

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 703

S.P. 252

In Senate, March 11, 1987

Reference to the Committee on Banking and Insurance suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate
Presented by Senator BRANNIGAN of Cumberland.
Cosponsored by Senator COLLINS of Aroostook,
Representative MACBRIDE of Presque Isle, Representative
INGRAHAM of Houlton.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-SEVEN

AN ACT to Require Maintenance of Financial
Responsibility by All Motorists.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 29 MRSA c. 9, sub-c. I, as amended, is repealed.

Sec. 2. 29 MRSA c. 9, sub-c. I-A is enacted to read;

SUBCHAPTER I-A

GENERAL FINANCIAL RESPONSIBILITY

§791. Definitions

1 As used in this subchapter, unless the context
2 otherwise indicates, the following terms have the
3 following meanings.

4 1. Certificate. "Certificate" means the certif-
5 icate of an insurance company authorized to transact
6 the business specified in Title 24-A, that it has is-
7 ssued to or for the benefit of any person a motor ve-
8 hicle liability policy covering a motor vehicle,
9 trailer or semitrailer. The insurance company or
10 surety company may, at its election, specify on the
11 certificate the expiration date of the motor vehicle
12 liability policy and, if the company elects to so
13 provide, the policy shall, on and after the date, be
14 terminated for purposes of this subchapter, unless
15 the policy or bond is previously canceled or super-
16 seded in accordance with section 794, subsection 7.
17 Where no expiration date is specified on the certifi-
18 cate, the policy or bond shall, for the purposes of
19 this subchapter, continue in effect until it is can-
20 canceled or superseded in accordance with section 794,
21 subsection 7.

22 2. Evidence of financial responsibility. "Evi-
23 dence of financial responsibility" means the informa-
24 tion required by the Secretary of State pursuant to
25 section 793 and any rules adopted by the Secretary of
26 State pursuant to this subchapter. "Evidence of fi-
27 ancial responsibility" shall be distinguished from
28 the term "proof of financial responsibility," as that
29 term is used to describe the requirement of filings
30 with the Secretary of State under this subchapter.

31 3. Judgment. "Judgment" means any judgment
32 which becomes final by expiration without appeal of
33 the time within which appeal might have been perfect-
34 ed, or by final affirmance on appeal, rendered by a
35 court of competent jurisdiction of any state of the
36 United States.

37 4. Motor vehicle liability policy. "Motor vehi-
38 cle liability policy" means a policy of liability in-
39 surance which provides indemnity for or protection to
40 the insured and any person responsible to him for the
41 operation of the insured's motor vehicle, trailer or
42 semitrailer who has obtained possession or control of
43 the motor vehicle, trailer or semitrailer with his

1 express or implied consent, against loss by reason of
2 the liability to pay damages to others for damage to
3 property, except property of others in charge of the
4 insured or his employees or bodily injuries, includ-
5 ing death at any time resulting from bodily injuries,
6 accidentally sustained during the term of the policy
7 by any person other than the insured, or employees of
8 the insured actually operating the motor vehicle or
9 of any other responsible persons who are entitled to
10 payments of benefits under any Workers' Compensation
11 Act, arising out of the ownership, operation, mainte-
12 nance, control or use within the limits of the United
13 States or Canada of the motor vehicles, trailer or
14 semitrailer, to the amount or limit of at least
15 \$20,000 on account of injury to or death of any one
16 person, and subject to such limits as respects injury
17 to or death of one person, of at least \$40,000 on ac-
18 count of any one accident resulting in injury to or
19 death of more than one person, and of at least
20 \$10,000 for damage to property of others, or a binder
21 pending the issue of that policy.

22 5. Owner. "Owner" means a person who holds the
23 legal title to a motor vehicle, trailer or semitrail-
24 er, or in the event a motor vehicle, trailer or semi-
25 trailer is the subject of an agreement for the condi-
26 tional sale or lease of the motor vehicle, trailer or
27 semitrailer with the right of purchase upon perform-
28 ance of the conditions stated in the agreement and
29 with an immediate right of possession vested in the
30 conditional vendee or lessee, or in the event a mort-
31 gagor of a motor vehicle, trailer or semitrailer is
32 entitled to possession, then that conditional vendee
33 or lessee or mortgagor shall be the owner for the
34 purposes of this subchapter.

35 6. Person. "Person" means every person, firm,
36 copartnership, association or corporation, but not
37 the State or any political subdivision of the State.

