

FIRST REGULAR SESSION

HOUSE BILL NO. 107

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BARNES.

0435H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 105.1073, 303.020, 303.022, 303.030, 303.120, 303.190, 303.240, and 379.1702, RSMo, and to enact in lieu thereof eight new sections relating to liability insurance for property damage.

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

Section A. Sections 105.1073, 303.020, 303.022, 303.030, 303.120, 303.190, 2 303.240, and 379.1702, RSMo, are repealed and eight new sections enacted in lieu thereof, to 3 be known as sections 105.1073, 303.020, 303.022, 303.030, 303.120, 303.190, 303.240, and 4 379.1702, to read as follows:

105.1073. Motor vehicle, aircraft, or marine liability insurance acquired pursuant to 2 sections 105.1070 to 105.1079 shall provide coverage for state employees, members of the 3 Missouri National Guard, or agents while operating state-controlled motor vehicles, aircraft, 4 or marine vessels on state business in the course of their employment, military duties, or 5 within the scope of their agency, subject to the following minimum amounts exclusive of 6 interest and costs:

7 (1) Not less than twenty-five thousand dollars because of bodily injury to, or the 8 death of, one person in any one accident;

9 (2) Subject to the limit in subdivision (1), not less than fifty thousand dollars because 10 of bodily injury to, or death of, two or more persons in any one accident; and

11 (3) Not less than ~~twenty-five~~ **thirty-five** thousand dollars because of injury to, or 12 destruction of, property of others in any one accident.

303.020. As used in this chapter the following words and phrases shall mean:

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.

2 (1) "Chauffeur", a person who is employed for the principal purpose of operating a
3 motor vehicle or any person who drives a motor vehicle while in use as a public or common
4 carrier of persons or property for hire;

5 (2) "Director", director of revenue of the state of Missouri, acting directly or through
6 his **or her** authorized officers and agents;

7 (3) "Judgment", a final judgment by a court of competent jurisdiction of any state or
8 of the United States, upon a claim for relief for damages, including damages for care and loss
9 of services, because of bodily injury to or death of any person, or for damages because of
10 injury to or destruction of property, including the loss of use thereof, or upon a claim for relief
11 on any agreement or settlement for such damages arising out of the ownership, maintenance
12 or use of any motor vehicle;

13 (4) "License", an operator's or driver's license, temporary instruction permit,
14 chauffeur's or registered operator's license issued under the laws of this state;

15 (5) "Motor vehicle", a self-propelled vehicle which is designed for use upon a
16 highway, except trailers designed for use with such vehicles, traction engines, road rollers,
17 farm tractors, tractor cranes, power shovels, well drillers, motorized bicycles as defined in
18 section 307.180, electric bicycles as defined in section 301.010, and every vehicle which is
19 propelled by electric power obtained from overhead wires but not operated upon rails;

20 (6) "Nonresident", a person not a resident of the state of Missouri;

21 (7) "Nonresident's operating privilege", the privilege conferred upon a nonresident by
22 the laws of this state pertaining to the operation by him **or her** of a motor vehicle, or the use
23 of a motor vehicle owned by him **or her** in this state;

24 (8) "Operator", a person who is in actual physical control of a motor vehicle;

25 (9) "Owner", a person who holds the legal title to a motor vehicle; or in the event a
26 motor vehicle is the subject of an agreement for the conditional sale or lease thereof with the
27 right of purchase upon performance of the conditions stated in the agreement and with an
28 immediate right of possession vested in the conditional vendee or lessee, or in the event a
29 mortgagor of a motor vehicle is entitled to possession thereof, then such conditional vendee
30 or lessee or mortgagor;

31 (10) "Proof of financial responsibility", proof of ability to respond in damages for
32 liability, on account of accidents occurring subsequent to the effective date of said proof,
33 arising out of the ownership, maintenance or use of a motor vehicle, in the amount of twenty-
34 five thousand dollars because of bodily injury to or death of one person in any one accident,
35 and, subject to said limit for one person, in the amount of fifty thousand dollars because of
36 bodily injury to or death of two or more persons in any one accident, and in the amount of
37 ~~twenty-five~~ **thirty-five** thousand dollars because of injury to or destruction of property of
38 others in any one accident;

