



General Assembly

February Session, 2006

**Raised Bill No. 410**

LCO No. 1863

\*       SB00410INS      031506      \*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT INCREASING THE FINANCIAL RESPONSIBILITY LIMITS FOR  
MOTOR VEHICLE OPERATORS.**

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 14-112 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 (a) To entitle any person to receive or retain a motor vehicle  
4 operator's license or a certificate of registration of any motor vehicle  
5 when, in the opinion of the commissioner, such person has a record on  
6 file with the commissioner which is sufficient, in the opinion of the  
7 commissioner, to require evidence of financial responsibility for the  
8 reasonable protection of other persons, the commissioner shall require  
9 from such person proof of financial responsibility to satisfy any claim  
10 for damages by reason of personal injury to, or the death of, any one  
11 person, of [twenty] twenty-five thousand dollars, or by reason of  
12 personal injury to, or the death of, more than one person on account of  
13 any accident, of at least [forty] fifty thousand dollars, and for damage  
14 to property of at least [ten] twenty-five thousand dollars. When the  
15 commissioner requires proof of financial responsibility from an  
16 operator or owner of any motor vehicle, he may require proof in the

17 amounts herein specified for each vehicle operated or owned by such  
18 person. If any person fails to furnish such proof, the commissioner  
19 shall, until such proof is furnished, suspend or revoke the license of  
20 such person to operate a motor vehicle or refuse to return any license  
21 which has been suspended or revoked in accordance with the  
22 provisions of section 14-111, as amended, or suspend or revoke the  
23 registration of any such motor vehicle or vehicles or refuse thereafter  
24 to register any motor vehicle owned by such person or refuse to  
25 register any motor vehicle transferred by him if it does not appear to  
26 the commissioner's satisfaction that such transfer is a bona fide sale, or,  
27 if such person is not a resident of this state, withdraw from such  
28 person the privilege of operating any motor vehicle in this state and  
29 the privilege of operation within this state of any motor vehicle owned  
30 by him. Prior to such suspension, revocation or withdrawal, notice  
31 thereof shall be given by the commissioner by a notice forwarded by  
32 bulk certified mail to the address of such person as shown by the  
33 records of the commissioner. No appeal taken from the judgment of  
34 any court shall act as a stay to any action of the commissioner  
35 authorized by the provisions of this section.

36 (b) Such proof of financial responsibility shall be furnished as is  
37 satisfactory to the commissioner and may be evidence of the insuring  
38 of the named insured or resident relative of the named insured against  
39 loss on account of his legal liability for injury to or the death of persons  
40 and damage to property in the respective amounts provided by this  
41 section in the form of a certificate signed by any person authorized in  
42 writing by an officer of any company authorized to issue such  
43 insurance in this state or any agent of such company licensed under  
44 the provisions of section 38a-769, as amended, showing that a policy of  
45 insurance in such amounts, noncancellable except after ten days'  
46 written notice to the commissioner, has been issued to the person  
47 furnishing such proof and no insurance company or insurance agent  
48 shall refuse to make such filing of evidence of insurance during the  
49 time such insurance company has a valid policy in force covering the  
50 named insured or resident relative of the named insured and such

51 company may charge a fee not to exceed ten dollars for such filing; or  
52 such proof may be the bond of a surety company or a bond with  
53 individual surety owning real estate, which bond shall be conditioned  
54 for the payment of such amounts and shall not be cancellable except  
55 after ten days' written notice to the commissioner. Such bond shall  
56 constitute a lien in favor of the state upon the real estate of any surety,  
57 which lien shall exist in favor of any holder of a judgment on account  
58 of damage caused by the operation of such person's motor vehicle,  
59 upon the filing of notice to that effect by the commissioner in the town  
60 clerk's office in the town where such real estate is located. Such proof  
61 of financial responsibility may also be evidence presented to the  
62 commissioner of a deposit by such person with the State Treasurer of a  
63 sum of money or collateral, the amount of which money or collateral  
64 shall be determined by and shall be satisfactory to the commissioner.  
65 The State Treasurer shall accept any such deposit and issue a receipt  
66 therefor, and, if such deposit is a sum of money, the state shall pay  
67 interest thereon if so directed by the Secretary of the Office of Policy  
68 and Management at a rate not greater than the amount received by the  
69 state. The Treasurer may deposit any money so received in any  
70 incorporated savings bank located in this state. Whenever any agent of  
71 an insurance company certifies to evidence of the insuring of any  
72 person, from whom proof of financial responsibility has been required,  
73 by the company for which such agent is authorized to solicit, negotiate  
74 or effect contracts of insurance, such company shall notify the  
75 commissioner of the cancellation or termination of the policy referred  
76 to in such certificate at least ten days before the effective date of such  
77 cancellation or termination, provided such notice shall not be required  
78 if such policy is renewed by such company, and provided a policy  
79 subsequently procured and referred to in a certificate filed with the  
80 commissioner shall, on the effective date of such policy, terminate the  
81 policy referred to in any certificate previously filed with respect to any  
82 motor vehicles designated in both certificates or, in case of an  
83 operator's policy, with respect to any operator designated in both  
84 certificates. Additional evidence of financial responsibility shall be  
85 furnished the commissioner at any time upon his request therefor.