38 7. State. "State" means any state of the United
39 States, the District of Columbia or any province of
40 Canada.

41 §792. Purposes; administration; construction

1 1. Purposes. The Legislature finds that the ec-
2 onomic damage inflicted by uninsured motorists goes
3 uncompensated in many cases due to the failure of mo-
4 torists to maintain liability insurance or other
5 means to ensure just compensation for victims of ac-
6 idents. The present law condones the financial ir-
7 responsibility of these motorists until they have al-
8 ready inflicted injuries or damage for which they may
9 be unable to provide compensation. The purposes of
10 this subchapter are to:

11 A. Reduce the likelihood that financially irre-
12 sponsible motorists will operate on the State's
13 highways by instituting a requirement that motor-
14 ists provide evidence of financial responsibility,
15 satisfactory to the Secretary of State, upon
16 the request of a law enforcement officer; and

17 B. Revise the provisions regarding proof of fi-
18 nanacial responsibility to reflect the addition of
19 the separate requirement of satisfactory evidence
20 of financial responsibility.

21 2. Administration. The Secretary of State shall
22 administer and enforce this subchapter and may adopt
23 and enforce such rules as may be necessary for that
24 administration.

25 3. Construction. Unless otherwise clearly re-
26 quired by the context, this subchapter shall not be
27 construed to govern the terms of a motor vehicle lia-
28 bility insurance contract or policy, other than a
29 contract or policy certified as proof of financial
30 responsibility, where a filing of proof is required
31 by the Secretary of State.

32 §793. Requirement of providing evidence of financial
33 responsibility

34 1. Requirement. Upon request of a law enforce-
35 ment officer, the owner or operator of a motor vehi-
36 cle, trailer or semitrailer shall provide evidence of
37 financial responsibility. The officer may issue to
38 the person a verification card, as described in sub-
39 section 2, which shall be completed and returned to
40 the Secretary of State within the period of time des-
41 ignated on the card and shall contain the information

1 required on the card. If the operator is licensed to
2 operate by another state and the vehicle is regis-
3 tered in another state, evidence of financial respon-
4 sibility may not be required and no verification card
5 may be issued, except in the event of an accident re-
6 quired to be reported in accordance with section 797,
7 subsection 1.

8 2. Verification card; form. The Secretary of
9 State shall establish by rule a verification card to
10 be issued by law enforcement officials under this
11 section. The Secretary of State shall make available
12 to all law enforcement agencies in this State a sup-
13 ply of these cards. The chief executive officer of
14 every such law enforcement agency or his designee
15 shall be responsible for the further issuance of
16 these cards to individual law enforcement officers
17 and for their proper disposition.

18 3. Suspension of license or registration. The
19 Secretary of State may suspend, in accordance with
20 chapter 17, the license, right to operate and right
21 to obtain a license of any person operating a motor
22 vehicle, trailer or semitrailer, and the registration
23 certificate and registration plates and the right to
24 register of any person owning a motor vehicle, trail-
25 er or semitrailer under the following circumstances:

26 A. The Secretary of State fails to receive a
27 verification card issued under this section;

28 B. The verification card issued under this sec-
29 tion indicates that the vehicle is being operated
30 without insurance or other form of financial re-
31 sponsibility in the amounts contained in section
32 791, subsection 4; or

33 C. Due to omission of information or due to an
34 error or misrepresentation on the verification
35 card, the card fails to provide sufficient evi-
36 dence of financial responsibility as required by
37 this subchapter and rules promulgated by the Sec-
38 retary of State.

39 4. Reinstatement. The Secretary of State may,
40 pursuant to chapter 17, reinstate the license, right
41 to operate, right to obtain a license or the regis-

1 tration of a person suspended pursuant to subsection
2 3, upon presentation of evidence of financial respon-
3 sibility satisfactory to the Secretary of State and
4 payment of the required fee. Notwithstanding this
5 subsection, the Secretary of State may refuse rein-
6 statement if he requires the person to file proof of
7 financial responsibility pursuant to section 794 and
8 the person has not fulfilled that requirement.