39 (11) "Registration", registration certificate or certificates and registration plates
40 issued under the laws of this state pertaining to the registration of motor vehicles;

41 (12) "State", any state, territory or possession of the United States, the District of
42 Columbia, or any province of the Dominion of Canada;

43 (13) "Street" or "highway", the entire width between property lines of every way or
44 place of whatever nature when any part thereof is open to the use of the public, as a matter of
45 right, for purposes of vehicular traffic.

303.022. Sections 105.1073, 303.020, 303.030, 303.120, 303.190, and 303.240 shall
2 apply to motor vehicle liability policies, as defined in section 303.190, that are issued or
3 renewed in Missouri on or after ~~[July 1, 2019]~~ **August 28, 2023**, and to any applicable filing
4 under section 303.240 or subdivision (2), (3), or (4) of subsection 1 of section 303.160 that
5 goes into effect on or after ~~[July 1, 2019]~~ **August 28, 2023**. A motor vehicle liability policy
6 in effect prior to ~~[July 1, 2019]~~ **August 28, 2023**, shall continue to constitute proof of
7 compliance with the provisions of this chapter for the remainder of the term of that policy.

303.030. 1. If within twenty days after the receipt of a report of a motor vehicle
2 accident within this state which has resulted in bodily injury or death, or damage to the
3 property of any one person in excess of five hundred dollars, the director does not have on file
4 evidence satisfactory to him **or her** that the person who would otherwise be required to file
5 security under subsection 2 of this section has been released from liability, or has been finally
6 adjudicated not to be liable, or has executed a duly acknowledged written agreement
7 providing for the payment of an agreed amount in installments with respect to all claims for
8 injuries or damages resulting from the accident, the director shall determine the amount of
9 security which shall be sufficient in his **or her** judgment to satisfy any judgment for damages
10 resulting from such accident as may be recovered against each operator or owner. Any person
11 challenging the director's determination shall have the burden of proving he or she was not at
12 fault.

13 2. The director shall, within ninety days after the receipt of such report of a motor
14 vehicle accident, suspend the license of each operator, and all registrations of each owner of a
15 motor vehicle, in any manner involved in such accident, and if such operator is a nonresident
16 the privilege of operating a motor vehicle within this state, and if such owner is a nonresident
17 the privilege of the use within this state of any motor vehicle owned by him **or her**, unless
18 such operator or owner or both shall deposit security in the sum so determined by the director;
19 provided notice of such suspension shall be sent by the director to such operator and owner
20 not less than ten days prior to the effective date of such suspension and shall state the amount
21 required as security; provided, however, that the period of suspension provided for in this
22 section shall be in addition to any period of suspension imposed under sections 303.041 and
23 303.042.

24 3. Where erroneous information is given the director with respect to the matters set
25 forth in subdivision (1), (2) or (3) of subsection 4 of this section, he **or she** shall take
26 appropriate action as hereinbefore provided, within forty-five days after receipt by him **or her**
27 of correct information with respect to said matters.

28 4. This section shall not apply under the conditions stated in section 303.070, nor:

29 (1) To such operator or owner if such owner had in effect at the time of such accident
30 an automobile liability policy with respect to the motor vehicle involved in such accident;

31 (2) To such operator, if not the owner of such motor vehicle, if there was in effect at
32 the time of such accident an automobile liability policy or bond with respect to his **or her**
33 operation of motor vehicles not owned by him **or her**;

34 (3) To such operator or owner if the liability of such operator or owner for damages
35 resulting from such accident is, in the judgment of the director, covered by any other form of
36 liability insurance policy or bond; nor

37 (4) To any person qualifying as a self-insurer under section 303.220, nor to any
38 person operating a motor vehicle for such self-insurer.

