

# SENATE BILL No. 303

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 9-13-2-82.5; IC 9-25-5.5; IC 9-25-6; IC 9-29-5-44.

**Synopsis:** Reporting of motor vehicle insurance. Requires an insurer who issues a motor vehicle liability policy that covers a motor vehicle registered in Indiana to file with the bureau of motor vehicles a monthly report of policies in effect during the previous month. Requires the bureau to: (1) use the information provided to maintain a data base of insured vehicles; and (2) forward the information to the state police department for inclusion in the law enforcement data base. Requires the bureau to determine on a monthly basis whether financial responsibility may not be in effect for a motor vehicle and to notify the owner of the vehicle of the possible suspension of the owner's driving license or registration, or both. Adds a one dollar fee to each motor  
(Continued next page)

**Effective:** July 1, 1999.

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**Riegsecker**

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January 7, 1999, read first time and referred to Committee on Transportation and Interstate Cooperation.

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Digest Continued

vehicle registration for the establishment and maintenance of the data base.

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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

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## SENATE BILL No. 303

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 9-13-2-82.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**  
3 **1, 1999]: Sec. 82.5. "Insurer", for purposes of IC 9-25-5.5, has the**  
4 **meaning set forth in IC 9-25-5.5-1.**

5 SECTION 2. IC 9-25-5.5 IS ADDED TO THE INDIANA CODE  
6 AS A **NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE**  
7 **JULY 1, 1999]:**

8 **Chapter 5.5. Reporting of Policyholders**

9 **Sec. 1. As used in this chapter, "insurer" has the meaning set**  
10 **forth in IC 27-1-2-3(x).**

11 **Sec. 2. As used in this chapter, "policy" refers to a motor vehicle**  
12 **liability policy.**

13 **Sec. 3. Each insurer that issues a policy for a motor vehicle**  
14 **registered in Indiana that is referred to specifically in the policy by**  
15 **the name of the manufacturer, name of the model, and**



1 identification number of the motor vehicle shall file a monthly  
2 report with the bureau containing the following information:

- 3 (1) The name and mailing address of the insurer.  
4 (2) The name and mailing address of each person who during  
5 the month immediately preceding the month in which the  
6 report is filed held a policy issued by the insurer.  
7 (3) The following information about each motor vehicle  
8 covered under a policy described in subdivision (2):  
9 (A) The name of the manufacturer of the motor vehicle.  
10 (B) The name of the model of the motor vehicle.  
11 (C) The identification number of the motor vehicle.  
12 (4) The policy number, effective date, and expiration date of  
13 each policy described in subdivision (2).

14 Sec. 4. (a) The bureau shall notify the insurance commissioner  
15 appointed under IC 27-1-1-2 of a violation of section 3 of this  
16 chapter by an insurer.

17 (b) The insurance commissioner may take action under  
18 IC 27-1-3 and IC 4-21.5 against an insurer that violates this  
19 chapter, including the suspension or revocation of the certificate of  
20 authority of the insurer.

21 Sec. 5. (a) The bureau shall establish a data base of insured  
22 motor vehicles.

23 (b) Each month, the bureau shall compare the information  
24 received from insurers under section 3 of this chapter with:

25 (1) the data base of insured motor vehicles from the previous  
26 month; and

27 (2) the data base of all motor vehicles registered in Indiana;  
28 to determine whether financial responsibility was in effect for each  
29 motor vehicle registered in Indiana during the previous month.

30 (c) If the bureau determines that financial responsibility for a  
31 motor vehicle may not be in effect, the bureau shall notify the  
32 person who registered the motor vehicle. The notice must do the  
33 following:

34 (1) Inform the person that the bureau has determined that  
35 financial responsibility for the motor vehicle may not be in  
36 effect.

37 (2) Request that the person furnish the bureau with evidence  
38 of financial responsibility.

39 (3) Instruct the person who registered the motor vehicle on  
40 how to furnish the bureau with evidence of financial  
41 responsibility in a manner acceptable to the bureau.

42 (4) Warn the person that failure to furnish evidence of



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1           **financial security to the bureau will result in suspension of the**  
 2           **person's current driving license or vehicle registration, or**  
 3           **both.**

4           **Sec. 6. The bureau shall promptly forward the information**  
 5           **received under section 3 of this chapter to the state police**  
 6           **department. The state police department shall include the**  
 7           **information received under this section in a data base of**  
 8           **information that may be accessed by any law enforcement agency**  
 9           **in Indiana.**

10          **Sec. 7. The commission shall adopt rules under IC 4-22-2 to**  
 11          **administer this chapter, including the format in which insurers**  
 12          **must submit the information required under section 3 of this**  
 13          **chapter.**

14          SECTION 3. IC 9-25-6-1 IS AMENDED TO READ AS FOLLOWS  
 15          [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) If:

16           (1) the bureau receives a certificate of compliance from a person  
 17           identified under IC 9-25-5-2 or **IC 9-25-5.5-5** within forty (40)  
 18           days after the date on which the bureau mailed the request for  
 19           evidence of financial responsibility to the person; and

20           (2) the certificate of compliance indicates that financial  
 21           responsibility was in effect with respect to the vehicle at the time  
 22           of the accident described in the accident report;

23          the bureau may not suspend the person's current driving license.

