

1 SENATE BILL NO. 493

2 INTRODUCED BY LASLOVICH

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR ~~THE~~ A SURVEY BY THE DEPARTMENT OF
5 JUSTICE OF INDIVIDUALS CONVICTED OF ~~MANDATORY LIABILITY INSURANCE VIOLATIONS BY THE~~
6 ~~DEPARTMENT OF JUSTICE~~ VIOLATIONS OF MANDATORY MOTOR VEHICLE LIABILITY INSURANCE
7 LAWS; PROVIDING PENALTIES FOR INDIVIDUALS FOUND TO BE IN VIOLATION OF MANDATORY
8 LIABILITY INSURANCE LAWS; CREATING A MECHANISM FOR VIOLATORS TO REINSTATE PRIVILEGES;
9 AND AMENDING SECTION 61-6-304, MCA."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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13 NEW SECTION. **Section 1. Survey of certain persons for verification of liability insurance.** (1) The
14 department or its agent may randomly survey persons who during the previous 5 years have been convicted of
15 a violation of 61-6-301 or 61-6-302 to determine if the person currently has mandatory liability insurance as
16 required in Title 61, chapter 6, part 3, for any motor vehicle owned by that person and that is subject to the
17 mandatory liability insurance provisions of Title 61, chapter 6, part 3.

18 (2) A person randomly selected for the survey shall respond to the department or its agent, identifying
19 any motor vehicles owned by the person. The person shall disclose, on a form provided by the department,
20 whether a motor vehicle owned and identified by the person was insured on the verification date set out in the
21 survey. In the survey, the department or its agent shall also require the person to provide the name and address
22 of the insurer, the policy number, and the expiration date of the insurance coverage.

23 (3) A person who receives a survey as provided in subsection (2) shall respond within 30 days of the
24 date on which the survey was mailed. The department may consider information provided by the person
25 indicating that the motor vehicle was covered on the verification date as a satisfactory response to the
26 information request, or the department may contact the insurer listed on the owner's response for confirmation
27 that the motor vehicle was covered on the verification date. The insurer shall respond to the department within
28 30 days of the date on which the department mails the request for information to the insurer.

29 (4) If a person who receives a survey does not respond within the 30-day period, if the person's
30 response indicates that a motor vehicle owned by the person was not insured on the verification date, or if a

1 person reports coverage on the verification date that an insurer denies, the person must be considered to have
2 registered or maintained the registration of a motor vehicle in violation of the mandatory liability insurance
3 requirements.

4 (5) If a person disagrees with the department's findings, the person may appeal the department's
5 decision under the procedures for contested cases provided in Title 2, chapter 4, parts 6 and 7.

6 (6) The department may adopt rules to implement the provisions of this section.
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8 **NEW SECTION. Section 2. Uninsured motor vehicles -- notice -- suspension -- reinstatement.**

9 (1) If, pursuant to the provisions of [section 1], the department determines that a person has registered or
10 maintained the registration of a motor vehicle without the required liability insurance, the department shall notify
11 the motor vehicle owner by first-class mail that the person's driver's license will be suspended 45 days after the
12 notice is mailed unless the person, within 30 days of the mailing of the notice, provides proof of insurance in
13 effect as of a date prescribed by the department.

14 (2) If a person who is the registered owner of a motor vehicle subject to the mandatory liability insurance
15 provisions of Title 61, chapter 6, part 3, fails to provide the proof of insurance required in subsection (1), the
16 department shall suspend the person's driver's license as provided in subsections (3) and (4). The suspension
17 must take effect even if the person acquires the required liability insurance subsequent to the date prescribed
18 by the department under subsection (1).

19 (3) In the case of a first violation, the suspension remains in effect until the reinstatement fee required
20 under 61-5-218 has been paid and the person furnishes to the department proof of compliance with 61-6-301
21 for each motor vehicle the person owns.

22 (4) In the case of a second or subsequent violation within the preceding 5 years, the person's driver's
23 license must be suspended for a period of at least 6 months and may not be reinstated until the person has paid
24 the reinstatement fee required under 61-5-218 and has submitted proof of insurance for each motor vehicle the
25 person owns.

26 (5) A violation based upon the provisions of [sections 1 through 3] does not subject the person
27 committing the violation to the penalty provisions of 61-6-304.
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29 **NEW SECTION. Section 3. Submission of false proof.** If the department has reasonable grounds
30 to believe that a person has submitted proof of insurance that is false, the department may report the matter to

1 the appropriate law enforcement authority for investigation and prosecution under 45-7-203 or 45-7-208.

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3 **Section 4.** Section 61-6-304, MCA, is amended to read:

4 **"61-6-304. Penalties -- driver's license suspension -- proof of financial responsibility.** (1)

5 Conviction of a first offense under 61-6-301 or 61-6-302 is punishable by a fine of not less than \$250 or more
6 than \$500 or by imprisonment in the county jail for not more than 10 days, or both. A second conviction is
7 punishable by a fine of \$350 or by imprisonment in the county jail for not more than 10 days, or both. A third or
8 subsequent conviction is punishable by a fine of \$500 or by imprisonment in the county jail for not more than
9 6 months, or both.

10 ~~(2) Upon a second or subsequent conviction under 61-6-301 or 61-6-302, the sentencing court shall~~
11 ~~order the surrender of the vehicle registration receipt and license plates for the vehicle operated at the time of~~
12 ~~the offense if that vehicle was operated by the registered owner or a member of the registered owner's~~
13 ~~immediate family or by a person whose operation of that vehicle was authorized by the registered owner. The~~
14 ~~court shall send the receipt and plates, along with a copy of the complaint and dispositional order, to the~~
15 ~~department, which shall immediately suspend the receipt and plates for a period of 90 days from the date of a~~
16 ~~second conviction or 180 days from the date of a third or subsequent conviction. The receipt and plates may not~~
17 ~~be reinstated until the expiration of that period and until proof of compliance with 61-6-301 is furnished to the~~
18 ~~department, but if the vehicle is transferred to a new owner, the new owner is entitled to register the vehicle.~~

19 ~~(3)(2) (a) Upon a fourth and subsequent report of a SECOND OR SUBSEQUENT conviction under 61-6-301~~
20 ~~or 61-6-302, the court shall order the surrender of the driver's license of the offender, if the vehicle operated at~~
21 ~~the time of the offense was registered to the offender or a member of the offender's immediate family. The court~~
22 ~~shall send the driver's license, along with a copy of the complaint and the dispositional order, to the department,~~
23 ~~which shall immediately suspend the driver's license. The department may not reinstate a driver's license~~
24 ~~suspended under this subsection until the registered owner provides the department proof of compliance with~~
25 ~~61-6-301 and the department determines that the registered owner is otherwise eligible for licensure. department~~
26 ~~shall suspend the person's driver's license until the person, if otherwise eligible for licensure, has paid the license~~
27 ~~reinstatement fee pursuant to 61-5-218 and, COMMENCING FROM THE DATE OF LICENSE REINSTATEMENT, provides~~
28 ~~the department with proof of financial responsibility by one of the methods allowed pursuant to 61-6-133 through~~
29 ~~61-6-140 that must be continuously maintained for:~~

30 (i) 1 year, upon a second conviction under 61-6-301 or 61-6-302; and

