

Senate, March 30, 1998. The Committee on Insurance and Real Estate reported through SEN. BOZEK, 6th DIST., Chairman of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING UNINSURED MOTORISTS.

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

1 Section 1. Section 14-12g of the general  
2 statutes is repealed and the following is  
3 substituted in lieu thereof:

4 (a) When a private passenger motor vehicle  
5 liability insurance policy has been cancelled and  
6 the Commissioner of Motor Vehicles [has  
7 determined] DETERMINES that the owner of a  
8 registered motor vehicle is in violation of the  
9 mandatory security requirements of sections 14-12c  
10 and 38a-371, the commissioner shall issue to such  
11 owner a notice of cancellation of the registration  
12 involved. THE NOTICE SHALL CONTAIN A STATEMENT, IN  
13 NOT LESS THAN FOURTEEN POINT TYPE, THAT AFTER SUCH  
14 CANCELLATION OF REGISTRATION IS FINAL AND  
15 EFFECTIVE SUCH MOTOR VEHICLE SHALL BE SUBJECT TO  
16 SEIZURE, IMPOUNDMENT AND POTENTIAL FORFEITURE IF  
17 OBSERVED BEING OPERATED UPON THE PUBLIC HIGHWAY OR  
18 IF OBSERVED PARKED IN ANY PARKING AREA, AS DEFINED  
19 IN SECTION 14-212. Such cancellation shall be  
20 final and effective fourteen days from the date of  
21 mailing of such notice. If a registered owner to  
22 whom such notice of cancellation was issued  
23 contends that, notwithstanding the determination

24 of the Commissioner of Motor Vehicles, he has  
25 continuously maintained required coverage  
26 throughout the period of his registration, such  
27 owner may contact the Department of Motor Vehicles  
28 by telephone at a special number to be provided,  
29 not less than two days before the effective date  
30 of the cancellation of the registration to request  
31 an administrative hearing to be conducted in  
32 accordance with the provisions of chapter 54. Upon  
33 such request, the cancellation of the registration  
34 shall be stayed pending the final decision. The  
35 hearing shall be scheduled promptly and shall be  
36 strictly limited to the issues of (1) whether the  
37 respondent is the registered owner of the motor  
38 vehicle or vehicles subject to the mandatory  
39 security requirements, and (2) whether the  
40 respondent has failed to continuously maintain the  
41 required insurance coverage throughout the  
42 registration period. Unless the Commissioner of  
43 Motor Vehicles or his designated hearing officer  
44 finds in the negative on one of the hearing  
45 issues, the cancellation of the registration shall  
46 be affirmed. The Commissioner of Motor Vehicles  
47 shall render a final decision and shall mail such  
48 decision to the respondent not more than thirty  
49 days after the conclusion of the hearing. The  
50 cancellation of registration shall be effective  
51 three days after the date of the mailing of the  
52 final decision.

53 (b) IF A REGISTERED OWNER TO WHOM NOTICE OF  
54 CANCELLATION WAS ISSUED PURSUANT TO SUBSECTION (a)  
55 OF THIS SECTION DOES NOT CONTEST THE DETERMINATION  
56 THAT HE HAS FAILED TO MAINTAIN MANDATORY SECURITY,  
57 AND IF HE IS PREPARED TO FURNISH EVIDENCE THAT HE  
58 HAS SUCH MANDATORY SECURITY, THE COMMISSIONER MAY,  
59 UPON THE OWNER'S PRESENTATION OF SATISFACTORY  
60 EVIDENCE AND PAYMENT OF A CIVIL PENALTY OF ONE  
61 HUNDRED DOLLARS, ENTER INTO A CONSENT AGREEMENT  
62 WITH THE OWNER. THE CONSENT AGREEMENT SHALL  
63 PROVIDE THAT THE REGISTRATION OF THE MOTOR VEHICLE  
64 SHALL NOT BE CANCELLED PURSUANT TO SUBSECTION (a)  
65 OF THIS SECTION UNLESS (1) THE COMMISSIONER  
66 DETERMINES THAT ON OR AFTER THE EFFECTIVE DATE OF  
67 THE CONSENT AGREEMENT THE OWNER FAILED TO  
68 CONTINUOUSLY MAINTAIN THE REQUIRED SECURITY AND  
69 (2) THE OWNER CANNOT ESTABLISH TO THE SATISFACTION  
70 OF THE COMMISSIONER THAT HE CONTINUOUSLY  
71 MAINTAINED THE REQUIRED SECURITY AFTER SAID

72 EFFECTIVE DATE. SUCH CONSENT AGREEMENT SHALL NOT  
73 OPERATE TO PREVENT THE COMMISSIONER FROM  
74 CANCELLING, SUSPENDING OR REVOKING A REGISTRATION  
75 PURSUANT TO ANY OTHER PROVISION OF THE GENERAL  
76 STATUTES.

77 [(b)] (c) The Commissioner of Motor Vehicles  
78 may suspend the motor vehicle operator's license  
79 of any person whose registration has been  
80 cancelled in accordance with the provisions of  
81 subsection (a) of this section, and who, within  
82 thirty days of the date of such cancellation, has  
83 not returned the number plate or plates and  
84 registration certificate or obtained a new  
85 registration for or transferred ownership of the  
86 motor vehicle. Any person aggrieved by the  
87 decision of the commissioner to suspend his  
88 license under this subsection shall, prior to the  
89 effective date of such suspension, be afforded an  
90 opportunity for a hearing in accordance with the  
91 provisions of chapter 54.