39 5. No such policy or bond shall be effective under this section unless issued by an
40 insurance company or surety company authorized to do business in this state, except that if
41 such motor vehicle was not registered in this state, or was a motor vehicle which was
42 registered elsewhere than in this state at the effective date of the policy or bond, or the most
43 recent renewal thereof, such policy or bond shall not be effective under this section unless the
44 insurance company or surety company, if not authorized to do business in this state, shall
45 execute a power of attorney authorizing the director to accept service on its behalf of notice or
46 process in any action upon such policy or bond arising out of such accident; provided,
47 however, every such policy or bond is subject, if the accident has resulted in bodily injury or
48 death, to a limit, exclusive of interest and costs, of not less than twenty-five thousand dollars
49 because of bodily injury to or death of one person in any one accident and, subject to said
50 limit for one person, to a limit of not less than fifty thousand dollars because of bodily injury
51 to or death of two or more persons in any one accident, and, if the accident has resulted in
52 injury to or destruction of property, to a limit of not less than ~~twenty-five~~ **thirty-five**
53 thousand dollars because of injury to or destruction of property of others in any one accident.

303.120. 1. Judgments herein referred to shall, for the purpose of this chapter only,
2 be deemed satisfied:

3 (1) When twenty-five thousand dollars has been credited upon any judgment or
4 judgments rendered in excess of that amount because of bodily injury to or death of one
5 person as the result of any one accident; or

6 (2) When, subject to such limit of twenty-five thousand dollars because of bodily
7 injury to or death of one person, the sum of fifty thousand dollars has been credited upon any

8 judgment or judgments rendered in excess of that amount because of bodily injury to or death
9 of two or more persons as the result of any one accident; or

10 (3) When [~~twenty-five~~] **thirty-five** thousand dollars has been credited upon any
11 judgment or judgments rendered in excess of that amount because of injury to or destruction
12 of property of others as a result of any one accident.

13 2. Payments made in settlement of any claims because of bodily injury, death or
14 property damage arising from a motor vehicle accident shall be credited in reduction of the
15 amounts provided for in this section.

303.190. 1. A "motor vehicle liability policy" as said term is used in this chapter shall
2 mean an owner's or an operator's policy of liability insurance, certified as provided in section
3 303.170 or section 303.180 as proof of financial responsibility, and issued, except as
4 otherwise provided in section 303.180 by an insurance carrier duly authorized to transact
5 business in this state, to or for the benefit of the person named therein as insured.

6 2. Such owner's policy of liability insurance:

7 (1) Shall designate by explicit description or by appropriate reference all motor
8 vehicles with respect to which coverage is thereby to be granted;

9 (2) Shall insure the person named therein and any other person, as insured, using any
10 such motor vehicle or motor vehicles with the express or implied permission of such named
11 insured, against loss from the liability imposed by law for damages arising out of the
12 ownership, maintenance or use of such motor vehicle or motor vehicles within the United
13 States of America or the Dominion of Canada, subject to limits, exclusive of interest and
14 costs, with respect to each such motor vehicle, as follows: twenty-five thousand dollars
15 because of bodily injury to or death of one person in any one accident and, subject to said
16 limit for one person, fifty thousand dollars because of bodily injury to or death of two or more
17 persons in any one accident, and [~~twenty-five~~] **thirty-five** thousand dollars because of injury
18 to or destruction of property of others in any one accident; and

19 (3) May exclude coverage against loss from liability imposed by law for damages
20 arising out of the use of such motor vehicles by a member of the named insured's household
21 who is a specifically excluded driver in the policy.

22 3. Such operator's policy of liability insurance shall insure the person named as
23 insured therein against loss from the liability imposed upon him or her by law for damages
24 arising out of the use by him or her of any motor vehicle not owned by him or her, within the
25 said territorial limits and subject to the same limits of liability as are set forth above with
26 respect to any owner's policy of liability insurance.