24          (b) If:

25           (1) the bureau receives a certificate of compliance from a person  
 26           presented with a request for evidence of financial responsibility  
 27           under IC 9-25-9-1 within forty (40) days after the date on which  
 28           the person was presented with the request; and

29           (2) the certificate of compliance indicates that financial  
 30           responsibility was in effect with respect to the motor vehicle that  
 31           the person was operating when the person committed the violation  
 32           described in the judgment or abstract received by the bureau  
 33           under IC 9-25-9-1;

34          the bureau may not suspend the person's current driving license.

35          SECTION 4. IC 9-25-6-2 IS AMENDED TO READ AS FOLLOWS  
 36          [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) If the bureau finds that a  
 37          statement as to the existence of financial responsibility in a certificate  
 38          of compliance received from:

39           (1) a person identified under IC 9-25-5-2 or **IC 9-25-5.5-5**; or

40           (2) a person presented with a request for evidence of financial  
 41           responsibility under IC 9-25-9-1;

42          is materially false, the bureau shall take action under subsection (b).

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1 (b) Upon finding that the statement referred to in subsection (a) is  
2 false, the bureau shall do the following:

3 (1) Immediately suspend the person's current driving license or  
4 vehicle registration, or both.

5 (2) Demand that the person immediately surrender the person's  
6 current driving license or vehicle registration, or both, to the  
7 bureau.

8 SECTION 5. IC 9-25-6-3 IS AMENDED TO READ AS FOLLOWS  
9 [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) If the bureau:

10 (1) does not receive a certificate of compliance from a person  
11 identified under IC 9-25-5-2 or **IC 9-25-5.5-5** within forty (40)  
12 days after the date on which the bureau mailed the request for  
13 evidence of financial responsibility to the person; ~~or~~

14 (2) receives a certificate that does not indicate that financial  
15 responsibility was in effect with respect to the motor vehicle  
16 operated by the person on the date of the accident referred to in  
17 IC 9-25-5-2; or

18 **(3) receives a certificate that does not indicate that financial**  
19 **responsibility was in effect with respect to the motor vehicle**  
20 **during the entire month referred to in IC 9-25-5.5-5;**

21 the bureau shall take action under subsection (c).

22 (b) If the bureau:

23 (1) does not receive a certificate of compliance from a person  
24 presented with a request for evidence of financial responsibility  
25 under IC 9-25-9-1 within forty (40) days after the date on which  
26 the person was presented with the request; or

27 (2) receives a certificate that does not indicate that financial  
28 responsibility was in effect with respect to the motor vehicle that  
29 the person was operating when the person committed the violation  
30 described in the judgment or abstract received by the bureau  
31 under IC 9-25-9-1;

32 the bureau shall take action under subsection (c).

33 (c) Under the conditions set forth in subsection (a) or (b), the bureau  
34 shall do the following:

35 (1) Immediately suspend the person's current driving license or  
36 vehicle registration, or both.

37 (2) Demand that the person immediately surrender the person's  
38 current driving license or vehicle registration, or both, to the  
39 bureau.

40 (d) Except as provided in subsection (e), if subsection (a) or (b)  
41 applies to a person, the bureau shall suspend the current driving license  
42 of the person irrespective of the following:

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- 1 (1) The sale or other disposition of the motor vehicle by the
- 2 owner.
- 3 (2) The cancellation or expiration of the registration of the motor
- 4 vehicle.
- 5 (3) An assertion by the person that the person did not own the
- 6 motor vehicle and therefore had no control over whether financial
- 7 responsibility was in effect with respect to the motor vehicle.
- 8 (e) The bureau shall not suspend the current driving license of a
- 9 person to which subsection (a) or subsection (b) applies if the person,
- 10 through a certificate of compliance or another communication with the
- 11 bureau, establishes to the satisfaction of the bureau that the motor
- 12 vehicle that the person was operating when the accident referred to in
- 13 subsection (a) took place or when the violation referred to in subsection
- 14 (b) was committed was:
  - 15 (1) rented from a rental company (as defined in IC 24-4-9-7); or
  - 16 (2) owned by the person's employer and operated by the person in
  - 17 the normal course of the person's employment.
- 18 SECTION 6. IC 9-29-5-44 IS ADDED TO THE INDIANA CODE
- 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 20 1, 1999]: **Sec. 44. (a) In addition to any other fee imposed under this**
- 21 **chapter, there is a fee of one dollar (\$1) for each vehicle registered**
- 22 **under IC 9-18.**
- 23 **(b) The fee required under this section shall be:**
  - 24 **(1) deposited with the bureau; and**
  - 25 **(2) used for the establishment and maintenance of the data**
  - 26 **base required under IC 9-25-5.5-5.**

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