92 Sec. 2. Section 14-12h of the general  
93 statutes, as amended by section 1 of public act  
94 97-226, is repealed and the following is  
95 substituted in lieu thereof:

96 (a) The Commissioner of Motor Vehicles shall  
97 compile and maintain a record of all registrations  
98 cancelled in accordance with the provisions of  
99 sections 14-12c and 14-12f to 14-12k, inclusive,  
100 AS AMENDED BY THIS ACT, 38a-343 and 38a-343a. The  
101 commissioner shall update the information  
102 contained in such record not less than once per  
103 week and shall make available to all law  
104 enforcement agencies in this state a list of all  
105 registration number plates for vehicles whose  
106 registration has been cancelled. Such list shall  
107 contain the number plate numbers, letters or  
108 number and letter combinations and the address at  
109 which the vehicle was registered. The commissioner  
110 may make available the entire list or a portion  
111 thereof and may utilize one or more formats for  
112 presenting the information contained therein to  
113 facilitate its use.

114 (b) (1) If any police officer observes a  
115 motor vehicle being operated upon the public  
116 highway, and such motor vehicle is displaying  
117 registration number plates identified as cancelled  
118 on the list made available by the commissioner,  
119 such police officer may (A) stop or detain such

120 vehicle and its occupants, [and may proceed to]  
121 (B) issue to the operator an infractions complaint  
122 for operating an unregistered motor vehicle, or  
123 expired registration if the vehicle is not being  
124 operated, in violation of section 14-12, AND (C)  
125 [. Such police officer is further authorized to]  
126 remove the registration number plates from the  
127 vehicle and [to] return them to any branch office  
128 of the Department of Motor Vehicles. If any police  
129 officer, sheriff, deputy sheriff, motor vehicle  
130 inspector or constable observes a motor vehicle  
131 parked in any parking area, as defined in section  
132 14-212, and such motor vehicle is displaying  
133 registration number plates identified as cancelled  
134 on the list made available by the commissioner,  
135 such police officer, sheriff, deputy sheriff,  
136 motor vehicle inspector or constable is authorized  
137 to remove the registration number plates from the  
138 vehicle and to return them to any branch office of  
139 the Department of Motor Vehicles. If a number  
140 plate is identified as cancelled on the list  
141 provided by the commissioner and such  
142 identification is in error, the state shall  
143 indemnify any police officer, sheriff, deputy  
144 sheriff, motor vehicle inspector or constable for  
145 any claim for damages made against that individual  
146 as a result of his good faith reliance on the  
147 accuracy of the list provided by the commissioner  
148 regarding the confiscation of number plates.

149 (2) IF ANY POLICE OFFICER OBSERVES A MOTOR  
150 VEHICLE BEING OPERATED UPON THE PUBLIC HIGHWAY OR  
151 PARKED IN ANY PARKING AREA, AS DEFINED IN SECTION  
152 14-212, DISPLAYING REGISTRATION NUMBER PLATES  
153 IDENTIFIED ON THE LIST MADE AVAILABLE BY THE  
154 COMMISSIONER AS BEING CANCELLED, SUCH POLICE  
155 OFFICER MAY SEIZE AND IMPOUND THE VEHICLE. IF A  
156 POLICE OFFICER SEIZES AND IMPOUNDS A VEHICLE  
157 PURSUANT TO THIS SUBDIVISION, HE SHALL GIVE NOTICE  
158 TO THE COMMISSIONER IN SUCH FORM AS THE  
159 COMMISSIONER MAY REQUIRE. THE POLICE OFFICER SHALL  
160 GIVE SUCH NOTICE NOT LATER THAN THREE DAYS AFTER  
161 SEIZING AND IMPOUNDING THE VEHICLE.

162 (c) The owner of any motor vehicle whose  
163 registration has been cancelled in accordance with  
164 the provisions of sections 14-12c and 14-12f to  
165 14-12k, inclusive, AS AMENDED BY THIS ACT, 38a-343  
166 and 38a-343a, shall not be eligible to obtain a  
167 new registration for a vehicle, or a new or

168 renewal registration for any motor vehicle in his  
169 name until such owner appears personally at an  
170 office of the Department of Motor Vehicles and (1)  
171 completes an application for registration, (2)  
172 furnishes proof of insurance, in accordance with  
173 section 14-12b, (3) furnishes proof of financial  
174 responsibility for not less than one year, in  
175 accordance with section 14-112, and (4) pays to  
176 the Commissioner of Motor Vehicles a restoration  
177 fee of [one hundred dollars,] THE AGGREGATE OF TWO  
178 HUNDRED FIFTY DOLLARS FOR THE FIRST THIRTY-ONE  
179 DAYS SUCH REGISTRATION IS CANCELLED, OR ANY  
180 PORTION THEREOF, AND TEN DOLLARS FOR EACH  
181 ADDITIONAL DAY SUCH REGISTRATION IS CANCELLED, NOT  
182 TO EXCEED NINETY DAYS OR EIGHT HUNDRED FORTY  
183 DOLLARS, as required by section 14-50b, AS AMENDED  
184 BY THIS ACT, in addition to any other fees  
185 required to obtain new registration and number  
186 plates. In addition, if the number plates of the  
187 vehicle whose registration was cancelled has been  
188 confiscated, the owner of such motor vehicle shall  
189 pay an additional confiscation fee of fifty  
190 dollars. Such confiscation fee shall be collected  
191 from the owner of the motor vehicle and remitted  
192 by the commissioner to the sheriff, deputy sheriff  
193 or constable who confiscated the number plates or,  
194 if the plates were confiscated by a police  
195 officer, such confiscation fee shall be remitted  
196 to the governmental entity which employed such  
197 officer at the time of the confiscation and shall  
198 be deposited in the Asset Forfeiture Fund. In the  
199 event there is no such fund, such confiscation fee  
200 shall be deposited in the general fund of such  
201 entity.