27 4. Such motor vehicle liability policy shall state the name and address of the named
28 insured, the coverage afforded by the policy, the premium charged therefor, the policy period
29 and the limits of liability, and shall contain an agreement or be endorsed that insurance is

30 provided thereunder in accordance with the coverage defined in this chapter as respects
31 bodily injury and death or property damage, or both, and is subject to all the provisions of this
32 chapter.

33 5. Such motor vehicle liability policy need not insure any liability pursuant to any
34 workers' compensation law nor any liability on account of bodily injury to or death of an
35 employee of the insured while engaged in the employment, other than domestic, of the
36 insured, or while engaged in the operation, maintenance or repair of any such motor vehicle
37 nor any liability for damage to property owned by, rented to, in charge of or transported by the
38 insured.

39 6. Every motor vehicle liability policy shall be subject to the following provisions
40 which need not be contained therein:

41 (1) The liability of the insurance carrier with respect to the insurance required by this
42 chapter shall become absolute whenever injury or damage covered by said motor vehicle
43 liability policy occurs; said policy may not be cancelled or annulled as to such liability by any
44 agreement between the insurance carrier and the insured after the occurrence of the injury or
45 damage; no statement made by the insured or on his or her behalf and no violation of said
46 policy shall defeat or void said policy;

47 (2) The satisfaction by the insured of a judgment for such injury or damage shall not
48 be a condition precedent to the right or duty of the insurance carrier to make payment on
49 account of such injury or damage;

50 (3) The insurance carrier shall have the right to settle any claim covered by the policy,
51 and if such settlement is made in good faith, the amount thereof shall be deductible from the
52 limits of liability specified in subdivision (2) of subsection 2 of this section;

53 (4) The policy, the written application thereof, if any, and any rider or endorsement
54 which does not conflict with the provisions of this chapter shall constitute the entire contract
55 between the parties.

56 7. Any policy which grants the coverage required for a motor vehicle liability policy
57 may also grant any lawful coverage in excess of or in addition to the coverage specified for a
58 motor vehicle liability policy and such excess or additional coverage shall not be subject to
59 the provisions of this chapter. With respect to a policy which grants such excess or additional
60 coverage the term "motor vehicle liability policy" shall apply only to that part of the coverage
61 which is required by this section.

62 8. Any motor vehicle liability policy may provide that the insured shall reimburse the
63 insurance carrier for any payment the insurance carrier would not have been obligated to
64 make under the terms of the policy except for the provisions of this chapter.

65 9. Any motor vehicle liability policy may provide for the prorating of the insurance
66 thereunder with other valid and collectible insurance.

67 10. The requirements of a motor vehicle liability policy may be fulfilled by the
68 policies of one or more insurance carriers which policies together meet such requirements.

69 11. Any binder issued pending the issuance of a motor vehicle liability policy shall be
70 deemed to fulfill the requirement for such a policy.

303.240. 1. Proof of financial responsibility may be evidenced by the certificate of
2 the state treasurer that the person named therein has deposited with ~~[him seventy-five]~~ **the**
3 **state treasurer eighty-five** thousand dollars in cash, or securities such as may legally be
4 purchased by savings banks or for trust funds of a market value of ~~[seventy-five]~~ **eighty-five**
5 thousand dollars. The state treasurer shall not accept any such deposit and issue a certificate
6 therefor and the director shall not accept such certificate unless accompanied by evidence that
7 there are no unsatisfied judgments of any character against the depositor in the county where
8 the depositor resides.

9 2. Such deposit shall be held by the state treasurer to satisfy, in accordance with the
10 provisions of this chapter, any execution on a judgment issued against such person making the
11 deposit, for damages, including damages for care and loss of services because of bodily injury
12 to or death of any person, or for damages because of injury to or destruction of property,
13 including the loss of use thereof, resulting from the ownership, maintenance, use or operation
14 of a motor vehicle after such deposit was made. Money or securities so deposited shall not be
15 subject to attachment or execution unless such attachment or execution shall arise out of a suit
16 for damages as aforesaid.

