



General Assembly

February Session, 2008

Raised Bill No. 5515

LCO No. 1609

* HB05515INS 031108 *

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT INCREASING THE FINANCIAL RESPONSIBILITY LIMITS FOR MOTOR VEHICLES.

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 Section 14-112 of the general statutes is repealed and the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 January 1, 2009*):

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 thousand dollars, or by reason of personal injury to,
12 or the death of, more than one person on account of any accident, of at
13 least forty thousand dollars, and for damage to property of at least ten
14 thousand dollars. On and after January 1, 2009, the commissioner shall
15 require from such person proof of financial responsibility to satisfy any
16 claim for damages by reason of personal injury to, or the death of, any

17 one person, of twenty-five thousand dollars, or by reason of personal
18 injury to, or the death of, more than one person on account of any
19 accident, of at least fifty thousand dollars, and for damage to property
20 of at least twenty-five thousand dollars, except that if proof of financial
21 responsibility is evidenced by a policy of insurance as described in
22 subsection (b) of this section, the commissioner shall require such
23 proof in such amounts in a policy delivered, issued for delivery or
24 renewed on or after January 1, 2009. When the commissioner requires
25 proof of financial responsibility from an operator or owner of any
26 motor vehicle, he may require proof in the amounts herein specified
27 for each vehicle operated or owned by such person. If any person fails
28 to furnish such proof, the commissioner shall, until such proof is
29 furnished, suspend or revoke the license of such person to operate a
30 motor vehicle or refuse to return any license which has been
31 suspended or revoked in accordance with the provisions of section 14-
32 111 or suspend or revoke the registration of any such motor vehicle or
33 vehicles or refuse thereafter to register any motor vehicle owned by
34 such person or refuse to register any motor vehicle transferred by him
35 if it does not appear to the commissioner's satisfaction that such
36 transfer is a bona fide sale, or, if such person is not a resident of this
37 state, withdraw from such person the privilege of operating any motor
38 vehicle in this state and the privilege of operation within this state of
39 any motor vehicle owned by him. Prior to such suspension, revocation
40 or withdrawal, notice thereof shall be given by the commissioner by a
41 notice forwarded by bulk certified mail to the address of such person
42 as shown by the records of the commissioner. No appeal taken from
43 the judgment of any court shall act as a stay to any action of the
44 commissioner authorized by the provisions of this section.

45 (b) Such proof of financial responsibility shall be furnished as is
46 satisfactory to the commissioner and may be evidence of the insuring
47 of the named insured or resident relative of the named insured against
48 loss on account of his legal liability for injury to or the death of persons
49 and damage to property in the respective amounts provided by this
50 section in the form of a certificate signed by any person authorized in

51 writing by an officer of any company authorized to issue such
52 insurance in this state or any agent of such company licensed under
53 the provisions of section 38a-769, showing that a policy of insurance in
54 such amounts, noncancellable except after ten days' written notice to
55 the commissioner, has been issued to the person furnishing such proof
56 and no insurance company or insurance agent shall refuse to make
57 such filing of evidence of insurance during the time such insurance
58 company has a valid policy in force covering the named insured or
59 resident relative of the named insured and such company may charge
60 a fee not to exceed ten dollars for such filing; or such proof may be the
61 bond of a surety company or a bond with individual surety owning
62 real estate, which bond shall be conditioned for the payment of such
63 amounts and shall not be cancellable except after ten days' written
64 notice to the commissioner. Such bond shall constitute a lien in favor of
65 the state upon the real estate of any surety, which lien shall exist in
66 favor of any holder of a judgment on account of damage caused by the
67 operation of such person's motor vehicle, upon the filing of notice to
68 that effect by the commissioner in the town clerk's office in the town
69 where such real estate is located. Such proof of financial responsibility
70 may also be evidence presented to the commissioner of a deposit by
71 such person with the State Treasurer of a sum of money or collateral,
72 the amount of which money or collateral shall be determined by and
73 shall be satisfactory to the commissioner. The State Treasurer shall
74 accept any such deposit and issue a receipt therefor, and, if such
75 deposit is a sum of money, the state shall pay interest thereon if so
76 directed by the Secretary of the Office of Policy and Management at a
77 rate not greater than the amount received by the state. The Treasurer
78 may deposit any money so received in any incorporated savings bank
79 located in this state. Whenever any agent of an insurance company
80 certifies to evidence of the insuring of any person, from whom proof of
81 financial responsibility has been required, by the company for which
82 such agent is authorized to solicit, negotiate or effect contracts of
83 insurance, such company shall notify the commissioner of the
84 cancellation or termination of the policy referred to in such certificate
85 at least ten days before the effective date of such cancellation or

86 termination, provided such notice shall not be required if such policy
87 is renewed by such company, and provided a policy subsequently
88 procured and referred to in a certificate filed with the commissioner
89 shall, on the effective date of such policy, terminate the policy referred
90 to in any certificate previously filed with respect to any motor vehicles
91 designated in both certificates or, in case of an operator's policy, with
92 respect to any operator designated in both certificates. Additional
93 evidence of financial responsibility shall be furnished the
94 commissioner at any time upon his request therefor.