86 (c) Such bond, money or collateral shall be held by the  
87 commissioner or Treasurer, as the case may be, to satisfy any execution  
88 issued against such person in any cause arising out of damage caused  
89 by the operation of any motor vehicle owned or operated by such  
90 person. Money or collateral so deposited shall not be subject to  
91 attachment or execution unless such attachment or execution arises out  
92 of an action for damages, including personal injury or death, as a result  
93 of the operation of any motor vehicle. Any person who furnishes proof  
94 of financial responsibility by a deposit of money or collateral shall,  
95 upon the service of any writ or summons arising out of any action for  
96 damages including personal injury or death caused by the operation of  
97 any motor vehicle, give written notice of such service to the  
98 commissioner, who shall require that additional evidence of financial  
99 responsibility be furnished to satisfy any judgment in any other action.  
100 If a judgment rendered against the principal on a surety or real estate  
101 bond is not satisfied within thirty days after its rendition, the judgment  
102 creditor may, for his own use and benefit and at his sole expense, bring  
103 an action in the name of the state against the company or person  
104 executing such bond. A reasonable sum, not exceeding ten dollars,  
105 shall be charged for such investigation of the title of any surety's real  
106 estate or of collateral so deposited and of the value of the same and for  
107 the filing fee to be paid to the town clerk.

108 (d) Repealed by P.A. 73-549, S. 2, 4.

109 (e) The commissioner shall furnish any person who may have been  
110 injured in person or property by any motor vehicle, upon written  
111 request, with such information as has been furnished to him as  
112 evidence of the financial responsibility of any operator or owner of any  
113 motor vehicle.

114 (f) Any operator or any registrant whose operator's license or  
115 certificate of registration has been suspended as herein provided or  
116 whose policy of liability insurance or surety bond has been cancelled  
117 or who fails to furnish additional evidence of financial responsibility  
118 upon request of the commissioner, shall immediately return to the

119 commissioner his operator's license or certificate of registration and the  
120 number plate or plates issued thereunder. If any person fails to return  
121 to the commissioner the operator's license or certificate of registration  
122 and the number plate or plates issued thereunder as provided herein,  
123 the commissioner shall forthwith direct any motor vehicle inspector,  
124 state policeman or other police officer to secure possession thereof and  
125 to return the same to the office of the commissioner. Failure to return  
126 such operator's license or such certificate and such number plate or  
127 plates shall be an infraction.

128 (g) The commissioner may cancel such bond or return such  
129 evidence of financial responsibility or the Treasurer may, with the  
130 consent of the commissioner, return such money or collateral to the  
131 person furnishing the same, provided one year shall have elapsed from  
132 the date of the suspension of such license during which period such  
133 person has not, in the opinion of the commissioner, violated any  
134 provision of the motor vehicle laws referred to in subsection (a) of this  
135 section. The commissioner may direct the return of any money or  
136 collateral to the person who furnished the same upon the acceptance  
137 and substitution of other evidence of financial responsibility or at any  
138 time after one year from the expiration of any registration or license  
139 issued to such person.

140 (h) Any person who forges or, without authority, signs any  
141 evidence of financial responsibility required by the commissioner in  
142 the administration of this section shall be fined not less than one  
143 hundred dollars or imprisoned not more than thirty days or both.

144 (i) Any person from whom proof of financial responsibility has been  
145 required may, at the end of twelve months, apply to the commissioner  
146 for removal of such requirements in a manner as determined by the  
147 commissioner. The commissioner or his authorized representative may  
148 make such further investigation as may be deemed necessary and,  
149 upon being satisfied that such applicant is entitled to such elimination  
150 of financial requirements, may eliminate the same.

151 (j) To entitle any person to receive or retain a motor vehicle  
152 operator's license or a certificate of registration of any motor vehicle  
153 when, in the opinion of the commissioner, such person has violated  
154 any of the provisions of the following-named sections and subsections:  
155 Section 14-44, as amended, section 14-80h, as amended, or 14-80i,  
156 sections 14-110, 14-147, 14-217, 14-219, sections 14-228, 14-275 to 14-281,  
157 inclusive, or subdivision (1) of subsection (a) of section 53a-123 or any  
158 similar provision of the laws of any other state or any territory, or who  
159 has been convicted of, or has forfeited any bond taken for appearance  
160 for, or has received a suspended judgment or sentence for, a violation  
161 of any of said provisions, or a violation of any of the provisions of  
162 sections 14-230 to 14-247, inclusive, and 38a-371, as amended, within a  
163 twelve-month period following a violation of any of said sections, the  
164 commissioner may require from such person proof of financial  
165 responsibility to satisfy any claim for damages by reason of personal  
166 injury to, or the death of, any one person, of [twenty] twenty-five  
167 thousand dollars, or by reason of personal injury to, or the death of,  
168 more than one person on account of any accident, of at least [forty]  
169 fifty thousand dollars, and for damage to property of at least [ten]  
170 twenty-five thousand dollars. When the commissioner requires proof  
171 of financial responsibility from an operator or owner of any motor  
172 vehicle, he may require proof in the amounts herein specified for each  
173 vehicle operated or owned by such person. If any person fails to  
174 furnish such proof, the commissioner shall, until such proof is  
175 furnished, suspend or revoke the license of such person to operate a  
176 motor vehicle or refuse to return any license which has been  
177 suspended or revoked in accordance with the provisions of section 14-  
178 111, as amended, or suspend or revoke the registration of any such  
179 motor vehicle or vehicles or refuse thereafter to register any motor  
180 vehicle owned by such person or refuse to register any motor vehicle  
181 transferred by him if it does not appear to the commissioner's  
182 satisfaction that such transfer is a bona fide sale, or, if such person is  
183 not a resident of this state, withdraw from such person the privilege of  
184 operating any motor vehicle in this state and the privilege of operation  
185 within this state of any motor vehicle owned by him. Prior to such

186 suspension, revocation or withdrawal, notice thereof shall be given by  
187 the commissioner by a notice forwarded by bulk certified mail to the  
188 address of such person as shown by the records of the commissioner.  
189 No appeal taken from the judgment of any court shall act as a stay to  
190 any action of the commissioner authorized by the provisions of this  
191 section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	14-112

**INS**      *Joint Favorable*