379.1702. 1. Beginning April 1, 2017, a transportation network company driver or
2 transportation network company on the driver's behalf shall maintain primary automobile
3 insurance that:

4 (1) Recognizes that the driver is a transportation network company driver or
5 otherwise uses a vehicle to transport riders for compensation; and

6 (2) Covers the driver while the driver is logged on to the transportation network
7 company's digital network or while the driver is engaged in a prearranged ride.

8 2. The following automobile insurance requirements shall apply while a participating
9 transportation network company driver is logged on to the transportation network company's
10 digital network and is available to receive transportation requests but is not engaged in a
11 prearranged ride:

12 (1) Primary automobile liability insurance in the amount of at least:

13 (a) Fifty thousand dollars for death and bodily injury per person~~];~~];

14 (b) One hundred thousand dollars for death and bodily injury per incident~~];~~]; and

15 (c) Twenty-five thousand dollars for property damage **for policies in effect before**
16 **August 28, 2023, and thirty-five thousand dollars for property damage for policies**
17 **issued or renewed on or after August 28, 2023;**

18 (2) Uninsured motorist coverage in an amount not less than the limits set forth in
19 section 379.203;

20 (3) The coverage requirements of this subsection may be satisfied by any of the
21 following:

22 (a) Automobile insurance maintained by the transportation network company driver;

23 (b) Automobile insurance maintained by the transportation network company; or

24 (c) Any combination of paragraphs (a) and (b) of this subdivision.

25 3. The following automobile insurance requirements shall apply while a
26 transportation network company driver is engaged in a prearranged ride:

27 (1) Primary automobile liability insurance in the amount of at least one million
28 dollars for death, bodily injury, and property damage;

29 (2) Uninsured motorist coverage in an amount not less than the limits set forth in
30 section 379.203;

31 (3) The coverage requirements of this subsection may be satisfied by any of the
32 following:

33 (a) Automobile insurance maintained by the transportation network company driver;

34 (b) Automobile insurance maintained by the transportation network company; or

35 (c) Any combination of paragraphs (a) and (b) of this subdivision.

36 4. If insurance maintained by a driver in subsection 2 or 3 of this section has lapsed or
37 does not provide the required coverage, insurance maintained by a transportation network
38 company shall provide the coverage required by this section beginning with the first dollar of
39 a claim and shall have the duty to defend such claim. If the insurance maintained by the
40 driver does not otherwise exclude coverage for loss or injury while the driver is logged on to a
41 transportation network's digital network or while the driver provides a prearranged ride, but
42 does not provide insurance coverage at the minimum limits required by subsection 2 or 3 of
43 this section, the transportation network company shall maintain insurance coverage that
44 provides excess coverage beyond the driver's policy limits up to the limits required by
45 subsection 2 or 3 of this section, as applicable.

46 5. Coverage under an automobile insurance policy maintained by the transportation
47 network company shall not be dependent on a personal automobile insurer first denying a
48 claim nor shall a personal automobile insurance policy be required to first deny a claim.

49 6. Insurance required by this section may be placed with an insurer authorized to
50 issue policies of automobile insurance in the state of Missouri or with an eligible surplus lines
51 insurer under chapter 384.

52 7. Insurance satisfying the requirements of this section shall be deemed to satisfy the
53 motor vehicle financial responsibility requirements for a motor vehicle under chapter 303.

54 8. A transportation network company driver shall carry proof of coverage satisfying
55 subsections 2 and 3 of this section with him or her at all times during his or her use of a
56 vehicle in connection with a transportation network company's digital network. In the event
57 of an accident, a transportation network company driver shall provide this insurance coverage
58 information to the directly interested parties, automobile insurers, and investigating police
59 officers, upon request under section 303.024. Upon such request, a transportation network
60 company driver shall also disclose to directly interested parties, automobile insurers, and
61 investigating police officers whether the driver was logged on to the transportation network
62 company's digital network or on a prearranged ride at the time of an accident.

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