202 (d) THE OWNER OF ANY MOTOR VEHICLE WHICH HAS  
203 BEEN IMPOUNDED IN ACCORDANCE WITH THE PROVISIONS  
204 OF SUBDIVISION (2) OF SUBSECTION (b) OF THIS  
205 SECTION SHALL NOT BE ELIGIBLE TO REGAIN POSSESSION  
206 OF THE VEHICLE UNTIL HE COMPLIES WITH THE  
207 REQUIREMENTS OF SUBSECTION (c) OF THIS SECTION.  
208 ANY SUCH MOTOR VEHICLE WHICH IS IMPOUNDED FOR MORE  
209 THAN FORTY-FIVE DAYS SHALL BE SUBJECT TO  
210 FORFEITURE TO THE STATE.

211 Sec. 3. Section 14-50b of the general  
212 statutes is repealed and the following is  
213 substituted in lieu thereof:

214 (a) Any person whose operator's license or  
215 right to operate a motor vehicle in this state has

216 been suspended or revoked by the Commissioner of  
217 Motor Vehicles, or who has been disqualified from  
218 operating a commercial motor vehicle; shall pay a  
219 restoration fee of one hundred dollars to said  
220 commissioner prior to the issuance to such person  
221 of a new operator's license or the restoration of  
222 such operator's license or such privilege to  
223 operate a motor vehicle or commercial motor  
224 vehicle. Such restoration fee shall be in addition  
225 to any other fees provided by law.

226 (b) (1) EXCEPT AS PROVIDED IN SUBDIVISION (2)  
227 OF THIS SUBSECTION ANY [Any] person whose motor  
228 vehicle registration or right of operation of a  
229 motor vehicle in this state has been suspended or  
230 revoked by the Commissioner of Motor Vehicles  
231 shall pay a restoration fee of one hundred dollars  
232 to said commissioner prior to the issuance to such  
233 person of a new registration or the restoration of  
234 such registration or such right of operation. Such  
235 restoration fee shall be in addition to any other  
236 fees provided by law.

237 (2) ANY PERSON WHOSE MOTOR VEHICLE  
238 REGISTRATION HAS BEEN CANCELLED PURSUANT TO  
239 SECTION 14-12g, AS AMENDED BY THIS ACT, SHALL PAY  
240 A RESTORATION FEE OF THE AGGREGATE OF TWO HUNDRED  
241 FIFTY DOLLARS FOR THE FIRST THIRTY-ONE DAYS SUCH  
242 REGISTRATION IS CANCELLED, OR ANY PORTION THEREOF,  
243 AND TEN DOLLARS FOR EACH ADDITIONAL DAY SUCH  
244 REGISTRATION IS CANCELLED, NOT TO EXCEED NINETY  
245 DAYS OR EIGHT HUNDRED FORTY DOLLARS.

246 Sec. 4. Section 14-150 of the general  
247 statutes is repealed and the following is  
248 substituted in lieu thereof:

249 (a) Any person who abandons any motor vehicle  
250 within the limits of any highway or upon property  
251 other than his own without the consent of the  
252 owner thereof for a period longer than twenty-four  
253 hours shall have committed an infraction and shall  
254 be fined not less than eighty-five dollars. The  
255 last owner of record of a motor vehicle found  
256 abandoned, as shown by the files of the Department  
257 of Motor Vehicles, shall be deemed prima facie to  
258 have been the owner of such motor vehicle at the  
259 time it was abandoned and the person who abandoned  
260 the same or caused or procured its abandonment.

261 (b) Any inspector of the Department of Motor  
262 Vehicles, any officer attached to an organized  
263 police department or any state police officer upon

264 discovery of any motor vehicle, whether situated  
265 within or without any highway of this state, which  
266 is a menace to traffic or public health or safety,  
267 shall take such motor vehicle into his custody and  
268 cause the same to be taken to and stored in a  
269 suitable place.

270 (c) Any inspector of the Department of Motor  
271 Vehicles, any officer attached to an organized  
272 police department or any state police officer,  
273 upon discovery of any motor vehicle apparently  
274 abandoned or a motor vehicle without proper  
275 registration, whether situated within or without  
276 any highway of this state, shall affix to such  
277 motor vehicle a notification sticker in a manner  
278 so as to be readily visible. This notification  
279 sticker shall contain the following information:  
280 (1) The date and time the notification sticker was  
281 affixed to the motor vehicle; (2) a statement that  
282 pursuant to this section, if the motor vehicle is  
283 not removed within twenty-four hours of the time  
284 the sticker was affixed, it shall be taken into  
285 custody and stored at the owner's expense; (3) the  
286 location and telephone number where additional  
287 information may be obtained and (4) the identity  
288 of the affixing officer. If the motor vehicle is  
289 not removed within such twenty-four-hour period,  
290 the affixing department shall take such motor  
291 vehicle into its custody and cause the same to be  
292 stored in a suitable place, except that such  
293 department shall make a reasonable attempt to  
294 notify the owner of any such motor vehicle which  
295 is determined to be stolen prior to taking such  
296 vehicle into its custody and shall allow such  
297 owner to make arrangements for removal of such  
298 vehicle.

