



House of Representatives

File No. 800

General Assembly

January Session, 2017

(Reprint of File No. 216)

House Bill No. 5963
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 26, 2017

***AN ACT INCREASING THE MINIMUM AMOUNT OF INSURANCE
COVERAGE REQUIRED TO ISSUE A MOTOR VEHICLE OPERATOR'S
LICENSE OR CERTIFICATE OF MOTOR VEHICLE REGISTRATION.***

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 Section 14-112 of the general statutes is repealed and the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, 2018, and*
3 *applicable to automobile liability insurance policies delivered, issued for*
4 *delivery, renewed, amended or endorsed in this state on or after January 1,*
5 *2018*):

6 (a) To entitle any person to receive or retain a motor vehicle
7 operator's license or a certificate of registration of any motor vehicle
8 when, in the opinion of the commissioner, such person has a record on
9 file with the commissioner which is sufficient, in the opinion of the
10 commissioner, to require evidence of financial responsibility for the
11 reasonable protection of other persons, the commissioner shall require
12 from such person proof of financial responsibility to satisfy any claim
13 for damages by reason of personal injury to, or the death of, any one
14 person, of [twenty] twenty-five thousand dollars, or by reason of

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

39 (b) Such proof of financial responsibility shall be furnished as is
40 satisfactory to the commissioner and may be evidence of the insuring
41 of the named insured or resident relative of the named insured against
42 loss on account of [his] legal liability of the named insured or resident
43 relative of the named insured for injury to or the death of persons and
44 damage to property in the respective amounts provided by this section
45 in the form of a certificate signed by any person authorized in writing
46 by an officer of any company authorized to issue such insurance in this
47 state or any agent of such company licensed under the provisions of
48 section 38a-769, showing that a policy of insurance in such amounts,

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

84 shall, on the effective date of such policy, terminate the policy referred
85 to in any certificate previously filed with respect to any motor vehicles
86 designated in both certificates or, in case of an operator's policy, with
87 respect to any operator designated in both certificates. Additional
88 evidence of financial responsibility shall, upon request by the
89 commissioner, be furnished to the commissioner. [at any time upon his
90 request therefor.]

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

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

115 (e) The commissioner shall furnish any person who may have been
116 injured in person or property by any motor vehicle, upon written

117 request, with such information as has been furnished to [him] the
118 commissioner as evidence of the financial responsibility of any
119 operator or owner of any motor vehicle.

120 (f) Any operator or any registrant whose operator's license or
121 certificate of registration has been suspended as herein provided or
122 whose policy of liability insurance or surety bond has been cancelled
123 or who fails to furnish additional evidence of financial responsibility
124 upon request of the commissioner, shall immediately return to the
125 commissioner such operator's certificate of registration and the
126 number plate or plates issued thereunder. Failure to return such
127 certificate and such number plate or 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 guilty of a class D
143 misdemeanor.

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] the commissioner's
148 authorized representative may make such further investigation as may

149 be deemed necessary and, upon being satisfied that such applicant is
150 entitled to such elimination of financial requirements, may eliminate
151 the same.

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

183 such person is not a resident of this state, withdraw from such person
184 the privilege of operating any motor vehicle in this state and the
185 privilege of operation within this state of any motor vehicle owned by
186 [him] such person. Prior to such suspension, revocation or withdrawal,
187 notice thereof shall be given by the commissioner by a notice
188 forwarded by bulk certified mail to the address of such person as
189 shown by the records of the commissioner. No appeal taken from the
190 judgment of any court shall act as a stay to any action of the
191 commissioner authorized by the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2018, and applicable to automobile liability insurance policies delivered, issued for delivery, renewed, amended or endorsed in this state on or after January 1, 2018</i>	14-112

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 18 \$	FY 19 \$
Motor Vehicle Dept.	TF - Revenue Impact	Minimal	Minimal
Resources of the Special Transportation Fund	TF - Revenue Impact	Minimal	Minimal

Note: TF=Transportation Fund

Municipal Impact: None

The bill as amended increases the insurance an individual must maintain to receive or retain a driver's license and motor vehicle registration. This is anticipated to result in a potential minimal revenue impact dependent on the number of individuals obtaining motor vehicle licenses and registrations and fines related to uninsured driving violations.

House "A" struck the underlying bill and its associated fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of uninsured driving violations.

OLR Bill Analysis**HB 5963 (as amended by House "A")******AN ACT CONCERNING TREATMENT OR CARE PROVIDED BY RELIGIOUS NONMEDICAL PROVIDERS UNDER HEALTH INSURANCE POLICIES OR HEALTH BENEFIT PLANS.*****SUMMARY**

This bill increases the financial security (e.g., insurance) a person must maintain to receive or retain a driver's license or motor vehicle registration. State law requires a driver to maintain a minimum amount of auto insurance, including liability and uninsured and underinsured motorist (UI/UM) coverage. Liability coverage covers bodily injury to other people and property damage.

Current law requires minimum liability coverage of \$20,000 per person and \$40,000 per accident for bodily injury and \$10,000 per accident for property damage. The bill increases these minimums to \$25,000, \$50,000, and \$25,000, respectively. In doing so, it also increases the minimum amount of UI/UM coverage required from \$20,000 per person and \$40,000 per accident to \$25,000 and \$50,000, respectively. UI/UM coverage covers bodily injury to the vehicle owner, relatives living with the owner, and passengers injured in an accident caused by (1) an uninsured driver, (2) a driver whose bodily injury liability coverage limits are insufficient, or (3) a hit-and-run driver.

*House Amendment "A" replaces the underlying bill, which allowed health carriers to include religious nonmedical providers in their provider networks.

EFFECTIVE DATE: January 1, 2018 and applicable to policies delivered, issued, renewed, amended, or endorsed in Connecticut on and after that date.

BACKGROUND***Penalties for Driving without Insurance***

By law, a person is subject to penalties for (1) operating a vehicle without insurance (CGS § 14-213b), (2) failing to maintain insurance (CGS § 38a-371), and (3) failing to carry proof of insurance (CGS § 14-13). In addition, the person's vehicle registration and driver's license may be suspended for failing to maintain insurance and an uninsured vehicle may be impounded if it has a suspended registration (CGS §§ 14-12g and 14-12h).

A person who operates a vehicle without the required insurance is subject to a fine between \$100 and \$1,000. However, an owner of a vehicle with a commercial registration who knowingly operates or permits the operation of the vehicle without the required insurance commits a class D felony (which carries a fine of up to \$5,000, imprisonment for up to five years, or both). Failing to maintain insurance as required by law is a class C misdemeanor (which carries a fine of up to \$500, imprisonment for up to three months, or both). Failing to carry proof of insurance in a vehicle is an infraction subject to a \$50 fine.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 20 Nay 0 (03/07/2017)