional, then the grant of rulemaking
39 authority and any rule proposed or adopted after August 28, 2008, shall be invalid and
40 void.

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