9 §794. Proof of financial responsibility

10 1. Security and proof of financial responsibili-
11 ty may be required. Notwithstanding any other provi-
12 sion of this subchapter, the Secretary of State may
13 require any motor vehicle operator or owner to file
14 with this office proof of financial responsibility
15 for a period not to exceed 3 years from the date of
16 requirement, that period to be determined by the Sec-
17 retary of State, under any of the following condi-
18 tions:

19 A. Repeated noncompliance with section 793, sub-
20 section 1;

21 B. Accident record; or

22 C. Record of motor vehicle violations.

23 2. Amount of proof required. Proof of financial
24 responsibility means proof of ability to respond in
25 damages for any liability thereafter incurred, aris-
26 ing out of the ownership maintenance, control or use
27 of a motor vehicle, trailer or semitrailer in the
28 amount of \$20,000 because of bodily injury or death
29 to any one person, and subject to the limit respect-
30 ing one person, in the amount of \$40,000 because of
31 bodily injury to or death to 2 or more persons in any
32 one accident, and in the amount of \$10,000 because of
33 injury to and destruction of property in any one ac-
34 cident. Whenever required under this subchapter,
35 that proof in those amounts shall be furnished for
36 each motor vehicle, trailer or semitrailer registered
37 by that person, except that any trailer, semitrailer,
38 camp trailer or mobile home registered in the name of
39 any person required to file proof of financial re-
40 sponsibility, which is automatically covered by a
41 policy on any motor vehicle registered by that per-

1 son, which also provides the coverage required for a
2 motor vehicle liability policy, shall not be subject
3 to this section.

4 3. Methods of giving proof. Proof of financial
5 responsibility when required under this subchapter
6 may be given by any of the following methods:

7 A. By filing with the Secretary of State a cer-
8 tificate, as defined in section 791, subsection
9 1, of an insurance company or of a surety compa-
10 ny;

11 B. By the deposit of money or securities as pro-
12 vided in subsection 4; or

13 C. By satisfying the Secretary of State that any
14 corporation has financial ability to comply with
15 the requirements of this subchapter.

16 4. Money or securities deposited as proof. A
17 person may give proof of financial responsibility by
18 delivering to the Secretary of State a receipt from
19 the Treasurer of State showing the deposit with the
20 Treasurer of State of money or securities approved by
21 the Treasurer of State and of a market value in a to-
22 tal amount, as required for coverage in a motor vehi-
23 cle liability policy furnished by the person giving
24 proof under this subchapter. The securities shall be
25 of a type which may legally be purchased by savings
26 banks or for trust funds. All money or securities
27 deposited shall be subject to execution to satisfy
28 any judgment mentioned in this subchapter, but shall
29 not otherwise be subject to attachment or execution.

30 5. Limitation. The Treasurer of State shall not
31 accept any deposit or issue a certificate for the de-
32 posit and the Secretary of State shall not accept any
33 certificate, unless accompanied by evidence that
34 there are no unsatisfied judgments against the depos-
35 itor registered in the office of the clerk of the Su-
36 perior Court for the county where the depositor re-
37 sides.

38 6. May substitute other proof. The Secretary of
39 State shall return any certificate of insurance or
40 shall direct the Treasurer of State to return any

1 money or securities to the person entitled to the
2 money or securities upon the substitution and accept-
3 ance of other adequate proof of financial responsi-
4 bility pursuant to this subchapter.

5 7. Cancellation of policy. No motor vehicle li-
6 ability policy certified as proof of financial re-
7 sponsibility under this subchapter may be canceled by
8 an insurer until at least 10 days after notice of
9 cancellation of the insurance so certified is filed
10 in the office of the Secretary of State, except that
11 such a policy subsequently procured and certified
12 shall terminate, on the effective date of its certi-
13 fication, the insurance previously certified with re-
14 spect to any motor vehicle designated in both certif-
15 icates.

16 8. Operating without giving proof. Any person
17 whose operator's license or registration certificates
18 or other privilege to operate a motor vehicle, trail-
19 er or semitrailer has been suspended or revoked, res-
20 toration of the license or registration certificate
21 or the issuance of a new license or registration be-
22 ing contingent upon the furnishing of security or
23 proof of financial responsibility, and who, during
24 that suspension or revocation or in the absence of
25 full authorization from the Secretary of State,
26 drives any motor vehicle, trailer or semitrailer upon
27 any highway or knowingly permits any motor vehicle,
28 trailer or semitrailer owned by that person to be op-
29 erated by another upon any highway, except as permit-
30 ted under this subchapter, shall be punished as pro-
31 vided in section 2184. Where any person is required
32 under this subchapter to maintain proof of financial
33 responsibility, the Secretary of State may issue a
34 restricted license to that person, authorizing the
35 operation of any motor vehicle, trailer or semitrail-
36 er as long as the owner of the motor vehicle, trailer
37 or semitrailer shall maintain proof of financial re-
38 sponsibility.

