

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for
2 Senate Bill No. 398, Page 7, Section 144.070, Line 121, by inserting after all of said section and line
3 the following:
4

5 "303.420. As used in sections 303.420 to 303.440, unless the context requires otherwise, the
6 following terms shall mean:

7 (1) "Program", the motor vehicle financial responsibility enforcement and compliance
8 incentive program established under section 303.425;

9 (2) "Qualified agency", the department of revenue, the Missouri state highway patrol, the
10 prosecuting attorney or sheriff's office of any county or city not within a county, the chiefs of police
11 of any city or municipality, or any other authorized law enforcement agency recognized by the state;

12 (3) "System" or "verification system", the web-based resource established under section
13 303.430 for online verification of motor vehicle financial responsibility.

14 303.422. 1. There is hereby created in the state treasury the "Motor Vehicle Financial
15 Responsibility Verification and Enforcement Fund", which shall consist of money received by the
16 department of revenue under sections 303.420 to 303.440. The state treasurer shall be custodian of
17 the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve
18 disbursements. The fund shall be a dedicated fund and money in the fund shall be used solely by the
19 department of revenue for the administration of sections 303.420 to 303.440.

20 2. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining
21 in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.

22 3. The state treasurer shall invest moneys in the fund in the same manner as other funds are
23 invested. Any interest and moneys earned on such investments shall be credited to the fund.

24 303.425. 1. (1) There is hereby created within the department of revenue the motor vehicle
25 financial responsibility enforcement and compliance incentive program. The department of revenue
26 may enter into contractual agreements with third-party vendors to facilitate the necessary
27 technology and equipment, maintenance thereof, and associated program management services.

28 (2) The department of revenue or a third-party vendor shall utilize technology to compare
29 vehicle registration information with the financial responsibility information accessible through the
30 system. The department of revenue shall utilize this information to identify motorists who are in

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1 violation of the motor vehicle financial responsibility law. The department of revenue may offer
2 offenders under this program the option of pretrial diversion as an alternative to statutory fines or
3 reinstatement fees prescribed under the motor vehicle financial responsibility law as a method of
4 encouraging compliance and discouraging recidivism.

5 (3) The department of revenue or third-party vendors shall not use any data collected from
6 or technology associated with any automated motor vehicle financial responsibility enforcement
7 system. For purposes of this subdivision, "motor vehicle financial responsibility enforcement
8 system" means a device consisting of a camera or cameras and vehicle sensor or sensors installed to
9 record motor vehicle financial responsibility violations.

10 (4) All fees paid to or collected by third-party vendors under sections 303.420 to 303.440
11 may come from violator diversion fees generated by the pretrial diversion option established under
12 this section.

13 2. The department of revenue may authorize law enforcement agencies or third-party
14 vendors to use technology to collect data for the investigation, detection, analysis, and enforcement
15 of the motor vehicle financial responsibility law.

16 3. The department of revenue may authorize traffic enforcement officers, or third-party
17 vendors to administer the processing and issuance of notices of violation, the collection of fees for a
18 violation of the motor vehicle financial responsibility law, or the referral of cases for prosecution,
19 under the program.

20 4. Access to the system shall be restricted to qualified agencies and the third-party vendors
21 with which the department of revenue contracts for purposes of the program, provided that any
22 third-party vendor with which a contract is executed to provide necessary technology, equipment, or
23 maintenance for the program shall be authorized as necessary to collaborate for required updates
24 and maintenance of system software.

25 5. For purposes of the program, any data collected and matched to a corresponding vehicle
26 insurance record as verified through the system, and any Missouri vehicle registration database, may
27 be used to identify violations of the motor vehicle financial responsibility law. Such corresponding
28 data shall constitute evidence of the violations.

29 6. Except as otherwise provided in this section, the department of revenue shall suspend, in
30 accordance with section 303.041, the registration of any motor vehicle that is determined under the
31 program to be in violation of the motor vehicle financial responsibility law.

