

House _____ Amendment NO. _____

Offered By

1 AMEND House Bill No. 2440, Page 1, Section A, Line 2, by inserting after said section and line the
2 following:

3
4 "303.425. 1. (1) There is hereby created within the department of revenue the motor
5 vehicle financial responsibility enforcement and compliance incentive program. The department of
6 revenue may enter into contractual agreements with third-party vendors to facilitate the necessary
7 technology and equipment, maintenance thereof, and associated program management services.

8 (2) The department of revenue or a third-party vendor shall utilize technology to compare
9 vehicle registration information with the financial responsibility information accessible through the
10 system. The department of revenue shall utilize this information to identify motorists who are in
11 violation of the motor vehicle financial responsibility law. The department of revenue may offer
12 offenders under this program the option of pretrial diversion as an alternative to statutory fines or
13 reinstatement fees prescribed under the motor vehicle financial responsibility law as a method of
14 encouraging compliance and discouraging recidivism.

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

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

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

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

Action Taken _____ Date _____

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

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

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

13 7. The department of revenue shall send to an owner whose vehicle is identified under the
14 program as being in violation of the motor vehicle financial responsibility law a notice that the
15 vehicle's registration may be suspended unless the owner, within thirty days, provides proof of
16 financial responsibility for the vehicle or proof, in a form specified by the department of revenue,
17 that the owner has a pending criminal charge for a violation of the motor vehicle financial
18 responsibility law. The notice shall include information on steps an individual may take to obtain
19 proof of financial responsibility and a web address to a page on the department of revenue's website
20 where information on obtaining proof of financial responsibility shall be provided. If proof of
21 financial responsibility or a pending criminal charge is not provided within the time allotted, the
22 department of revenue shall provide a notice of suspension and suspend the vehicle's registration in
23 accordance with section 303.041, or shall send a notice of vehicle registration suspension, clearly
24 specifying the reason and statutory grounds for the suspension and the effective date of the
25 suspension, the right of the vehicle owner to request a hearing, the procedure for requesting a
26 hearing, and the date by which that request for a hearing must be made, as well as informing the
27 owner that the matter will be referred for prosecution if a satisfactory response is not received in the
28 time allotted, informing the owner that the minimum penalty for the violation is three hundred
29 dollars [~~and four license points~~], and offering the owner participation in a pretrial diversion option to
30 preclude referral for prosecution and registration suspension under sections 303.420 to 303.440.
31 The notice of vehicle registration suspension shall give a period of thirty-three days from mailing
32 for the vehicle owner to respond, and shall be deemed received three days after mailing. If no
33 request for a hearing or agreement to participate in the diversion option is received by the
34 department of revenue prior to the date provided on the notice of vehicle registration suspension, the
35 director shall suspend the vehicle's registration, effective immediately, and refer the case to the
36 appropriate prosecuting attorney. If an agreement by the vehicle owner to participate in the
37 diversion option is received by the department of revenue prior to the effective date provided on the
38 notice of vehicle registration suspension, then upon payment of a diversion participation fee not to
39 exceed two hundred dollars, agreement to secure proof of financial responsibility within the time

1 provided on the notice of suspension, and agreement that such financial responsibility shall be
2 maintained for a minimum of two years, no points shall be assessed to the vehicle owner's driver's
3 license under section 302.302 and the department of revenue shall not take further action against the
4 vehicle owner under sections 303.420 to 303.440, subject to compliance with the terms of the
5 pretrial diversion option. The department of revenue shall suspend the vehicle registration of, and
6 shall refer the case to the appropriate prosecuting attorney for prosecution of, participating vehicle
7 owners who violate the terms of the pretrial diversion option. If a request for hearing is received by
8 the department of revenue prior to the effective date provided on the notice of vehicle registration
9 suspension, then for all purposes other than eligibility for participation in the diversion option, the
10 effective date of the suspension shall be stayed until a final order is issued following the hearing.
11 The department of revenue shall suspend the registration of vehicles determined under the final
12 order to have violated the motor vehicle financial responsibility law, and shall refer the case to the
13 appropriate prosecuting attorney for prosecution. Notices under this subsection shall be mailed to
14 the vehicle owner at the last known address shown on the department of revenue's records. The
15 department of revenue or its third-party vendor shall issue receipts for the collection of diversion
16 participation fees. Except as otherwise provided in subsection 1 of this section, all such fees shall
17 be deposited into the motor vehicle financial responsibility verification and enforcement fund
18 established in section 303.422. A vehicle owner whose registration has been suspended under
19 sections 303.420 to 303.440 may obtain reinstatement of the registration upon providing proof of
20 financial responsibility and payment to the department of revenue of a nonrefundable reinstatement
21 fee equal to the fee that would be applicable under subsection 2 of section 303.042 if the registration
22 had been suspended under section 303.041.

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

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

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

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

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

12 13. Following one year after the implementation of the program, and every year thereafter
13 for a period of five years, the department of revenue shall provide a report to the president pro
14 tempore of the senate, the speaker of the house of representatives, the chairs of the house and senate
15 committees with jurisdictions over insurance or transportation matters, and the chairs of the house
16 budget and senate appropriations committees. The report shall include an evaluation of program
17 operations, information as to the costs of the program incurred by the department of revenue,
18 insurers, and the public, information as to the effectiveness of the program in reducing the number
19 of uninsured motor vehicles, and anonymized demographic information including the race and zip
20 code of vehicle owners identified under the program as being in violation of the motor vehicle
21 financial responsibility law, and may include any additional information and recommendations for
22 improvement of the program deemed appropriate by the department of revenue. The department of
23 revenue may, by rule, require the state, counties, and municipalities to provide information in order
24 to complete the report.

