288-6805

EXHIBIT 2
DATE 1-26-2011
HB 218

attn: Mike Miller

Following are Missouri and Montana statutes pertaining to motorists obtaining 'self-insurance' classification. 7 pages in all.

STATE OF MISSOURI
Department of Revenue

I have spoken with Greg Noose who is very knowledgeable of MVD requirements. His phone # 406-444-1776

MOTOR VEHICLE & DRIVER LICENSING DIVISION
FACSIMILE TRANSMITTAL SHEET

DATE 11/5/2009

TO	FROM
Daniel Schrock	Driver License Bureau Heather Scholimeyer
FAX NUMBER (406) 288-6808	FAX NUMBER (573) 526-7365

RE Self-Insurance

SPECIAL INSTRUCTIONS/REMARKS

Attached are copies of the statutes you requested. I also attached a copy of one of our letters that we send which outlines the process and a copy of the Agreement to Pay Judgments.

I hope this information is helpful.

ANY PROBLEMS WITH TRANSMITTAL CALL (573) 526-4401	TOTAL NUMBER OF PAGES (INCLUDING TRANSMITTAL SHEET) 6

CONFIDENTIALITY NOTICE: The documents accompanying this telecopy transmission contain confidential information belonging to the sender which is legally privileged. The information is intended only for the use of the individual or entity recipient named above. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of the telecopied information is strictly prohibited. If you have received this telecopy in error, please immediately notify us by telephone to arrange for return of the original documents to us.

Thanks, Very Much!
Daniel Schrock

Missouri Revised Statutes

Chapter 303
Motor Vehicle Financial Responsibility Law
Section 303.220

August 28, 2009

Certificate of self-insurance—canceled, when.

303.220. 1. Any religious denomination which has more than twenty-five members with motor vehicles and prohibits its members from purchasing insurance, of any form, as being contrary to its religious tenets, may qualify as a self-insurer by obtaining a self-insurance certificate issued by the director as provided in subsection 3 of this section.

2. Any person in whose name more than twenty-five motor vehicles are registered may qualify as a self-insurer by obtaining a certificate of self-insurance issued by the director as provided in subsection 3 of this section.

3. The director may, in his discretion, upon the application of any religious denomination or person described in subsection 1 or 2 of this section, issue a certificate of self-insurance when he is satisfied that such religious denomination or person is possessed and will continue to be possessed of the ability to pay judgments obtained against such religious denomination or person.

4. Upon not less than ten days' notice and a hearing pursuant to such notice, the director may, upon reasonable grounds, cancel a certificate of self-insurance. Failure to pay any judgment within thirty days after such judgment shall have become final shall constitute a reasonable ground for the cancellation of a certificate of self-insurance.

(L. 1953 p. 569 § 303.340; A.L. 1986 S.H. 424)

Effective 7-1-87

© Copyright

Missouri General Assembly

DRIVER LICENSE BUREAU
P O BOX 200
JEFFERSON CITY MO 65105-0200

Missouri
DEPARTMENT OF REVENUE

Telephone: (573) 751-7195
Fax: (573) 526-7365
E-mail: dlbmail@dor.mo.gov

November 5, 2009

SUBJECT: CERTIFICATE OF SELF-INSURANCE

Dear Mr. Schrock:

Missouri law allows any religious denomination that prohibits its members from purchasing insurance, to apply for self-insurance by obtaining a self-insurance certificate issued by the Director of Revenue.

To be considered for a self-insurance certificate, please provide the following documentation:

☐ A written request to be considered for self-insurance in the state of Missouri. The request must be signed by the minister, deacon or officer of the church.

☐ A list of the members in the church organization showing vehicle ownership. There must be more than 25 members in the church who own motor vehicles. The list must include:

_X_ Name of the church member as shown on the motor vehicle registration application.

_X_ Church member's address.

_X_ Description of each motor vehicle owned by the member and registered in Missouri. You must include the vehicle make, year of manufacture, model, vehicle identification number and current registration plate number.

☐ A notarized affidavit from the minister, deacon or officer of the church organization specifying that it prohibits its members from purchasing insurance, of any form, as being contrary to its religious tenets.

☐ A written statement explaining how the church organization intends to pay for any damages a member may cause resulting from a motor vehicle accident. The statement must be signed by the minister, deacon or officer of the church.

☐ The enclosed affidavit must be completed and submitted with your request.

Montana Code Annotated 2009

61-6-143. Self-insurers. (1) Any person in whose name more than 25 motor vehicles are registered may qualify as a self-insurer by obtaining a certificate of self-insurance issued by the department as provided in subsection (2) of this section.

(2) The department may, in its discretion, upon the application of such a person, issue a certificate of self-insurance when it is satisfied that such person is possessed and will continue to be possessed of ability to pay judgments obtained against such person.

(3) Upon not less than 5 days' notice and a hearing pursuant to such notice, the department may upon reasonable grounds cancel a certificate of self-insurance. Failure to pay any judgment within 30 days after such judgment shall have become final shall constitute a reasonable ground for the cancellation of a certificate of self-insurance.

History: En. Sec. 34, Ch. 204, L. 1951; R.C.M. 1947, 53-451; amd. Sec. 1, Ch. 503, L. 1985.

Provided by Montana Legislative Services

State of Montana Statute

IV. Self-insurer 61-6-143

A. Any person who has more than 25 vehicles in their name may qualify as a self-insurer by obtaining a certificate of self-insurance issued by the division.

1. The division may, in its discretion, upon the application of such a person, issue a certificate of self-insurance (form SRA-1) when if is satisfied that such person possesses and will continue to possess the ability to pay judgments obtained against such person.

2. Upon not less than 5 days notice and providing an opportunity for a hearing pursuant to such cancellation, the division may upon reasonable grounds cancel a certificate of self-insurance until the person attempting to qualify as a self-insurer shall have reapplied with the division.

3. Upon filing sufficient evidence with the division, to be qualified as a self-insurer under the Montana Safety Responsibility Act, the division will issue a certificate of self-insurance to that person, and shall remain in force unless canceled by the division.

4. As a condition to the continuance of a certificate of self-insurance, every self-insurer shall, not later than the first day of July in each year, submit a copy of their last annual statement, showing consolidated report and profit and loss statement as certified by a certified public accountant or a reputable firm of public accountants. Any self-insurer who fails to comply with this provision will have their certificate of self-insurance canceled.

5. The certificate of self-insurance must be renewed July 1st of each calendar year.

Daniel Schrock
406 288 6805 ph.
" 6808 fax

INSURANCE REQUIREMENTS

I. *Persons required to file proof of financial responsibility.*

A. Unsatisfied Judgment. 61-6-122 through 61-6-125.
   1. Suspended for 6 years from date of judgment.
   2. Required to file proof of financial responsibility if restored within the 6-year suspension.
   3. Required to show proof of insurance (cab card, policy, etc.) If six years expired and license due to be restored.
   4. Proof of financial responsibility not required beyond showing initial filing.
   5. Proof submitted to driver improvement may be in form of:
      a. SR-22 as stated in 61-6-133 and 61-6-134
      b. Surety bond as stated in 61-6-137
      c. Property bond as stated in 61-6-137
      d. Money or securities as stated in 61-6-138

B. Revocations
   1. Proof required for 3 years upon entry into the driver improvement program (issued a probationary license) or 3 years from ending date of revocation if no probationary license was applied for. 61-6-142
   2. Proof must be submitted:
      a. SR-22 as stated in 61-6-133 and 61-6-134
      b. Surety bond as stated in 61-6-137
      c. Property bond as stated in 61-6-137
      d. Money or securities as stated in 61-6-138

II. *Proof of financial responsibility; Posting cash, securities, surety/indemnity/property bonds.*

A. Must be required to file proof of financial responsibility due to a suspension or revocation of license or privilege to drive.

B. AAMVA universal financial responsibility form number SR-22 is accepted as proof of financial responsibility. The SR-22 must be received in the department before the person will be allowed to be licensed. Failure to maintain proof will cause loss of driving privilege. 61-6-135 requires insurance company to give 10-day notice to the department when the policy is to be terminated. This is accomplished on AAMVA form number SR-26.

C. Surety bond, indemnity bond, property bond.
   1. SURETY OR INDEMNITY BOND
      a. Bond in the amount of $60,000.00 (minimum) for EACH vehicle is kept on file in individuals license file, copy of bond and letter to individual stating that we have received such will be mailed to individual for them to carry as proof of compliance.
      b. The bond will be in a format approved by the insurance commissioner with a surety company authorized to do business in the state.
      c. The bond will be kept on file with the Division until owner requests in writing for it to be returned to them and removed from file, or a judgment through a court of law is received.

2. PROPERTY BOND
   a. 61-6-137 must have met requirement of the section for two individual sureties having value twice the amount of such bond ($120,000.00), which real estate in the bond must be approved by a court of record, and not cancelable except after 10-days written notice.
   b. Upon receipt of bond with the county clerk and recorder in county of residence.
   c. When official receipt of property bond and certified copies are received from clerk and recorders office, copies are made. Original is entered into driver license record, and a copy is sent to individual stating that "enclosed is copies of bond and filing for your records", and that the "department is required a 10-day advance notice before canceling bond".
   d. The department may require the renewing of bond July 1st of each calendar year.

3. CASH OR SECURITIES AS PROOF OF RESPONSIBILITY 61-6-138
   a. Person may submit to the department cash or securities in the amount of $55,000.00, along with a statement of intent and statement that there are not unsatisfied judgments of any character against the depositor in the county where the person resides.
   b. Upon receipt of cash or securities and the accompanying statements, the department will forward it to the state treasurer for deposit.
   c. After deposit, the state treasurer will forward to the department a certificate that the cash or securities have been deposited.
   d. The department will copy all documents and notify the individual that the cash or securities have been received as proof of financial responsibility, and the enclosed copies are for subject's records.
   e. If person recalls the cash or securities within the time period a person is required to file proof of financial responsibility, the department will re-suspend or cancel the driver license as required.

III. Persons posting indemnity bond in lieu of liability insurance

A. 61-6-301 allows person to post an indemnity bond in lieu of obtaining a policy of liability insurance.
   1. Person cannot be under any requirements to file proof of financial responsibility.

   2. Apply to a bonding agency for a bond equal to limits of standard liability insurance ($60,000). A bond is required for EACH vehicle, and is for the period for which the motor vehicle is registered and operated.

   3. Bond or bonds are retained by the State Treasurer, a copy of which is made a part of the driving record. A letter is sent to the applicant indicating receipt of bond, amount, vehicle, and indication that the letter serves as proof of compliance with limits of standard liability insurance.