32 7. The department of revenue shall send to an owner whose vehicle is identified under the
33 program as being in violation of the motor vehicle financial responsibility law a notice that the
34 vehicle's registration may be suspended unless the owner, within thirty days, provides proof of
35 financial responsibility for the vehicle or proof, in a form specified by the department of revenue,
36 that the owner has a pending criminal charge for a violation of the motor vehicle financial
37 responsibility law. The notice shall include information on steps an individual may take to obtain
38 proof of financial responsibility and a web address to a page on the department of revenue's website
39 where information on obtaining proof of financial responsibility shall be provided. If proof of

1 financial responsibility or a pending criminal charge is not provided within the time allotted, the
2 department of revenue shall provide a notice of suspension and suspend the vehicle's registration in
3 accordance with section 303.041, or shall send a notice of vehicle registration suspension, clearly
4 specifying the reason and statutory grounds for the suspension and the effective date of the
5 suspension, the right of the vehicle owner to request a hearing, the procedure for requesting a
6 hearing, and the date by which that request for a hearing must be made, as well as informing the
7 owner that the matter will be referred for prosecution if a satisfactory response is not received in the
8 time allotted, informing the owner that the minimum penalty for the violation is three hundred
9 dollars and four license points, and offering the owner participation in a pretrial diversion option to
10 preclude referral for prosecution and registration suspension under sections 303.420 to 303.440.
11 The notice of vehicle registration suspension shall give a period of thirty-three days from mailing
12 for the vehicle owner to respond, and shall be deemed received three days after mailing. If no
13 request for a hearing or agreement to participate in the diversion option is received by the
14 department of revenue prior to the date provided on the notice of vehicle registration suspension, the
15 director shall suspend the vehicle's registration, effective immediately, and refer the case to the
16 appropriate prosecuting attorney. If an agreement by the vehicle owner to participate in the
17 diversion option is received by the department of revenue prior to the effective date provided on the
18 notice of vehicle registration suspension, then upon payment of a diversion participation fee not to
19 exceed two hundred dollars, agreement to secure proof of financial responsibility within the time
20 provided on the notice of suspension, and agreement that such financial responsibility shall be
21 maintained for a minimum of two years, no points shall be assessed to the vehicle owner's driver's
22 license under section 302.302 and the department of revenue shall not take further action against the
23 vehicle owner under sections 303.420 to 303.440, subject to compliance with the terms of the
24 pretrial diversion option. The department of revenue shall suspend the vehicle registration of, and
25 shall refer the case to the appropriate prosecuting attorney for prosecution of, participating vehicle
26 owners who violate the terms of the pretrial diversion option. If a request for hearing is received by
27 the department of revenue prior to the effective date provided on the notice of vehicle registration
28 suspension, then for all purposes other than eligibility for participation in the diversion option, the
29 effective date of the suspension shall be stayed until a final order is issued following the hearing.
30 The department of revenue shall suspend the registration of vehicles determined under the final
31 order to have violated the motor vehicle financial responsibility law, and shall refer the case to the
32 appropriate prosecuting attorney for prosecution. Notices under this subsection shall be mailed to
33 the vehicle owner at the last known address shown on the department of revenue's records. The
34 department of revenue or its third-party vendor shall issue receipts for the collection of diversion
35 participation fees. Except as otherwise provided in subsection 1 of this section, all such fees shall
36 be deposited into the motor vehicle financial responsibility verification and enforcement fund
37 established in section 303.422. A vehicle owner whose registration has been suspended under
38 sections 303.420 to 303.440 may obtain reinstatement of the registration upon providing proof of
39 financial responsibility and payment to the department of revenue of a nonrefundable reinstatement

1 fee equal to the fee that would be applicable under subsection 2 of section 303.042 if the registration
2 had been suspended under section 303.041.

3 8. Data collected or retained under the program shall not be used by any entity for purposes
4 other than enforcement of the motor vehicle financial responsibility law. Data collected and stored
5 by law enforcement under the program shall be considered evidence if noncompliance with the
6 motor vehicle financial responsibility law is confirmed. The evidence, and an affidavit stating that
7 the evidence and system have identified a particular vehicle as being in violation of the motor
8 vehicle financial responsibility law, shall constitute probable cause for prosecution and shall be
9 forwarded in accordance with subsection 7 of this section to the appropriate prosecuting attorney.

10 9. Owners of vehicles identified under the program as being in violation of the motor
11 vehicle financial responsibility law shall be provided with options for disputing such claims which
12 do not require appearance at any state or local court of law, or administrative facility. Any person
13 who presents timely proof that he or she was in compliance with the motor vehicle financial
14 responsibility law at the time of the alleged violation shall be entitled to dismissal of the charge with
15 no assessment of fees or fines. Proof provided by a vehicle owner to the department of revenue that
16 the vehicle was in compliance at the time of the suspected violation of the motor vehicle financial
17 responsibility law shall be recorded in the system established by the department of revenue under
18 section 303.430.

19 10. The collection of data pursuant to this section shall be done in a manner that prohibits
20 any bias towards a specific community, race, gender, or socioeconomic status of vehicle owner.