39 §795. Policy form

40 1. Policy form. No motor vehicle liability poli-
41 cy, as defined in section 791, subsection 4, may be
42 certified as proof of financial responsibility in ac-
43 cordance with section 794 until a copy of the form of

1 the policy has been on file with the Superintendent
2 of Insurance for at least 30 days, unless, before the
3 expiration of that period, the Superintendent of In-
4 surance approves the form of the policy in writing,
5 or if the Superintendent of Insurance notifies the
6 company in writing that, in his opinion, the form of
7 the policy does not comply with the laws of the
8 State, provided that he shall notify the company in
9 writing within the period of his approval or disap-
10 approval of the policy. The Superintendent of Insur-
11 ance shall approve a form of policy which contains
12 the name and address of the insured, a description of
13 the motor vehicles, trailers or semitrailers covered,
14 with the premium charges therefor, the policy period,
15 the limits of liability and an agreement that insur-
16 ance is provided in accordance with and subject to
17 this subchapter.

18 2. Required provisions. A motor vehicle liabil-
19 ity policy certified as proof of financial responsi-
20 bility in accordance with section 794 is subject to
21 the following provisions which need not be contained
22 in the policy.

23 A. The liability of any company under a motor
24 vehicle liability policy shall become absolute
25 whenever loss or damage covered by the policy oc-
26 currs, and the satisfaction by the insured of a
27 final judgment for that loss or damage shall not
28 be a condition precedent to the right or duty of
29 the company to make payment on account of that
30 loss or damage. No such contract of insurance
31 may be canceled or annulled by any agreement be-
32 tween the company and the insured after the in-
33 sured has become responsible for the loss or dam-
34 age, and any such cancellation or annulment shall
35 be void. Upon the recovery of a final judgment
36 against any person for any loss or damage speci-
37 fied in this section, if the judgment debtor was,
38 at the accrual of the cause of action, insured
39 against liability for the loss or damage under a
40 motor vehicle liability insurance policy, the
41 judgment creditor shall be entitled to have the
42 insurance money applied to the satisfaction of
43 the judgment.

1 B. The policy, the written application for the
2 policy, if any, and any rider or endorsement
3 which shall not conflict with this subchapter
4 shall constitute the entire contract between the
5 parties.

6 C. No statement made by the insured or on his
7 behalf, and no violation of the terms of the pol-
8 icy, may operate to defeat or avoid the policy so
9 as to bar recovery within the limit provided in
10 the policy.

11 D. If the death, insolvency or bankruptcy of the
12 insured occurs within the policy period, the pol-
13 icy during the unexpired portion of that period
14 shall cover the legal representatives of the in-
15 sured. The policy shall contain such provisions
16 as are not inconsistent with this subchapter as
17 may be required by the Superintendent of Insur-
18 ance.

19 E. Damages shall not be assessed except by spe-
20 cial order of the court in a civil action, pay-
21 ment of the judgment wherein is secured by a mo-
22 tor vehicle liability policy and the defendant
23 has been defaulted for failure to enter an ap-
24 pearance until the expiration of 30 days after
25 the plaintiff has given notice of that default to
26 the company issuing or executing the policy and
27 has filed an affidavit of the policy. This no-
28 tice may be given by mailing it, postage prepaid,
29 to the company or to its agent who issued or ex-
30 ecuted the policy. Upon receipt of information
31 and having become satisfied that the insured has
32 failed to comply with the terms of his policy in
33 regard to notice to the company of an accident,
34 the Secretary of State, pursuant and subject to
35 chapter 17, shall revoke his license and regis-
36 tration for such period as the Secretary of State
37 shall determine.

38 3. Prohibition. No motor vehicle liability pol-
39 icy other than that defined in section 791 may be
40 certified as proof of financial responsibility in ac-
41 cordance with section 794, by any authorized insur-
42 ance company, except that an authorized insurance
43 company may certify what is known as a standard auto-

1 mobile liability policy containing an agreement that
2 insurance is provided in accordance with and subject
3 to this subchapter which agreement has been approved
4 by the Superintendent of Insurance.