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

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

118 (e) The commissioner shall furnish any person who may have been

119 injured in person or property by any motor vehicle, upon written
120 request, with such information as has been furnished to him as
121 evidence of the financial responsibility of any operator or owner of any
122 motor vehicle.

123 (f) Any operator or any registrant whose operator's license or
124 certificate of registration has been suspended as herein provided or
125 whose policy of liability insurance or surety bond has been cancelled
126 or who fails to furnish additional evidence of financial responsibility
127 upon request of the commissioner, shall immediately return to the
128 commissioner his operator's license or certificate of registration and the
129 number plate or plates issued thereunder. If any person fails to return
130 to the commissioner the operator's license or certificate of registration
131 and the number plate or plates issued thereunder as provided herein,
132 the commissioner shall forthwith direct any motor vehicle inspector,
133 state policeman or other police officer to secure possession thereof and
134 to return the same to the office of the commissioner. Failure to return
135 such operator's license or such certificate and such number plate or
136 plates shall be an infraction.

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

149 (h) Any person who forges or, without authority, signs any
150 evidence of financial responsibility required by the commissioner in
151 the administration of this section shall be fined not less than one

152 hundred dollars or imprisoned not more than thirty days or both.

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

160 (j) To entitle any person to receive or retain a motor vehicle
161 operator's license or a certificate of registration of any motor vehicle
162 when, in the opinion of the commissioner, such person has violated
163 any of the provisions of the following-named sections and subsections:
164 Section 14-44, section 14-80h or 14-80i, sections 14-110, 14-147, 14-217,
165 14-219, sections 14-228, 14-275 to 14-281, inclusive, or subdivision (1) of
166 subsection (a) of section 53a-123 or any similar provision of the laws of
167 any other state or any territory, or who has been convicted of, or has
168 forfeited any bond taken for appearance for, or has received a
169 suspended judgment or sentence for, a violation of any of said
170 provisions, or a violation of any of the provisions of sections 14-230 to
171 14-247, inclusive, and 38a-371, within a twelve-month period following
172 a violation of any of said sections, the commissioner may require from
173 such person proof of financial responsibility to satisfy any claim for
174 damages by reason of personal injury to, or the death of, any one
175 person, of twenty thousand dollars, or by reason of personal injury to,
176 or the death of, more than one person on account of any accident, of at
177 least forty thousand dollars, and for damage to property of at least ten
178 thousand dollars. On and after January 1, 2009, the commissioner shall
179 require from such person proof of financial responsibility to satisfy any
180 claim for damages by reason of personal injury to, or the death of, any
181 one person, of twenty-five thousand dollars, or by reason of personal
182 injury to, or the death of, more than one person on account of any
183 accident, of at least fifty thousand dollars, and for damage to property
184 of at least twenty-five thousand dollars, except that if proof of financial

185 responsibility is evidenced by a policy of insurance as described in
186 subsection (b) of this section, the commissioner shall require such
187 proof in such amounts in a policy delivered, issued for delivery or
188 renewed on or after January 1, 2009. When the commissioner requires
189 proof of financial responsibility from an operator or owner of any
190 motor vehicle, he may require proof in the amounts herein specified
191 for each vehicle operated or owned by such person. If any person fails
192 to furnish such proof, the commissioner shall, until such proof is
193 furnished, suspend or revoke the license of such person to operate a
194 motor vehicle or refuse to return any license which has been
195 suspended or revoked in accordance with the provisions of section 14-
196 111 or suspend or revoke the registration of any such motor vehicle or
197 vehicles or refuse thereafter to register any motor vehicle owned by
198 such person or refuse to register any motor vehicle transferred by him
199 if it does not appear to the commissioner's satisfaction that such
200 transfer is a bona fide sale, or, if such person is not a resident of this
201 state, withdraw from such person the privilege of operating any motor
202 vehicle in this state and the privilege of operation within this state of
203 any motor vehicle owned by him. Prior to such suspension, revocation
204 or withdrawal, notice thereof shall be given by the commissioner by a
205 notice forwarded by bulk certified mail to the address of such person
206 as shown by the records of the commissioner. No appeal taken from
207 the judgment of any court shall act as a stay to any action of the
208 commissioner authorized by the provisions of this section.

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|---|------------------------|--------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>January 1, 2009</i> | 14-112 |

INS *Joint Favorable*