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

33 303.430. 1. The department of revenue shall establish and maintain a web-based system for
34 the verification of motor vehicle financial responsibility, shall provide access to insurance reporting
35 data and vehicle registration and financial responsibility data, and shall require motor vehicle
36 insurers to establish functionality for the verification system, as provided in sections 303.420 to
37 303.440. The verification system, including any exceptions as provided for in sections 303.420 to
38 303.440 or in the implementation guide developed to support the program, shall supersede any

1 existing verification system, and shall be the sole system used for the purpose of verifying financial
2 responsibility required under this chapter.

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

5 (1) The verification system shall transmit requests to insurers for verification of motor
6 vehicle insurance coverage via web services established by the insurers through the internet in
7 compliance with the specifications and standards of the Insurance Industry Committee on Motor
8 Vehicle Administration, or "IICMVA". Insurance company systems shall respond to each request
9 with a prescribed response upon evaluation of the data provided in the request. The system shall
10 include appropriate protections to secure its data against unauthorized access, and the department of
11 revenue shall maintain a historical record of the system data for a period of no more than twelve
12 months from the date of all requests and responses. The system shall be used for verification of the
13 financial responsibility required under this chapter. The system shall be accessible to authorized
14 personnel of the department of revenue, the courts, law enforcement personnel, and other entities
15 authorized by the state as permitted by state or federal privacy laws, and it shall be interfaced,
16 wherever appropriate, with existing state systems. The system shall include information enabling
17 the department of revenue to submit inquiries to insurers regarding motor vehicle insurance which
18 are consistent with insurance industry and IICMVA recommendations, specifications, and standards
19 by using the following data elements for greater matching accuracy: insurer National Association of
20 Insurance Commissioners, or "NAIC", company code; vehicle identification number; policy
21 number; verification date; or as otherwise described in the specifications and standards of the
22 IICMVA. The department of revenue shall promulgate rules to offer insurers who insure one
23 thousand or fewer vehicles within this state an alternative method for verifying motor vehicle
24 insurance coverage in lieu of web services, and to provide for the verification of financial
25 responsibility when financial responsibility is proven to the department to be maintained by means
26 other than a policy of motor vehicle insurance. Insurers shall not be required to verify insurance
27 coverage for vehicles registered in other jurisdictions;

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

35 (3) The system shall assist in identifying violations of the motor vehicle financial
36 responsibility law in the most effective way possible. Responses to individual insurance verification
37 requests shall have no bearing on whether insurance coverage is determined to be in force at the
38 time of a claim. Claims shall be individually investigated to determine the existence of coverage.
39 Nothing in sections 303.420 to 303.440 shall prohibit the department of revenue from contracting

1 with a third-party vendor or vendors who have successfully implemented similar systems in other
2 states to assist in establishing and maintaining this verification system;

3 (4) The department of revenue shall consult with representatives of the insurance industry
4 and may consult with third-party vendors to determine the objectives, details, and deadlines related
5 to the system by establishment of an advisory council. Members of the advisory council shall serve
6 in an advisory capacity in matters pertaining to the administration of sections 303.420 to 303.440, as
7 the department of revenue may request. The advisory council shall expire one year after
8 implementation of the program. The advisory council shall consist of voting members comprised
9 of:

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

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

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

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

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

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

20 (g) One representative chosen by the American Property and Casualty Insurance
21 Association;

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

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

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

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

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

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

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

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

12 (11) Insurers shall provide commercial or fleet automobile customers with evidence
13 reflecting that the vehicle is insured under a commercial or fleet automobile liability policy.
14 Sufficient evidence shall include an insurance identification card clearly marked with a suitable
15 identifier such as "commercial auto insurance identification card", "fleet auto insurance
16 identification card", or other clear identification that the vehicle is insured under a fleet or
17 commercial policy;

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

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

23 3. The department of revenue shall promulgate rules as necessary for the implementation of
24 sections 303.420 to 303.440. Any rule or portion of a rule, as that term is defined in section
25 536.010, that is created under the authority delegated in this section shall become effective only if it
26 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
27 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
28 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
29 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
30 rule proposed or adopted after August 28, 2023, shall be invalid and void.

31 303.440. The verification system established under section 303.430 shall be installed and
32 fully operational ~~on January 1, 2025~~ no later than December 31, 2027, or as soon as
33 technologically possible following the development and maintenance of a modernized, integrated
34 system for the titling of vehicles, issuance and renewal of vehicle registrations, issuance and
35 renewal of driver's licenses and identification cards, and perfection and release of liens and
36 encumbrances on vehicles, to be funded by the motor vehicle administration technology fund as
37 created in section 301.558, following an appropriate testing or pilot period of not less than nine
38 months. Until the successful completion of the testing or pilot period in the judgment of the director

1 of the department of revenue, no enforcement action shall be taken based on the system, including
2 but not limited to action taken under the program established under section 303.425."; and
3
4 Further amend said bill by amending the title, enacting clause, and intersectional references
5 accordingly.