5 §796. Judgment debtors

6 Upon receipt by the Secretary of State of a copy
7 of any judgment which has been rendered against ei-
8 ther the owner or the operator of the motor vehicle
9 involved in an accident required to be reported under
10 section 797, subsection 1, which judgment resulted
11 from a cause of action that arose from that accident,
12 the Secretary of State shall immediately suspend the
13 license pursuant to chapter 17, the right to obtain a
14 license or the right to operate of a person operating
15 who has thus become a judgment debtor, and the regis-
16 tration certificates and plates or the right to regis-
17 ter any vehicle of any person owning a motor vehi-
18 cle, trailer or semitrailer involved in the accident
19 who has become a judgment debtor, until:

20 1. Satisfied judgment. The judgment is satis-
21 fied in the following amounts:

22 A. When \$20,000 has been credited upon any judg-
23 ment or judgments rendered in excess of that
24 amount because of bodily injury to or death of
25 one person as the result of any one accident;

26 B. When, subject to such a limit of \$20,000 be-
27 cause of bodily injury to or death of one person,
28 the sum of \$40,000 has been credited upon any
29 judgment or judgments rendered in excess of that
30 amount because of bodily injury to or death of 2
31 or more persons as the result of any one acci-
32 dent; or

33 C. When \$10,000 has been credited upon any judg-
34 ment or judgments rendered in excess of that
35 amount because of injury to or destruction of
36 property of others as a result of any one acci-
37 dent.

38 Credit for these amounts shall be deemed a satisfac-
39 tion of any such judgment or judgments in excess of
40 the amounts only for the purposes of this subchapter.

1 Payments made in settlement of any claims because of
2 bodily injury, death or property damage arising from
3 a motor vehicle accident shall be credited in reduc-
4 tion of the amounts provided for in this section;

5 2. Written release. The judgment debtor or
6 debtors secure a written release, in the form re-
7 quired by the Secretary of State, from the judgment
8 creditors; or

9 3. Bankruptcy. The judgment debtor obtains re-
10 lief from the debt in bankruptcy.

11 §797. Reports

12 1. Contents of report and duty of the Chief of
13 the State Police. Where an accident on a public way,
14 or in any place where public traffic may reasonably
15 be anticipated, has resulted in bodily injury to or
16 death of any person, or in property damage to an ap-
17 parent extent of \$300 or more, the accident report
18 required by section 891 shall contain, in a form pre-
19 scribed by the Secretary of State, such additional
20 relevant information as the Secretary of State shall
21 require. The Secretary of State may rely upon the
22 accuracy of the information unless and until he has
23 reason to believe that the information is erroneous.

24 2. Verification by insurer. Upon receipt of no-
25 tice from the Secretary of State that an automobile
26 liability policy was carried at a certain time, or
27 that the liability of the owner or operator for dam-
28 ages resulting from an accident was covered by any
29 other form of insurance or bond, the insurance carri-
30 er shall notify the Secretary of State within 15
31 days, in such manner as he may require, if the policy
32 was not in effect at the time of the accident. When
33 erroneous information with respect to the existence
34 of insurance is furnished to the Secretary of State,
35 he shall take appropriate action after receiving cor-
36 rect information with respect to that coverage.

37 3. Penalty. Any person who gives information
38 required in a report or otherwise, as provided for in
39 this section, knowing or having reason to believe
40 that information is false, commits a Class E crime.

1 §798. Application of provisions to nonresidents and
2 accidents in other states

3 1. Nonresidents. The operation of a motor vehi-
4 cle, trailer or semitrailer on a public way of the
5 State by a nonresident, or with his express or im-
6 plied consent if an owner, shall be deemed equivalent
7 to an appointment by the nonresident of the Secretary
8 of State or his successor in office to be his true
9 and lawful attorney, upon whom may be served all law-
10 ful processes in any action against the nonresident
11 growing out of any accident in which he may be in-
12 involved while so operating or so permitting to be op-
13 erated a motor vehicle on such a way.

14 2. Information to home state. When a
15 nonresident's operating privilege is suspended, pur-
16 suant to section 793 or section 794, the Secretary of
17 State shall transmit a certified copy of the record
18 of the action to the official in charge of the issu-
19 ance of licenses and registration certificates in the
20 state in which the nonresident resides, if the law of
21 that state provides for action in relation thereto
22 similar to that provided for in subsection 3.

