

HB 1539 -- MOTOR VEHICLE LIABILITY INSURANCE

SPONSOR: Morris

This bill requires insurers to notify the Department of Revenue within three business days of any motor vehicle liability policy that lapses including required identifying language. The insurer must also notify the policyholder within three business days; however, the insurer cannot cancel or terminate the policy until at least 10 days after the policyholder has been notified.

After providing notice to the policyholder, the owner of the motor vehicle with a lapsed liability insurance policy must file proof of liability insurance coverage for the motor vehicle and pay all related fees to the department within 20 days of cancellation or termination.

The department must notify any owner of the motor vehicle not complying with these requirements in writing and instruct the owner to surrender the motor vehicle license plates to the nearest license office. If the owner has not complied after 30 days of when the policy was canceled or terminated the department will notify the State Highway Patrol to relay such information.

An additional \$50 reinstatement fee will be imposed for any new license plates or for renewal of the existing license plates.

This bill is the same as HB 722 and HB 536 (2017).