299 (d) If the motor vehicle has no registration  
300 marker plates or invalid registration marker  
301 plates, and if such inspector or officer makes a  
302 determination in good faith that (1) the motor  
303 vehicle is apparently abandoned, (2) the market  
304 value of such motor vehicle in its current  
305 condition is one hundred dollars or less, and (3)  
306 the motor vehicle is so vandalized, damaged, or in  
307 disrepair as to be unusable as a motor vehicle,  
308 title to such motor vehicle shall, upon taking  
309 custody of such motor vehicle, immediately vest in  
310 the municipality in which the motor vehicle was  
311 discovered. Within forty-eight hours of the time

312 that such motor vehicle is taken into custody, the  
313 affixing department shall notify the Commissioner  
314 of Motor Vehicles, in writing, of the vehicle  
315 identification number and a description of the  
316 motor vehicle. Upon sale or other disposition of  
317 the motor vehicle, the affixing department shall  
318 give written notice by certified mail to the  
319 person who was the owner of such motor vehicle at  
320 the time of abandonment, if known, which notice  
321 shall state that the motor vehicle has been sold  
322 or otherwise disposed of. The proceeds of the sale  
323 or disposition, or the fair market value of the  
324 motor vehicle in its current condition, whichever  
325 is greater, less the towing and sale or disposal  
326 expenses and the amount of any fines due, shall be  
327 paid to such person or his representatives, if  
328 claimed by him or them within one year from the  
329 date of sale. If such balance is not claimed  
330 within such period, it shall escheat to the  
331 municipality. If the expenses incurred by the  
332 municipality for towing and the sale or  
333 disposition of such motor vehicle and any such  
334 fines exceed the proceeds of such sale or  
335 disposition, such person shall be liable to such  
336 municipality for such excess amount.

337 (e) Within forty-eight hours of the time that  
338 a motor vehicle is taken into custody and stored  
339 pursuant to subsection (b) or (c) of this section,  
340 the affixing department shall give written notice  
341 by certified mail to the owner of such motor  
342 vehicle, if known, which notice shall state (1)  
343 that the motor vehicle has been taken into custody  
344 and stored, (2) the location of storage of the  
345 motor vehicle, (3) that, unless title has already  
346 vested in the municipality pursuant to subsection  
347 (d), such motor vehicle may be sold after fifteen  
348 days if the market value of such motor vehicle  
349 does not exceed five hundred dollars or after  
350 [ninety] FORTY-FIVE days if the value of such  
351 motor vehicle exceeds five hundred dollars, and  
352 (4) that the owner has a right to contest the  
353 validity of such taking by application, on a form  
354 prescribed by the Commissioner of Motor Vehicles,  
355 to the hearing officer named in such notice within  
356 ten days from the date of such notice. Such  
357 application forms shall be made readily available  
358 to the public at all offices of the Department of

359 Motor Vehicles and at all state and local police  
360 departments.

361 (f) (1) The chief executive officer of each  
362 town shall appoint a suitable person, who shall  
363 not be a member of any state or local police  
364 department, to be a hearing officer to hear  
365 applications to determine whether or not the  
366 towing within such municipality of such motor  
367 vehicle was authorized under the provisions of  
368 this section. Two or more towns may join in  
369 appointing such officer; provided any such hearing  
370 shall be held at a location which is as near to  
371 the town within which such motor vehicle was towed  
372 as is reasonable and practicable. The commissioner  
373 shall establish by regulation the qualifications  
374 necessary for hearing officers and procedures for  
375 the holding of such hearings. If it is determined  
376 at such hearing that the vehicle was not a menace  
377 to traffic, abandoned or unregistered, as the case  
378 may be, the owner of such motor vehicle shall not  
379 be liable for any expenses incurred as a result of  
380 the taking and storage of such motor vehicle, the  
381 lien provisions of this section shall not apply to  
382 such owner, and the department which took and  
383 stored such motor vehicle shall be liable for such  
384 expenses. If the owner, prior to such  
385 determination, pays such expenses and the storage  
386 charges of such motor vehicle, and it is  
387 determined at such hearing that the motor vehicle  
388 was not a menace to traffic, abandoned or  
389 unregistered, as the case may be, the department  
390 which took such motor vehicle shall be liable to  
391 such owner for the amount paid by such owner. Any  
392 person aggrieved by the decision of such hearing  
393 officer may, within fifteen days of the notice of  
394 such decision, appeal to the superior court for  
395 the judicial district wherein such hearing was  
396 held.

397 (2) The chief executive officer of each  
398 municipality shall designate a suitable person who  
399 shall be responsible for the collection of data  
400 concerning abandoned motor vehicles within such  
401 municipality and the preparation and submission of  
402 periodic reports to the Commissioner of Motor  
403 Vehicles which shall contain such information as  
404 the commissioner may require.

405 (g) The owner or keeper of any garage or  
406 other place where such motor vehicle is stored

407 shall have a lien upon the same for his storage  
408 charges. Unless title has already vested in the  
409 municipality pursuant to subsection (d), if the  
410 current market value of such motor vehicle as  
411 determined in good faith by such owner or keeper  
412 does not exceed five hundred dollars and such  
413 motor vehicle has been stored for a period of not  
414 less than fifteen days, such owner or keeper may,  
415 unless an application filed by the owner pursuant  
416 to subsection (d) of this section is pending and  
417 the owner of such motor vehicle has notified such  
418 owner or keeper that such application for hearing  
419 has been filed, sell the same for storage and  
420 towing charges owed thereon, provided a notice of  
421 intent to sell shall be sent to the commissioner  
422 and the owner of such motor vehicle, if known,  
423 five days before the sale of such vehicle. If the  
424 current market value of such motor vehicle as  
425 determined in good faith by such owner or keeper  
426 exceeds five hundred dollars and if such motor  
427 vehicle has been so stored for a period of  
428 [ninety] FORTY-FIVE days, such owner or keeper  
429 shall, unless an application filed by the owner  
430 pursuant to subsection (d) of this section is  
431 pending and the owner of such motor vehicle has  
432 notified such owner or keeper that such  
433 application for hearing has been filed, sell the  
434 same at public auction for cash, at his place of  
435 business, and apply the avails of such sale toward  
436 the payment of his charges and the payment of any  
437 debt or obligation incurred by the officer who  
438 placed the same in storage, provided such sale  
439 shall be advertised in a newspaper published or  
440 having a circulation in the town where such garage  
441 or other place is located three times, commencing  
442 at least five days before such sale; and, if the  
443 last place of abode of the owner of such motor  
444 vehicle is known to or may be ascertained by such  
445 garage owner or keeper by the exercise of  
446 reasonable diligence, notice of the time and place  
447 of sale shall be given him by mailing such notice  
448 to him in a registered or certified letter,  
449 postage paid, at such last usual place of abode,  
450 at least five days before the time of sale.