23 3. Accidents in other states. Upon receipt of
24 the certification that the operating privilege of a
25 resident of this State has been suspended or revoked
26 in any other state pursuant to a law providing for
27 its suspension or revocation for failure to provide
28 proof of financial responsibility, under circum-
29 stances which require the Secretary of State to sus-
30 pend a nonresident's operating privilege had the ac-
31 cident occurred in this State, the Secretary of State
32 may suspend the license of that resident and all reg-
33 istration certificates and registration plates. The
34 suspension may continue until that resident furnishes
35 evidence of his compliance with the law of the other
36 state and until that resident files proof of finan-
37 cial responsibility if required by that law.

38 §799. Opportunity for hearing

39 1. Desire for hearing. Any person entitled un-
40 der this subchapter to a hearing on the decision of
41 the Secretary of State in applying or invoking the
42 requirements of this subchapter shall notify the Sec-

1 retary of State in writing of his desire for a hear-
2 ing within 10 days after receipt of the requirement.
3 Pending the hearing, the requirement of the subchap-
4 ter may not be invoked. This provision shall not be
5 construed to relieve any person from the requirement
6 to provide evidence of financial responsibility as
7 provided in section 793, subsection 1.

8 2. Determination of issuance. If the Secretary
9 of State, in carrying out his responsibilities to ad-
10 minister and enforce this subchapter, holds a hearing
11 as provided in section 53 to determine whether or not
12 a motor vehicle operator's license or certificate of
13 registration should be issued to a person against
14 whom the motor vehicle financial responsibility law
15 has been invoked, he shall provide notice of the
16 hearing to the other party or parties in the accident
17 which gave rise to that law being invoked.

18 §800. Limitation and saving clause

19 This subchapter shall not be construed to prevent
20 the plaintiff in any civil action from relying upon
21 the other processes provided by law.

22 Sec. 3. Allocation. The following funds are
23 allocated from the Highway Fund to carry out the pur-
24 poses of this Act.

25 1987-88

26 SECRETARY OF STATE, DEPARTMENT OF

27 Division of Motor Vehicles

28 Positions	(10)
29 Personal Services	\$167,469
30 All Other	43,100
31 Capital Expenditures	<u>10,305</u>
32 Total	\$220,874

33 Sec. 4. Effective date. Except as provided in
34 section 3, this Act shall take effect January 1,
35 1988. Prior to the effective date of this Act, the
36 Secretary of State may promulgate rules and take any
37 other actions required or permitted under this Act in

1 order to assure that the provisions of this Act be-
2 come effective on that date.

3 STATEMENT OF FACT

4 This bill requires motorists, upon request of a
5 law enforcement officer, to provide "evidence of fi-
6 nancial responsibility." The officer is authorized
7 to issue a "verification card," provided by the Sec-
8 retary of State after rulemaking, which the motorist
9 must complete and send to the Secretary of State by
10 the specified date. If the motorists does not return
11 the card or fails to provide sufficient information
12 showing that the motorists is insured or is finan-
13 cially responsible, then the Secretary of State may
14 suspend the motorist's right to operate or register
15 vehicles until satisfactory evidence of financial re-
16 sponsibility is provided and the required fee is
17 paid.

18 Actual "proof of financial responsibility" is re-
19 quired only if a motorist repeatedly refuses to com-
20 ply with the section requiring evidence of insurance
21 or has a record of accidents or motor vehicle viola-
22 tions. "Proof of financial responsibility" is satis-
23 fied by filing a certificate from an insurance compa-
24 ny, the deposit of money or securities or other proof
25 of financial ability to comply with the law.

26 Current law allows the Secretary of State to sus-
27 pend the license of anyone convicted of violating any
28 state motor vehicle law unless the person gives proof
29 of financial responsibility in the limits of \$20,000
30 for each individual, \$40,000 for any one accident re-
31 sulting in death or injury to one or more persons,
32 and \$10,000 for the damage of property to others.
33 This proof of financial responsibility must be main-
34 tained for 3 years. Currently, if a person is in-
35 volved in an accident resulting in death, bodily in-
36 jury, or property damage of \$300 or more, then the
37 Secretary of State must suspend the license and reg-
38 istration of that person if proof of financial re-
39 sponsibility in the above amounts is not provided
40 within 30 days.

1 . This bill does not change the amounts necessary
2 to show financial responsibility, but does extend the
3 requirement of financial responsibility to all motor-
4 ists.

5

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