OLR Bill Analysis
HB 7171

AN ACT CONCERNING THE ONLINE INSURANCE VERIFICATION SYSTEM AND NOTICES REGARDING PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE POLICIES.

SUMMARY

By law, the online insurance verification system established by the Department of Motor Vehicles (“DMV”) allows law enforcement and other authorized government agencies to verify that a vehicle owner or operator has obtained and continuously maintains the insurance coverage required by law.

This bill requires the system to provide for real-time verification to authorized users. Existing law already requires (1) insurers to create online services that are accessible through the system in order to verify a vehicle’s insurance in real time and (2) the system to allow law enforcement real-time access to the system’s database (CGS § 14-112a(d), (e)).

The bill requires insurers to submit to DMV, in real time rather than at least monthly as under current law, records of each active insurance policy for vehicles registered or garaged in the state. As under existing law, for commercial fleet policies, insurers may provide a fleet policy number that covers their insured vehicles.

Under the bill, the DMV commissioner may also require insurers to submit to DMV in real time, rather than at least monthly, (1) information on policy issuances, additions, and cancellations and (2) the policy information required for the online verification system.

The bill correspondingly requires DMV, in real time rather than at least monthly, to (1) update the system’s database with the records provided by insurers, (2) match the department’s vehicle and owner
information with the submitted records, and (3) compare all current vehicle registrations with the insurers’ records.

The bill also makes technical changes.

EFFECTIVE DATE: October 1, 2019

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable
Yea 19  Nay 1  (03/14/2019)