451 (h) The garage owner or keeper shall report  
452 the sales price, storing, towing and repair  
453 charges, if any; buyer's name and address;  
454 identification of the vehicle and such other

455 information as may be required in regulations  
456 which shall be adopted by the commissioner in  
457 accordance with the provisions of chapter 54, to  
458 the commissioner within fifteen days after the  
459 sale of the motor vehicle. The proceeds of such  
460 sale, after deducting the amount due such garage  
461 owner or keeper and all expenses connected with  
462 such sale, including the expenses of the officer  
463 who placed such motor vehicle in storage, shall be  
464 paid to the owner of such motor vehicle or his  
465 legal representatives, if claimed by him or them  
466 at any time within one year from the date of such  
467 sale. If such balance is not claimed within said  
468 period, it shall escheat to the state.

469 (i) If the owner of such motor vehicle placed  
470 in storage in accordance with the provisions of  
471 this section does not claim such motor vehicle  
472 within thirty days, the owner of such garage or  
473 other place of storage shall, within forty days of  
474 the date such motor vehicle was placed in storage  
475 with him, send a written notice to the  
476 commissioner, stating the make, engine number and  
477 chassis number of such motor vehicle, the date  
478 such motor vehicle was left with him for storage  
479 and by whom and the registration number thereof if  
480 any number plates are on such motor vehicle, which  
481 notice shall be placed on file by the commissioner  
482 and shall be subject to public inspection. The fee  
483 for filing such notice shall be five dollars. Any  
484 sale under the provisions of this section shall be  
485 void, unless the notice required by this section  
486 has been given to the commissioner.

487 (j) The Commissioner of Motor Vehicles shall  
488 adopt regulations in accordance with the  
489 provisions of chapter 54 (1) specifying the  
490 circumstances under which title to any motor  
491 vehicle abandoned within the limits of any highway  
492 may be transferred to any person, firm or  
493 corporation towing such vehicle, and (2)  
494 establishing the procedure whereby such person,  
495 firm or corporation may obtain title to such motor  
496 vehicle.

497 Sec. 5. (NEW) (a) (1) Not earlier than  
498 forty-five days and not later than ninety days  
499 after the seizure of a motor vehicle pursuant to  
500 section 14-12h of the general statutes, as amended  
501 by section 2 of this act, in connection with a  
502 lawful stop or a lawful seizure, the Chief State's

503 Attorney or a deputy chief state's attorney,  
504 state's attorney or assistant or deputy assistant  
505 state's attorney may petition the court in the  
506 nature of a proceeding in rem to order forfeiture  
507 of such motor vehicle. Such proceeding shall be  
508 deemed a civil suit in equity, in which the state  
509 shall have the burden of proving all material  
510 facts by clear and convincing evidence. The court  
511 shall identify the owner of such motor vehicle and  
512 any other person who appears to have an interest  
513 therein, and order the state to give notice to  
514 such owner and interested person by certified or  
515 registered mail, and shall promptly, but not less  
516 than two weeks after notice, hold a hearing on the  
517 petition. No testimony offered or evidence  
518 produced by such owner or interested person at  
519 such hearing and no evidence discovered as a  
520 result of or otherwise derived from such testimony  
521 or evidence, may be used against such owner or  
522 interested person in any proceeding, except that  
523 no such owner or interested person shall be immune  
524 from prosecution for perjury or contempt committed  
525 while giving such testimony or producing such  
526 evidence. At such hearing the court shall hear  
527 evidence and make findings of fact and enter  
528 conclusions of law and shall issue a final order,  
529 from which the parties shall have such right of  
530 appeal as from a decree in equity.

531 (2) At any time prior to the filing of such  
532 petition, the registered or legal owner of record  
533 at the time of impoundment may request a hearing  
534 to determine the validity of the impoundment. Such  
535 hearing shall follow the procedures set forth in  
536 subdivision (1) of this subsection.

537 (b) No motor vehicle shall be forfeited under  
538 this section to the extent of the interest of an  
539 owner or lienholder by reason of any act or  
540 omission committed by another person if such owner  
541 or lienholder did not know and could not have  
542 reasonably known that such motor vehicle was  
543 uninsured and subject to forfeiture.

544 (c) Any motor vehicle ordered forfeited  
545 pursuant to subsection (a) of this section shall  
546 be sold at public auction conducted by the  
547 Commissioner of Administrative Services or his  
548 designee.

549 (d) The proceeds from any sale of a motor  
550 vehicle under subsection (c) of this section shall

551 be distributed in accordance with the following  
552 priorities: (1) To payment of any costs incurred  
553 for the storage, towing, maintenance, security and  
554 forfeiture of such motor vehicle; (2) to payment  
555 of the balance due on any lien preserved by the  
556 court in the forfeiture proceedings; and (3) to  
557 payment of court costs. The balance, if , any,  
558 shall be deposited in the uninsured motor vehicle  
559 forfeiture revolving account established under  
560 section 6 of this act

561 Sec. 6. (NEW) (a) There is established and  
562 created an account of the General Fund to be known  
563 as the "uninsured motor vehicle forfeiture  
564 revolving account" for the purpose of providing  
565 funds for identifying uninsured motor vehicles and  
566 causing the owners of such vehicles to obtain the  
567 required insurance or to cease operating such  
568 uninsured motor vehicles.

569 (b) The account shall consist of the proceeds  
570 from the sale of motor vehicles received and  
571 deposited pursuant to section 5 of this act.

