

1 **MOTOR VEHICLE INSURANCE ENFORCEMENT**

2 **AMENDMENTS**

3 2004 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Leonard M. Blackham**

6
7 **LONG TITLE**

8 **General Description:**

9 This bill modifies the Motor Vehicles Code by amending uninsured motorist
10 provisions.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ reduces the number of consecutive months that a vehicle must show on the
14 uninsured motorist database as being uninsured before the first warning letter is sent
15 to the vehicle owner;
- 16 ▶ for repeat offenders, increases the reinstatement fee for registering a vehicle after
17 the vehicle's registration is revoked for certain owner's or operator's security
18 requirements; and
- 19 ▶ makes technical changes.

20 **Monies Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 This bill takes effect on July 1, 2004.

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **41-1a-110**, as last amended by Chapter 345, Laws of Utah 2000

27 **41-1a-1220**, as last amended by Chapter 345, Laws of Utah 2000



28 **41-12a-804**, as last amended by Chapter 345, Laws of Utah 2000



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

31 Section 1. Section **41-1a-110** is amended to read:

32 **41-1a-110. Authority of division to suspend or revoke registration, certificate of**
33 **title, license plate, or permit.**

34 (1) Except as provided in Subsections (3) and (4), the division may suspend or revoke
35 a registration, certificate of title, license plate, or permit if:

36 (a) the division is satisfied that a registration, certificate of title, license plate, or permit
37 was fraudulently procured or erroneously issued;

38 (b) the division determines that a registered vehicle is mechanically unfit or unsafe to
39 be operated or moved upon the highways;

40 (c) a registered vehicle has been dismantled;

41 (d) the division determines that the required fee has not been paid and the fee is not
42 paid upon reasonable notice and demand;

43 (e) a registration decal, license plate, or permit is knowingly displayed upon a vehicle
44 other than the one for which issued;

45 (f) the division determines that the owner has committed any offense under this chapter
46 involving the registration, certificate of title, registration card, license plate, registration decal,
47 or permit; or

48 (g) the division receives notification by the Department of Transportation that the
49 owner has committed any offence under Title 72, Chapter 9, Motor Carrier Safety Act.

50 (2) The division shall revoke the registration of a vehicle if the division receives
51 notification by the:

52 (a) Department of Public Safety that a person:

53 (i) has been convicted of operating a registered motor vehicle in violation of Section
54 41-12a-301 or 41-12a-303.2; or

55 (ii) is under an administrative action taken by the Department of Public Safety for
56 operating a registered motor vehicle in violation of Section 41-12a-301; or

57 (b) designated agent that the owner of a motor vehicle:

58 (i) has failed to provide satisfactory proof of owner's or operator's security to the

59 designated agent after the second notice provided under [~~Section~~] Subsection 41-12a-804(2);
60 or

61 (ii) provided a false or fraudulent statement to the designated agent.

62 (3) The division may not suspend or revoke the registration of a vessel or outboard
63 motor unless authorized under Section 73-18-7.3.

64 (4) The division may not suspend or revoke the registration of an off-highway vehicle
65 unless authorized under Section 41-22-17.

66 (5) The division shall charge a registration reinstatement fee under Section 41-1a-1220,
67 if the registration is revoked under Subsection (1)(f) or (2).

68 Section 2. Section **41-1a-1220** is amended to read:

69 **41-1a-1220. Registration reinstatement fee.**

70 (1) At the time application is made for reinstatement or renewal of registration of a
71 motor vehicle after a revocation of the registration under Subsection 41-1a-110(2), the
72 applicant shall pay a registration reinstatement fee of:

73 (a) \$100 for a reinstatement after a vehicle owner's first revocation of registration;

74 (b) \$200 for a reinstatement after a vehicle owner's second revocation of registration
75 within one year of a prior revocation under Subsection 41-1a-110(2); and

76 (c) \$300 for a reinstatement after a vehicle owner's third or subsequent revocation of
77 registration within one year of a second revocation under Subsection 41-1a-110(2).

