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INTRODUCED BY _____
(Primary Sponsor)

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE IMPOUNDMENT OF A VEHICLE WHEN THE DRIVER OF THE VEHICLE DOES NOT PROVIDE THE REQUIRED PROOF OF MOTOR VEHICLE LIABILITY INSURANCE; IMPOSING A CIVIL PENALTY FOR FAILURE TO PROVIDE PROOF OF MOTOR VEHICLE LIABILITY INSURANCE; PROVIDING FOR THE RETURN OF AN IMPOUNDED VEHICLE; PROVIDING RULEMAKING AUTHORITY; AND AMENDING SECTIONS 61-6-302 AND 61-6-309, MCA."

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

Section 1. Section 61-6-302, MCA, is amended to read:

"61-6-302. Proof of compliance -- rulemaking. (1) The registration receipt required by 61-3-322 must contain a statement that unless the vehicle is eligible for an exemption under 61-6-303, it is unlawful to operate the vehicle without a valid motor vehicle liability insurance policy, a certificate of self-insurance, or a posted indemnity bond, as required by 61-6-301.

(2) (a) Each owner or operator of a motor vehicle shall carry in the motor vehicle an insurance card approved by the department but issued by the insurance carrier to the motor vehicle owner as proof of compliance with 61-6-301. If the card is issued under a commercial automobile insurance policy or a self-insured fleet, the card must indicate the status as "commercially insured" or "fleet". A motor vehicle owner or operator shall exhibit the insurance card upon demand of a justice of the peace, a city or municipal judge, or a peace officer, a highway patrol officer, or a field deputy or inspector of the department as defined in 46-1-202.

(b) A person commits an offense under this subsection (2) if the person fails to:

(i) carry the insurance card in a motor vehicle; ~~or fails to~~

(ii) exhibit the insurance card upon demand ~~of~~ by a person specified in ~~this~~ subsection (2)(a).

(c) If the driver of a vehicle fails to exhibit the insurance card upon demand to a peace officer, the peace officer shall immediately impound the motor vehicle in the nearest motor vehicle impoundment facility.

(d) The jurisdiction in possession of the vehicle shall release the vehicle to the owner or driver upon payment of a civil penalty of \$500. The jurisdiction that receives the payment shall immediately transfer the funds to the jurisdiction that employed the peace officer who had the vehicle impounded.



1 (e) The penalties imposed under subsections (2)(c) and (2)(d) are in addition to any penalty imposed
 2 pursuant to 61-6-304.

3 (3) (a) In lieu of charging an operator who is not the owner of a vehicle with violating subsection (2)(b)(i)
 4 or (2)(b)(ii), the peace officer may issue a complaint and notice to appear charging the owner with a violation of
 5 61-6-301 and serve the complaint and notice to appear on the owner of the vehicle:

6 ~~(a)~~(i) personally; or

7 ~~(b)~~(ii) by certified mail, return receipt requested, at the address for the owner listed on the registration
 8 receipt for the vehicle or, following query through available law enforcement systems, at the address maintained
 9 for the vehicle's owner by the jurisdiction in which the vehicle is titled and registered, or both.

10 (b) A peace officer who issues a complaint and notice to appear under subsection (3)(a) shall impound
 11 the motor vehicle as required in subsection (2)(c). The jurisdiction in possession of the vehicle shall release the
 12 vehicle from the impoundment only after payment of the civil penalty as provided in subsection (2)(d).

13 (4) (a) An owner or operator charged with violating subsection (2)(a), (2)(b)(i), or (2)(b)(ii) may not be
 14 convicted of violating 61-6-301 if:

15 ~~(a)~~(i) the arresting officer or another person authorized to access information from the online motor
 16 vehicle liability insurance verification system under 61-6-309 submits to the system, when implemented, a request
 17 that provides proof of insurance valid at the time of arrest; or

18 ~~(b)~~(ii) if the system under 61-6-157 is not available, the person produces in court or the office of the
 19 arresting officer proof of insurance valid at the time of arrest.

20 (b) Notwithstanding the provisions of subsection (4)(a), the peace officer who charges an owner or
 21 operator with violating subsection (2)(b)(i) or (2)(b)(ii) shall impound the vehicle as provided in subsection (2)(c)
 22 until the civil penalty provided for in subsection (2)(d) has been paid.

23 (5) The department shall adopt rules to implement the provisions of this section."
 24

25 **Section 2.** Section 61-6-309, MCA, is amended to read:

26 **"61-6-309. Law enforcement use of verification system.** (1) Notwithstanding the requirements of
 27 61-6-302, a peace officer or authorized employee of a law enforcement agency may, during the course of a traffic
 28 stop or accident investigation, access the verification system provided under 61-6-157 to verify whether a motor
 29 vehicle is covered by a valid motor vehicle liability policy that meets the requirements of 61-6-103 and 61-6-301.

30 (2) (a) Except as provided in subsection (2)(b), the response received from the system supersedes an

1 insurance card produced by a vehicle owner or operator, and notwithstanding the display of an insurance card
2 by the owner or operator, the peace officer may issue a complaint and notice to appear to the owner or operator
3 for a violation of 61-6-301 or 61-6-302.

4 (b) Subsection (2)(a) does not apply if the vehicle is:

5 (i) covered under a commercial automobile insurance coverage policy;

6 (ii) part of a self-insured fleet as provided in 61-6-143; or

7 (iii) included in an insurance binder, as allowed by 33-15-411, that has not been entered into the system
8 at the time the system is accessed under subsection (1) of this section.

9 (3) The impoundment and civil penalty provisions of 61-6-302(2)(c) and (2)(d) apply even if the peace
10 officer determines through the verification system provided for under 61-6-157 that the motor vehicle is covered
11 by a valid motor vehicle liability insurance policy that meets the requirements of 61-6-103 and 61-6-301.

12 ~~(3)~~(4) Except upon reasonable cause to believe that a driver has violated another traffic regulation or
13 that the driver's vehicle is unsafe or not equipped as required by law, a peace officer may not use the verification
14 system to stop a driver for operating a motor vehicle in violation of 61-6-301."

15 - END -