572 (c) Moneys in such account shall be  
573 distributed as follows: (1) Fifty per cent shall  
574 be allocated to the Automobile Insurance  
575 Enforcement Fund established pursuant to section  
576 14-12i of the general statutes, (2) forty per cent  
577 shall be allocated to the Commissioner of Motor  
578 Vehicles who shall pay, subject to available  
579 funds, for confiscations which occur on or after  
580 the effective date of this act, in order of the  
581 date of confiscation, any confiscation fee  
582 pursuant to section 14-12h of the general  
583 statutes, as amended by section 2 of this act,  
584 which remains unpaid after forfeiture to the  
585 sheriff, deputy sheriff or constable who  
586 confiscated the number plates or, if the plates  
587 were confiscated by a police officer, such  
588 confiscation fee shall be remitted to the  
589 governmental entity which employed such officer at  
590 the time of the confiscation, and (3) ten per cent  
591 shall be allocated to the Department of Public  
592 Safety and local police departments pursuant to  
593 section 14-12h of the general statutes, as amended  
594 by section 2 of this act, which shall be used for  
595 enforcement of said section 14-12h.

596 (d) Expenditures from the account allocated  
597 to the Department of Public Safety and local  
598 police departments shall be authorized by a panel

599 composed of: (1) The Commissioner of Public Safety  
600 or his designee; (2) the Commissioner of Motor  
601 Vehicles or his designee; and (3) the president of  
602 the Connecticut Police Chiefs Association or his  
603 designee. The panel shall adopt procedures for the  
604 orderly authorization of expenditures, subject to  
605 the approval of the Comptroller. Such expenditures  
606 may be authorized only to the Department of Public  
607 Safety and to organized local police departments  
608 within this state. Such expenditures shall be held  
609 by the Department of Public Safety and the various  
610 organized local police departments in accounts or  
611 funds established for that purpose. In no event  
612 shall the expenditures be placed in a state or  
613 town general fund and in no event shall the  
614 expenditures be used for purposes other than those  
615 provided in subdivision (3) of subsection (c) of  
616 this section. The panel shall ensure the equitable  
617 allocation of expenditures to the Department of  
618 Public Safety or any local police department which  
619 participated directly in any of the acts which led  
620 to the seizure or forfeiture of the motor vehicle  
621 so as to reflect generally the contribution of  
622 said department or such local police department in  
623 such acts. The panel shall authorize expenditures  
624 from the account for the reimbursement of any  
625 organized local police department which has used  
626 its own funds in the detection, investigation,  
627 apprehension and seizure of the uninsured motor  
628 vehicle and which makes application to the panel  
629 for reimbursement.

630 (e) Moneys remaining in the uninsured motor  
631 vehicle forfeiture revolving account at the end of  
632 a fiscal year shall not revert to the General Fund  
633 but shall remain in the revolving account to be  
634 used for the purposes set forth in this section.

635 Sec. 7. (NEW) (a) Notwithstanding the  
636 provisions of section 14-215 of the general  
637 statutes, a motor vehicle is subject to forfeiture  
638 as a nuisance if it is driven on a highway in this  
639 state by a driver with a suspended or revoked  
640 license, or by an unlicensed driver, who is a  
641 registered owner of the vehicle at the time of  
642 impoundment. As used in this section, a  
643 "registered owner" includes, but is not limited  
644 to, a registered owner of a motor vehicle, or the  
645 owner of a motor vehicle who has failed to renew

646 his registration or whose registration has been  
647 suspended, revoked or cancelled.

648 (b) A police officer may not stop a vehicle  
649 for the sole reason of determining whether the  
650 driver is properly licensed.

651 (c) (1) If a driver is unable to produce a  
652 valid driver's license on the demand of a police  
653 officer as required by section 14-213 of the  
654 general statutes, the vehicle shall be impounded  
655 regardless of ownership, unless the police officer  
656 is reasonably able, by other means, to verify that  
657 the driver is properly licensed. Prior to  
658 impounding a vehicle, a police officer shall  
659 attempt to verify the license status of a driver  
660 who claims to be properly licensed but is unable  
661 to produce the license on demand of the police  
662 officer.

663 (2) A police officer may not impound a  
664 vehicle pursuant to this subsection if the license  
665 of the driver has been expired for less than  
666 thirty days and the driver would otherwise have  
667 been properly licensed.

668 (3) A police officer may exercise discretion  
669 in a situation where the driver without a valid  
670 license, or special permit pursuant to section  
671 14-37a of the general statutes, is an employee  
672 driving a vehicle registered to the employer in  
673 the course of employment. A police officer may  
674 also exercise discretion in a situation where the  
675 driver without a valid license or permit is the  
676 employee of a bona fide business establishment or  
677 is a person otherwise controlled by such an  
678 establishment and it reasonably appears that an  
679 owner of the vehicle, or an agent of the owner,  
680 relinquished possession of the vehicle to the  
681 business establishment solely for servicing or  
682 parking of the vehicle or other reasonably similar  
683 situations, and where the vehicle was not to be  
684 driven except as directly necessary to accomplish  
685 that business purpose. In such event, if the  
686 vehicle can be returned to or be retrieved by the  
687 business establishment or registered owner, the  
688 police officer may release and not impound the  
689 vehicle.

690 (4) A registered or legal owner of record at  
691 the time of impoundment may request a hearing to  
692 determine the validity of the impoundment pursuant  
693 to subsection (n) of this section.

694 (5) If the driver of a vehicle impounded  
695 pursuant to this section was not a registered  
696 owner of the vehicle at the time of impoundment  
697 the vehicle shall be released and shall not be  
698 subject to forfeiture.

