

CHAPTER 219

INSURANCE

HOUSE BILL 98-1213

BY REPRESENTATIVES Swenson, Bacon, G. Berry, Gotlieb, Hagedorn, Morrison, Owen, Spradley, Sullivant, Tucker, Udall, Veiga, S. Williams, T. Williams, Young, and Zimmerman; also SENATORS Arnold, Bishop, and Perlmutter.

AN ACT

CONCERNING MANDATING THAT MOTOR VEHICLE OWNERS COMPLY WITH INSURANCE REQUIREMENTS PRIOR TO REGISTERING A MOTOR VEHICLE IN COLORADO, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 42-3-105 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

42-3-105. Application for registration - tax. (1) (c) (I) THE DEPARTMENT MAY NOT REGISTER A MOTOR VEHICLE UNLESS THE APPLICANT HAS A COMPLYING MOTOR VEHICLE INSURANCE POLICY, INCLUDING AN OWNER'S POLICY OF INSURANCE UNDER SECTION 10-4-706.5, C.R.S., OR A CERTIFICATE OF SELF-INSURANCE IN FULL FORCE AND EFFECT AS REQUIRED BY SECTIONS 10-4-705 AND 10-4-716, C.R.S. THE REQUIREMENTS OF THIS PARAGRAPH (c) APPLY ONLY TO MOTOR VEHICLES CLASSIFIED AS CLASS C PERSONAL PROPERTY UNDER SECTION 42-3-106 (1) (c). THE APPLICANT SHALL PROVIDE THE DEPARTMENT WITH THE PROOF OF INSURANCE CERTIFICATE OR INSURANCE IDENTIFICATION CARD PROVIDED TO THE APPLICANT BY THE APPLICANT'S INSURER PURSUANT TO SECTION 10-4-604.5, C.R.S., OR PROVIDE PROOF OF INSURANCE IN SUCH OTHER MEDIA AS IS AUTHORIZED BY THE DEPARTMENT. NOTHING IN THIS PARAGRAPH (c) SHALL BE INTERPRETED TO PRECLUDE THE DEPARTMENT FROM ELECTRONICALLY TRANSMITTING INSURANCE INFORMATION TO DESIGNATED AGENTS PURSUANT TO SECTION 42-7-604 FOR THE PURPOSE OF ENSURING COMPLIANCE WITH MANDATORY INSURANCE REQUIREMENTS.

(II) ANY PERSON WHO KNOWINGLY PROVIDES FRAUDULENT INFORMATION OR DOCUMENTS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH (c) TO OBTAIN

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

REGISTRATION OF A MOTOR VEHICLE IS GUILTY OF A MISDEMEANOR AND IS SUBJECT TO THE CRIMINAL AND CIVIL PENALTIES PROVIDED UNDER SECTION 42-6-139 (3) AND (4).

(III) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JULY 1, 2001.

SECTION 2. 42-3-112 (3), Colorado Revised Statutes, is amended to read:

42-3-112. Records of application and registration. (3) (a) Any notice for renewal of registration shall include a notice, in type which is larger than the other information contained in the notice, which specifies that motor vehicle insurance coverage is compulsory in Colorado, that noncompliance is a misdemeanor traffic offense, that the minimum penalty for such offense is a one-hundred-dollar fine and that the maximum penalty for such offense is one year's imprisonment and a one-thousand-dollar fine, and that such owner shall be required as a condition of obtaining a renewed registration card and upon receipt of the registration card to sign the affirmation clause on such card which states "I swear or affirm under penalty of perjury that I now have in effect a complying policy of motor vehicle insurance pursuant to the "Colorado Auto Accident Reparations Act", part 7 of article 4 of title 10, C.R.S., or a certificate of self-insurance to cover the vehicle for which this registration is issued, and I understand that such insurance must be renewed so that coverage is continuous. Signature _____, Date _____."

(b) (I) THE DEPARTMENT MAY NOT RENEW THE REGISTRATION OF A MOTOR VEHICLE UNLESS THE APPLICANT HAS A COMPLYING MOTOR VEHICLE INSURANCE POLICY, INCLUDING AN OWNER'S POLICY OF INSURANCE UNDER SECTION 10-4-706.5, C.R.S., OR CERTIFICATE OF SELF-INSURANCE IN FULL FORCE AND EFFECT AS REQUIRED BY SECTIONS 10-4-705 AND 10-4-716, C.R.S. THE REQUIREMENTS OF THIS PARAGRAPH (b) APPLY ONLY TO MOTOR VEHICLES CLASSIFIED AS CLASS C PERSONAL PROPERTY UNDER SECTION 42-3-106 (1) (c). THE REGISTRATION RENEWAL CARD SHALL DIRECT THE APPLICANT TO ENCLOSE THE PROOF OF INSURANCE CERTIFICATE OR INSURANCE IDENTIFICATION CARD PROVIDED TO THE APPLICANT BY THE APPLICANT'S INSURER PURSUANT TO SECTION 10-4-604.5, C.R.S., WITH THE RENEWAL CARD OR PROVIDE PROOF OF INSURANCE IN SUCH OTHER MEDIA AS IS AUTHORIZED BY THE DEPARTMENT TO DEMONSTRATE COMPLIANCE WITH SUCH REQUIREMENTS. NOTHING IN THIS PARAGRAPH (b) SHALL BE INTERPRETED TO PRECLUDE THE DEPARTMENT FROM ELECTRONICALLY TRANSMITTING INSURANCE INFORMATION TO DESIGNATED AGENTS PURSUANT TO SECTION 42-7-604 FOR THE PURPOSE OF ENSURING COMPLIANCE WITH MANDATORY INSURANCE REQUIREMENTS.