21 11. Law enforcement agencies, third-party vendors, or other entities authorized to operate
22 under the program shall not sell data collected or retained under the program for any purpose or
23 share it for any purpose not expressly authorized in this section. All data shall be secured and any
24 third-party vendor or other entity authorized to operate under the program may be liable for any data
25 security breach.

26 12. The department of revenue shall not take action under sections 303.420 to 303.440
27 against vehicles registered as fleet vehicles under section 301.032, or against vehicles known to the
28 department of revenue to be insured under a policy of commercial auto coverage, as such term is
29 defined in subdivision (10) of subsection 2 of section 303.430.

30 13. Following one year after the implementation of the program, and every year thereafter,
31 the department of revenue shall provide a report to the president pro tempore of the senate, the
32 speaker of the house of representatives, the chairs of the house and senate committees with
33 jurisdictions over insurance or transportation matters, and the chairs of the house budget and senate
34 appropriations committees. The report shall include an evaluation of program operations,
35 information as to the costs of the program incurred by the department of revenue, insurers, and the
36 public, information as to the effectiveness of the program in reducing the number of uninsured
37 motor vehicles, and anonymized demographic information including the race and zip code of
38 vehicle owners identified under the program as being in violation of the motor vehicle financial
39 responsibility law, and may include any additional information and recommendations for

1 improvement of the program deemed appropriate by the department of revenue. The department of
2 revenue may, by rule, require the state, counties, and municipalities to provide information in order
3 to complete the report.

4 14. The department of revenue may promulgate rules as necessary for the implementation of
5 this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
6 under the authority delegated in this section shall become effective only if it complies with and is
7 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
8 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to
9 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
10 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
11 August 28, 2023, shall be invalid and void.

12 303.430. 1. The department of revenue shall establish and maintain a web-based system for
13 the verification of motor vehicle financial responsibility, shall provide access to insurance reporting
14 data and vehicle registration and financial responsibility data, and shall require motor vehicle
15 insurers to establish functionality for the verification system, as provided in sections 303.420 to
16 303.440. The verification system, including any exceptions as provided for in sections 303.420 to
17 303.440 or in the implementation guide developed to support the program, shall supersede any
18 existing verification system, and shall be the sole system used for the purpose of verifying financial
19 responsibility required under this chapter.

20 2. The system established pursuant to subsection 1 of this section shall be subject to the
21 following:

22 (1) The verification system shall transmit requests to insurers for verification of motor
23 vehicle insurance coverage via web services established by the insurers through the internet in
24 compliance with the specifications and standards of the Insurance Industry Committee on Motor
25 Vehicle Administration, or "IICMVA". Insurance company systems shall respond to each request
26 with a prescribed response upon evaluation of the data provided in the request. The system shall
27 include appropriate protections to secure its data against unauthorized access, and the department of
28 revenue shall maintain a historical record of the system data for a period of no more than twelve
29 months from the date of all requests and responses. The system shall be used for verification of the
30 financial responsibility required under this chapter. The system shall be accessible to authorized
31 personnel of the department of revenue, the courts, law enforcement personnel, and other entities
32 authorized by the state as permitted by state or federal privacy laws, and it shall be interfaced,
33 wherever appropriate, with existing state systems. The system shall include information enabling
34 the department of revenue to submit inquiries to insurers regarding motor vehicle insurance which
35 are consistent with insurance industry and IICMVA recommendations, specifications, and standards
36 by using the following data elements for greater matching accuracy: insurer National Association of
37 Insurance Commissioners, or "NAIC", company code; vehicle identification number; policy
38 number; verification date; or as otherwise described in the specifications and standards of the
39 IICMVA. The department of revenue shall promulgate rules to offer insurers who insure one

1 thousand or fewer vehicles within this state an alternative method for verifying motor vehicle
2 insurance coverage in lieu of web services, and to provide for the verification of financial
3 responsibility when financial responsibility is proven to the department to be maintained by means
4 other than a policy of motor vehicle insurance. Insurers shall not be required to verify insurance
5 coverage for vehicles registered in other jurisdictions;

6 (2) The verification system shall respond to each request within a time period established by
7 the department of revenue. An insurer's system shall respond within the time period prescribed by
8 the IICMVA's specifications and standards. Insurer systems shall be permitted reasonable system
9 downtime for maintenance and other work with advance notice to the department of revenue.
10 Insurers shall not be subject to enforcement fees or other sanctions under such circumstances, or
11 when systems are not available because of emergency, outside attack, or other unexpected outages
12 not planned by the insurer and reasonably outside its control;