699 (d) (1) The provisions of this subsection  
700 shall apply only if the driver of the vehicle is a  
701 registered owner of the vehicle at the time of  
702 impoundment. Except as provided in subdivision (5)  
703 of subsection (c), if the driver of a vehicle  
704 impounded pursuant to subsection (c) was a  
705 registered owner of the vehicle at the time of  
706 impoundment, the impounding agency shall authorize  
707 release of the vehicle if, not later than three  
708 days after the impoundment, the driver of the  
709 vehicle at the time of impoundment presents his  
710 valid driver's license, or a valid temporary  
711 driver's license or permit, to the impounding  
712 agency. The vehicle shall then be released to a  
713 registered owner of record at the time of  
714 impoundment, or an agent of that owner authorized  
715 in writing, upon payment of towing and storage  
716 charges, provided the person claiming the vehicle  
717 is properly licensed and the vehicle is properly  
718 registered. An uninsured vehicle impounded  
719 pursuant to the circumstances described in  
720 subdivision (3) of subsection (c) shall be  
721 released after due notice, whether or not the  
722 driver of the vehicle at the time of impoundment  
723 presents a valid driver's license.

724 (2) A stipulated vehicle release agreement  
725 shall provide for the consent of the person who  
726 signs the automatic future forfeiture and transfer  
727 of title to the state of any vehicle registered to  
728 that person, if the vehicle is driven by a driver  
729 with a suspended or revoked license, or by an  
730 unlicensed driver. The agreement shall be in  
731 effect for only as long as it is noted on the  
732 driver's driving record.

733 (3) The stipulated vehicle release agreement  
734 described in subdivision (2) of this subsection  
735 shall be reported by the impounding agency to the  
736 Department of Motor Vehicles not later than ten  
737 days after the date the agreement is signed.

738 (e) (1) The impounding agency, in the case of  
739 a vehicle that has not been redeemed pursuant to  
740 subsection (d) of this section, or that has not  
741 been otherwise released, shall promptly ascertain

742 from the Department of Motor Vehicles the names  
743 and addresses of all legal and registered owners  
744 of the vehicle.

745 (2) Not later than two days after  
746 impoundment, the impounding agency shall send a  
747 notice by certified mail, return receipt  
748 requested, to all legal and registered owners of  
749 the vehicle, at the addresses obtained from the  
750 department, informing them that the vehicle is  
751 subject to forfeiture and will be sold or  
752 otherwise disposed of pursuant to this section.  
753 The notice shall also include instructions for  
754 filing a claim with the state's attorney, and the  
755 time limits for filing a claim. The notice shall  
756 also inform any legal owner of his right to  
757 conduct the sale pursuant to subsection (g) of  
758 this section. If a registered owner was personally  
759 served at the time of impoundment with a notice  
760 containing all the information required to be  
761 provided by this subdivision, no further notice  
762 shall be required to be sent to a registered  
763 owner, except that a notice shall still be sent to  
764 the legal owners of the vehicle, if any. If notice  
765 was not sent to the legal owner before the  
766 expiration of said two day period, the impounding  
767 agency shall not charge the legal owner for more  
768 than fifteen days impoundment when the legal owner  
769 redeems the impounded vehicle.

770 (3) No processing charges may be imposed on a  
771 legal owner who redeems an impounded vehicle not  
772 later than fifteen days after the impoundment of  
773 that vehicle. If no claims are filed and served  
774 before the expiration of said fifteen-day period  
775 after the mailing of the notice in subdivision (2)  
776 of this subsection, or if no claims are filed and  
777 served within five days of personal service of the  
778 notice specified in subdivision (2) of this  
779 subsection, when no other mailed notice is  
780 required pursuant to subdivision (2) of this  
781 subsection, the state's attorney shall prepare a  
782 written declaration of forfeiture of the vehicle  
783 to the state. A written declaration of forfeiture  
784 signed by the state's attorney under this  
785 subdivision shall be deemed to provide good and  
786 sufficient title to the forfeited vehicle. A copy  
787 of the declaration shall be provided on request to  
788 any person informed of the pending forfeiture  
789 pursuant to subdivision (2) of this subsection. A

790 claim that is filed and is later withdrawn by the  
791 claimant shall be deemed not to have been filed.

792 (4) If a claim is timely filed and served,  
793 then the state's attorney shall file a petition of  
794 forfeiture with the appropriate court not later  
795 than ten days after the receipt of the claim. The  
796 state's attorney shall establish an expedited  
797 hearing date in accordance with instructions from  
798 the court, and the court shall hear the matter  
799 without delay. The court filing fee, not to exceed  
800 fifty dollars, shall be paid by the claimant, but  
801 shall be reimbursed by the impounding agency if  
802 the claimant prevails. To the extent practicable,  
803 the civil and criminal cases shall be heard at the  
804 same time in an expedited, consolidated  
805 proceeding.

806 (5) The burden of proof in the civil case  
807 shall be on the prosecuting agency, by a  
808 preponderance of the evidence. All questions that  
809 may arise shall be decided and all other  
810 proceedings shall be conducted as in an ordinary  
811 civil action. A judgment of forfeiture shall not  
812 require as a condition precedent the conviction of  
813 a defendant of an offense. The filing of a claim  
814 within the time limits specified in subdivision  
815 (3) of this subsection shall be considered a  
816 jurisdictional prerequisite for the action  
817 authorized by that subdivision.

818 (6) All right, title, and interest in the  
819 vehicle shall vest in the state upon commission of  
820 the violation giving rise to the forfeiture.

821 (f) Any vehicle impounded that is not  
822 redeemed pursuant to subsection (d) of this  
823 section and is subsequently forfeited pursuant to  
824 this section shall be sold once an order of  
825 forfeiture is issued by the state's attorney  
826 pursuant to subsection (e) of this section.