(II) ANY PERSON WHO KNOWINGLY PROVIDES FRAUDULENT INFORMATION OR DOCUMENTS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) TO OBTAIN REGISTRATION OF A MOTOR VEHICLE IS GUILTY OF A MISDEMEANOR AND IS SUBJECT TO THE CRIMINAL AND CIVIL PENALTIES PROVIDED UNDER SECTION 42-6-139 (3) AND (4).

(III) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2001.

SECTION 3. 42-6-139 (3) and (4), Colorado Revised Statutes, are amended to read:

42-6-139. Registration - where made. (3) Any person who knowingly violates any of the provisions of subsection (2) of this section, section 42-3-103 (4) (a), SECTION 42-3-105 (1) (c) (II), SECTION 42-3-112 (3) (b) (II), section 42-6-140, or any rule or regulation of the director relating thereto made pursuant to the authority conferred upon the director in this part 1 is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of five hundred dollars.

(4) In addition to any other applicable penalty, a person who registers a motor vehicle in violation of the provisions of subsection (2) of this section, section 42-3-103 (4) (a), SECTION 42-3-105 (1) (c) (II), SECTION 42-3-112 (3) (b) (II), or section 42-6-140 shall be subject to a civil penalty of five hundred dollars. Such violation shall be determined by, and such penalty shall be assessed by and paid to, the municipality or county in which such motor vehicle IS OR should have been registered, subject to judicial review pursuant to rule 106 (a) (4) of the Colorado rules of civil procedure.

SECTION 4. 42-7-604 (3), Colorado Revised Statutes, is amended to read:

42-7-604. Motorist insurance identification database program - creation - administration - selection of designated agent - legislative declaration. (3) The motorist insurance identification database program is hereby created for the purpose of establishing a database to use when verifying compliance with the motor vehicle security requirements in this article AND IN ARTICLES 3 AND 4 OF THIS TITLE. The program shall be administered by the division.

SECTION 5. 10-1-108, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

10-1-108. Duties of commissioner - reports - publications - fees - disposition of funds - adoption of rules - repeal. (17) (a) THE COMMISSIONER SHALL UNDERTAKE EFFORTS TO INFORM THE PUBLIC REGARDING THE REQUIREMENT FOR PROVIDING PROOF OF INSURANCE PRIOR TO REGISTRATION OR RENEWAL OF REGISTRATION OF A MOTOR VEHICLE UNDER SECTIONS 42-3-105 (1) (c) AND 42-3-112 (3) (b), C.R.S. SUCH EFFORTS MAY INCLUDE STATEWIDE ADVERTISEMENTS, PUBLIC SERVICE ANNOUNCEMENTS, AND CREATION OF BROCHURES OR OTHER PUBLICATIONS.

(b) THIS SUBSECTION (17) IS REPEALED, EFFECTIVE JANUARY 1, 2000.

SECTION 6. Part 6 of article 4 of title 10, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

10-4-604.5. Issuance or renewal of insurance policies - proof of insurance provided by certificate, card, or other media. (1) IN ADDITION TO ANY OTHER REQUIREMENT, IF AN INSURER ISSUES OR RENEWS A POLICY OF INSURANCE, THE INSURER SHALL PROVIDE THE INSURED A PROOF OF INSURANCE CERTIFICATE OR INSURANCE IDENTIFICATION CARD TO ACCOMPANY THE INSURED'S REGISTRATION APPLICATION OR RENEWAL CARD OR PROVIDE PROOF OF INSURANCE IN SUCH OTHER MEDIA AS IS AUTHORIZED BY THE DEPARTMENT UNDER SECTION 42-3-105 (1) (c) OR SECTION 42-3-112 (3) (b), C.R.S. IF THE INSURED HAS AN OWNER'S POLICY OF INSURANCE UNDER SECTION 10-4-706.5, THE INSURER SHALL PROVIDE THE INSURED SUCH PROOF OF INSURANCE FOR EACH MOTOR VEHICLE OWNED BY THE INSURED.

(2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2001.

SECTION 7. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the division of insurance cash fund not otherwise appropriated, to the department of regulatory agencies, for the fiscal year beginning July 1, 1998, the sum of seventy-five thousand dollars (\$75,000), or so much thereof as may be necessary, for the implementation of this act.

SECTION 8. Effective date - applicability. (1) Sections 1, 2, 3, 4, and 6 of this act shall take effect July 1, 1999, and the remainder of this act shall take effect January 1, 1999, unless a referendum petition is filed during the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution. If such a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, shall take effect on the specified date only if approved by the people.

(2) The provisions of this act shall apply to offenses committed on or after the applicable effective date of this act.

Approved: May 22, 1998