78 (2) The fee imposed under Subsection (1):

79 (a) is in addition to any other fee imposed under this chapter; and

80 (b) shall be deposited in the Uninsured Motorist Identification Restricted Account
81 created in Section 41-12a-806.

82 (3) The division shall waive the registration reinstatement fee imposed under this
83 section if:

84 (a) the registration was revoked under Subsection 41-1a-110(2)(b); and

85 (b) a person had owner's or operator's security in effect for the vehicle at the time of the
86 alleged violation or on the day following the time limit provided after the second notice under
87 Subsection 41-12a-804(2).

88 Section 3. Section **41-12a-804** is amended to read:

89 **41-12a-804. Notice -- Proof -- Revocation of registration -- False statements --**

90 **Penalties -- Exemptions -- Sales tax enforcement.**

91 (1) If the comparison under Section 41-12a-803 shows that a motor vehicle is not
92 insured for [~~three~~ two] consecutive months, the Motor Vehicle Division shall direct that the
93 designated agent provide notice to the owner of the motor vehicle that the owner has 15 days to
94 provide:

95 (a) proof of owner's or operator's security in a form allowed under Subsection
96 41-12a-303.2(4); or

97 (b) proof of exemption from the owner's or operator's security requirements.

98 (2) If an owner of a motor vehicle fails to provide satisfactory proof of owner's or
99 operator's security to the designated agent, the designated agent shall:

100 (a) provide a second notice to the owner of the motor vehicle that the owner now has
101 15 days to provide:

102 (i) proof of owner's or operator's security in a form allowed under Subsection
103 41-12a-303.2(4); or

104 (ii) proof of exemption from the owner's or operator's security requirements;

105 (b) for each notice provided, indicate information relating to the owner's failure to
106 provide proof of owner's or operator's security in the database; and

107 (c) provide this information to state and local law enforcement agencies as requested in
108 accordance with the provisions under Section 41-12a-805.

109 (3) The Motor Vehicle Division:

110 (a) shall revoke the registration upon receiving notification under Subsection
111 41-1a-110(2); [~~and~~]

112 (b) shall provide appropriate notices of the revocation, the legal consequences of
113 operating a vehicle with revoked registration and without owner's or operator's security and
114 instructions on how to get the registration reinstated; and

115 (c) may direct the designated agent to provide the notices under this Subsection (3).

116 (4) Any action by the Motor Vehicle Division to revoke the registration of a motor
117 vehicle under this section may be in addition to an action by a law enforcement agency to
118 impose the penalties under Section 41-12a-302 or 41-12a-303.2.

119 (5) (a) A person may not provide a false or fraudulent statement to the Motor Vehicle
120 Division or designated agent.

121 (b) In addition to any other penalties, a person who violates Subsection (5)(a) is guilty
122 of a class B misdemeanor.

123 (6) The department and the Motor Vehicle Division shall direct the designated agent to
124 exempt from this section a farm truck that:

125 (a) meets the definition of a farm truck under Section 41-1a-102; and

126 (b) is registered as a farm truck under Title 41, Chapter 1a, Motor Vehicle Act.

127 (7) This part does not affect other actions or penalties that may be taken or imposed for
128 violation of the owner's and operator's security requirements of this chapter.

129 (8) If a comparison under Section 41-12a-803 shows that a motor vehicle may not be in
130 compliance with motor vehicle registration or sales and use tax laws, the Motor Vehicle
131 Division may direct that the designated agent provide notice to the owner of a motor vehicle
132 that information exists which indicates the possible violation.

133 Section 4. **Effective date.**

134 This bill takes effect on July 1, 2004.

Legislative Review Note

as of 2-18-04 11:12 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number SB0210

Motor Vehicle Insurance Enforcement Amendments

20-Feb-04

3:32 PM

State Impact

Provisions of this bill can be handled within existing budgets.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst