

**ACCESS TO UNINSURED MOTORIST
INFORMATION**

2003 GENERAL SESSION

STATE OF UTAH

Sponsor: David H. Steele

This act modifies the Motor Vehicles Code by amending the Uninsured Motorist Identification Database Program. This act allows the database information to be used by financial institutions to facilitate protection of a financial institution's bona fide security interest in a motor vehicle. This act allows database information to be made accessible through the Internet or to be made available through other electronic medium if the Department of Public Safety determines that sufficient security is provided to ensure compliance with disclosure restrictions. This act makes technical changes.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

41-12a-803, as last amended by Chapter 35, Laws of Utah 1998

41-12a-805, as last amended by Chapter 345, Laws of Utah 2000

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-12a-803** is amended to read:

41-12a-803. Program creation -- Administration -- Selection of designated agent -- Duties -- Rulemaking -- Audits.

(1) There is created the Uninsured Motorist Identification Database Program to:

(a) establish an Uninsured Motorist Identification Database to verify compliance with motor vehicle owner's or operator's security requirements under Section 41-12a-301 and other provisions under this part;

(b) assist in reducing the number of uninsured motor vehicles on the highways of the state; ~~and~~

(c) assist in increasing compliance with motor vehicle registration and sales and use tax laws[-]; ~~and~~

(d) assist in protecting a financial institution's bona fide security interest in a motor

vehicle.

(2) The program shall be administered by the department with the assistance of the designated agent and the Motor Vehicle Division.

(3) (a) The department shall contract in accordance with Title 63, Chapter 56, Utah Procurement Code, with a third party to establish and maintain an Uninsured Motorist Identification Database for the purposes established under this part.

(b) The contract may not obligate the department to pay the third party more monies than are available in the account.

(4) (a) The third party under contract under this section is the department's designated agent, and shall develop and maintain a computer database from the information provided by:

- (i) insurers under Section 31A-22-315;
- (ii) the division under Subsection (6); and
- (iii) the Motor Vehicle Division under Section 41-1a-120.

(b) (i) The database shall be developed and maintained in accordance with guidelines established by the department so that state and local law enforcement agencies and financial institutions as defined in Section 7-1-103 can efficiently access the records of the database, including reports useful for the implementation of the provisions of this part.

(ii) (A) The reports shall be in a form and contain information approved by the department.

(B) The reports may be made available through the Internet or through other electronic medium, if the department determines that sufficient security is provided to ensure compliance with Section 41-12a-805 regarding limitations on disclosure of information in the database.

(5) With information provided by the department and the Motor Vehicle Division, the designated agent shall, at least monthly:

(a) update the database with the motor vehicle insurance information provided by the insurers in accordance with Section 31A-22-315; and

(b) compare all current motor vehicle registrations against the database.

(6) The division shall provide the designated agent with the name, date of birth, address,

and driver license number of all persons on the driver license database.

(7) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the department shall make rules and develop procedures in cooperation with the Motor Vehicle Division to use the database for the purpose of administering and enforcing this part.

(8) (a) The designated agent shall archive computer data files at least semi-annually for auditing purposes.

(b) The internal audit unit of the tax commission provided under Section 59-1-206 shall audit the program at least annually. The audit shall include verification of:

- (i) billings made by the designated agent; and
- (ii) the accuracy of the designated agent's matching of vehicle registration with insurance data.

Section 2. Section **41-12a-805** is amended to read:

41-12a-805. Disclosure of insurance information -- Penalty.

(1) Information in the database established under Section 41-12a-803 provided by a person to the designated agent is considered to be the property of the person providing the information. The information may not be disclosed from the database under Title 63, Chapter 2, Government Records Access and Management Act, or otherwise, except as follows:

(a) for the purpose of investigating, litigating, or enforcing the owner's or operator's security requirement under Section 41-12a-301, the designated agent shall verify insurance information through the state computer network for a state or local government agency or court;

(b) for the purpose of investigating, litigating, or enforcing the owner's or operator's security requirement under Section 41-12a-301, the designated agent shall, upon request, issue to any state or local government agency or court a certificate documenting the insurance information, according to the database, of a specific individual or motor vehicle for the time period designated by the government agency;

(c) upon request, the department or its designated agent shall disclose whether or not a person is an insured individual and the insurance company name to:

- (i) that individual or, if that individual is deceased, any interested person of that

individual, as defined in Section 75-1-201;

(ii) the parent or legal guardian of that individual if the individual is an unemancipated minor;

(iii) the legal guardian of that individual if the individual is legally incapacitated;

(iv) a person who has power of attorney from the insured individual;

(v) a person who submits a notarized release from the insured individual dated no more than 90 days before the date the request is made; or

(vi) a person suffering loss or injury in a motor vehicle accident in which the insured individual is involved, but only as part of an accident report as authorized in Section 41-12a-202;

(d) for the purpose of investigating, enforcing, or prosecuting laws or issuing citations by state or local law enforcement agencies related to the:

(i) registration and renewal of registration of a motor vehicle under Title 41, Chapter 1a, Motor Vehicle Act;

(ii) purchase of a motor vehicle under Title 59, Chapter 12, Sales and Use Tax Act; and

(iii) owner's or operator's security requirements under Section 41-12a-301;

(e) upon request of a peace officer acting in an official capacity under the provisions of Subsection (1)(d), the department or the designated agent shall, upon request, disclose relevant information for investigation, enforcement, or prosecution; ~~and~~

(f) for the purpose of the state auditor, the legislative auditor general, or other auditor of the state conducting audits of the program[-]; and

(g) upon request of a financial institution as defined under Section 7-1-103 for the purpose of protecting the financial institution's bona fide security interest in a motor vehicle.

(2) (a) The department may allow the designated agent to prepare and deliver upon request, ~~[a certified copy of]~~ a report on the insurance information of a person or motor vehicle in accordance with this section.

(b) The report may be in the form of:

(i) a certified copy that is considered admissible in any court proceeding in the same manner as the original; or

(ii) information accessible through the Internet or through other electronic medium if the department determines that sufficient security is provided to ensure compliance with this section.

(c) The department may allow the designated agent to charge a fee established by the department under Section 63-38-3.2 for each:

(i) document authenticated[-], including each certified copy;

(ii) record accessed by the Internet or by other electronic medium; and

(iii) record provided to a financial institution under Subsection (1)(g).

~~[(b) Each certified copy of a report on the insurance information furnished in accordance with this section is admissible in any court proceeding in the same manner as the original.]~~

(3) Any person who knowingly releases or discloses information from the database for a purpose other than those authorized in this section or to a person who is not entitled to it is guilty of a third degree felony.

(4) An insurer is not liable to any person for complying with Section 31A-22-315 by providing information to the designated agent.

(5) Neither the state nor the department's designated agent are liable to any person for gathering, managing, or using the information in the database as provided in Section 31A-22-315 and this part.