

HB 2411 -- Motorist Insurance Identification Database Program Act

Sponsor: Colona

This bill re-establishes the Motorist Insurance Identification Database Program and requires the Department of Revenue to establish and administer a database to verify compliance with motor vehicle financial responsibility requirements using an online instant verification in accordance with the Insurance Industry Committee on Motor Vehicle Administration Model User's Guide.

Effective July 1, 2011, the department must impose a \$1 annual fee on each vehicle registration to be deposited into the Motorist Insurance Database Fund for the sole purpose of operating the program and must contract with a designated agent who will develop and maintain a computer database with its own computer network by December 31, 2011, using the department's guidelines and information provided by the department and insurers.

If the database indicates a registered motor vehicle has failed to maintain the required financial responsibility for three months, the designated agent will suspend the owner's vehicle registration. The reinstatement fee for a first violation is \$100.

The bill specifies the information required to be given beginning January 1, 2011, and the frequency of reporting by licensed insurance companies to the designated agent. The Department of Insurance, Financial Institutions and Professional Regulation will assess a fine of up to \$1,000 per day for noncompliance by an insurer.

The Department of Revenue must review the operation and performance of the program to determine whether the number of uninsured motorists have declined during the first three years following the implementation and must submit a report of its findings to the General Assembly no later than January 15 of the year following the third complete year of implementation.

The bill establishes the notification and appeals process, the period of suspension, and reinstatement requirements.