13 (3) The system shall assist in identifying violations of the motor vehicle financial
14 responsibility law in the most effective way possible. Responses to individual insurance verification
15 requests shall have no bearing on whether insurance coverage is determined to be in force at the
16 time of a claim. Claims shall be individually investigated to determine the existence of coverage.
17 Nothing in sections 303.420 to 303.440 shall prohibit the department of revenue from contracting
18 with a third-party vendor or vendors who have successfully implemented similar systems in other
19 states to assist in establishing and maintaining this verification system;

20 (4) The department of revenue shall consult with representatives of the insurance industry
21 and may consult with third-party vendors to determine the objectives, details, and deadlines related
22 to the system by establishment of an advisory council. The advisory council shall consist of voting
23 members comprised of:

24 (a) The director of the department of commerce and insurance, or his or her designee, who
25 shall serve as chair;

26 (b) Two representatives of the department of revenue, to be appointed by the director of the
27 department of revenue;

28 (c) One representative of the department of commerce and insurance, to be appointed by the
29 director of the department of commerce and insurance;

30 (d) Three representatives of insurance companies, to be appointed by the director of the
31 department of commerce and insurance;

32 (e) One representative from the Missouri Insurance Coalition;

33 (f) One representative chosen by the National Association of Mutual Insurance Companies;

34 (g) One representative chosen by the American Property and Casualty Insurance
35 Association;

36 (h) One representative chosen by the Missouri Independent Agents Association; and

37 (i) Such other representatives as may be appointed by the director of the department of
38 commerce and insurance;

1 (5) The department of revenue shall publish for comment, and then issue, a detailed
2 implementation guide for its online verification system;

3 (6) The department of revenue and its third-party vendors, if any, shall each maintain a
4 contact person for insurers during the establishment, implementation, and operation of the system;

5 (7) If the department of revenue has reason to believe a vehicle owner does not maintain
6 financial responsibility as required under this chapter, it may also request an insurer to verify the
7 existence of such financial responsibility in a form approved by the department of revenue. In
8 addition, insurers shall cooperate with the department of revenue in establishing and maintaining the
9 verification system established under this section, and shall provide motor vehicle insurance policy
10 status information as provided in the rules promulgated by the department of revenue;

11 (8) Every property and casualty insurance company licensed to issue motor vehicle
12 insurance or authorized to do business in this state shall comply with sections 303.420 to 303.440,
13 and corresponding rules promulgated by the department of revenue, for the verification of such
14 insurance for every vehicle insured by that company in this state;

15 (9) Insurers shall maintain a historical record of insurance data for a minimum period of six
16 months from the date of policy inception or policy change for the purpose of historical verification
17 inquiries;

18 (10) For the purposes of this section, "commercial auto coverage" shall mean any coverage
19 provided to an insured, regardless of number of vehicles or entities covered, under a commercial
20 coverage form and rated from a commercial manual approved by the department of commerce and
21 insurance. Sections 303.420 to 303.440 shall not apply to vehicles insured under commercial auto
22 coverage; however, insurers of such vehicles may participate on a voluntary basis, and vehicle
23 owners may provide proof at or subsequent to the time of vehicle registration that a vehicle is
24 insured under commercial auto coverage, which the department of revenue shall record in the
25 system;

26 (11) Insurers shall provide commercial or fleet automobile customers with evidence
27 reflecting that the vehicle is insured under a commercial or fleet automobile liability policy.
28 Sufficient evidence shall include an insurance identification card clearly marked with a suitable
29 identifier such as "commercial auto insurance identification card", "fleet auto insurance
30 identification card", or other clear identification that the vehicle is insured under a fleet or
31 commercial policy;

32 (12) Notwithstanding any provision of sections 303.420 to 303.440, insurers shall be
33 immune from civil and administrative liability for good faith efforts to comply with the terms of
34 sections 303.420 to 303.440;

35 (13) Nothing in this section shall prohibit an insurer from using the services of a third-party
36 vendor for facilitating the verification system required under sections 303.420 to 303.440.

37 3. The department of revenue shall promulgate rules as necessary for the implementation of
38 sections 303.420 to 303.440. Any rule or portion of a rule, as that term is defined in section
39 536.010, that is created under the authority delegated in this section shall become effective only if it

1 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
2 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
3 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
4 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
5 rule proposed or adopted after August 28, 2023, shall be invalid and void.

6 303.440. The verification system established under section 303.430 shall be installed and
7 fully operational on January 1, 2025, following an appropriate testing or pilot period of not less than
8 nine months. Until the successful completion of the testing or pilot period in the judgment of the
9 director of the department of revenue, no enforcement action shall be taken based on the system,
10 including but not limited to action taken under the program established under section 303.425."; and
11

12 Further amend said bill by amending the title, enacting clause, and intersectional references
13 accordingly.