827 (g) Any legal owner who in the regular course  
828 of business conducts sales of repossessed or  
829 surrendered motor vehicles may take possession and  
830 conduct the sale of the forfeited vehicle if it  
831 notifies the agency impounding the vehicle of its  
832 intent to conduct the sale not later than fifteen  
833 days after the mailing of the notice pursuant to  
834 subsection (e) of this section. Sale of the  
835 vehicle after forfeiture pursuant to this  
836 subsection may be conducted at the time, in the  
837 manner, and on the notice usually given by the

838 legal owner for the sale of repossessed or  
839 surrendered vehicles. The proceeds of any sale  
840 conducted by the legal owner shall be disposed of  
841 as provided in subsection (i) of this section.

842 (h) If the legal owner does not notify the  
843 agency impounding the vehicle of its intent to  
844 conduct the sale as provided in subsection (g) of  
845 this section, the agency shall offer the forfeited  
846 vehicle for sale at public auction not later than  
847 sixty days after receiving title to the vehicle.  
848 Low value vehicles shall be disposed of pursuant  
849 to subsection (k) of this section.

850 (i) The proceeds of a sale of a forfeited  
851 vehicle shall be disposed of in the following  
852 priority:

853 (1) To satisfy the towing and storage costs  
854 following impoundment, the costs of providing  
855 notice pursuant to subsection (e), the costs of  
856 sale, and the unfunded costs of judicial  
857 proceedings, if any.

858 (2) To the legal owner in an amount to  
859 satisfy the indebtedness owed to the legal owner  
860 remaining as of the date of sale, including  
861 accrued interest or finance charges and  
862 delinquency charges, provided the principal  
863 indebtedness was incurred prior to the date of  
864 impoundment.

865 (3) To the holder of any subordinate lien or  
866 encumbrance on the vehicle, other than a  
867 registered or legal owner, to satisfy any  
868 indebtedness so secured if written notification of  
869 demand is received before distribution of the  
870 proceeds is completed. The holder of a subordinate  
871 lien or encumbrance, if requested, shall furnish  
872 reasonable proof of its interest and, unless it  
873 does so upon request, shall not be entitled to  
874 distribution pursuant to this subdivision.

875 (4) To any other person, other than a  
876 registered or legal owner, who can reasonably  
877 establish an interest in the vehicle to the extent  
878 of his provable interest if written notification  
879 is received before distribution of the proceeds is  
880 completed.

881 (5) Of the remaining proceeds, funds shall be  
882 made available to pay any local agency and court  
883 costs that are reasonably related to the  
884 implementation of this section that remain  
885 unsatisfied.

886 (6) Of the remaining proceeds, funds shall be  
887 deposited in the uninsured motor vehicle  
888 forfeiture revolving account established pursuant  
889 to section 4 of this act.

890 (j) The person conducting the sale shall  
891 disburse the proceeds of the sale as provided in  
892 subsection (i) of this section and shall provide a  
893 written accounting regarding the disposition to  
894 the impounding agency and, on request, to any  
895 person entitled to or claiming a share of the  
896 proceeds, not later than fifteen days after the  
897 sale is conducted.

898 (k) If the vehicle to be sold pursuant to  
899 this section is not of the type that can readily  
900 be sold to the public generally, the vehicle shall  
901 be conveyed to a licensed dismantler or donated to  
902 a nonprofit organization. License plates shall be  
903 removed from any vehicle conveyed to a dismantler  
904 pursuant to this subsection.

905 (l) No vehicle shall be sold pursuant to this  
906 section if the impounding agency determines that  
907 the vehicle is stolen. The registered owner may  
908 claim such stolen vehicle any time after  
909 impoundment, provided the vehicle registration is  
910 current and the registered owner has no  
911 outstanding traffic violations or parking  
912 penalties on his driving record or on the  
913 registration record of any vehicle registered to  
914 the person. If the identity of the legal and  
915 registered owners of the vehicle cannot be  
916 reasonably ascertained, the vehicle may be sold.

917 (m) Any owner of a vehicle who suffers any  
918 loss due to the impoundment or forfeiture of any  
919 vehicle pursuant to this section may recover the  
920 amount of the loss from the unlicensed, suspended  
921 or revoked driver. If possession of a vehicle has  
922 been tendered to a business establishment in good  
923 faith, and an unlicensed driver employed or  
924 otherwise directed by the business establishment  
925 is the cause of the impoundment of the vehicle, a  
926 registered owner of the impounded vehicle may  
927 recover damages for the loss of use of the vehicle  
928 from the business establishment.

929 (n) (1) The impounding agency, if requested  
930 to do so not later than ten days after the date  
931 the vehicle was impounded, shall provide the  
932 opportunity for a post-storage hearing to  
933 determine the validity of the storage to the

934 persons who were the registered and legal owners  
935 of the vehicle at the time of impoundment, except  
936 that the hearing shall be requested not later than  
937 three days after the date the vehicle was  
938 impounded if personal service was provided to a  
939 registered owner pursuant to subdivision (2) of  
940 subsection (e) and no mailed notice is required.

941 (2) The post-storage hearing shall be  
942 conducted not later than two days after the date  
943 it was requested. The impounding agency may  
944 authorize its own officer or employee to conduct  
945 the hearing if the hearing officer is not the same  
946 person who directed the storage of the vehicle.  
947 Failure of either the registered or legal owner to  
948 request a hearing as provided in subdivision (1)  
949 of this subsection or to attend a scheduled  
950 hearing shall satisfy the post-storage hearing  
951 requirement.

952 (3) The agency employing the person who  
953 directed the storage shall be responsible for the  
954 costs incurred for towing and storage if it is  
955 determined that the driver at the time of  
956 impoundment had a valid driver's license.

957 (o) As used in this section, "days" means  
958 business days not including weekends and holidays,  
959 and "state's attorney" includes the Chief State's  
960 Attorney, a deputy chief state's attorney, a  
961 state's attorney or an assistant or deputy  
962 assistant state's attorney.

963 (p) Charges for towing and storage for any  
964 vehicle impounded pursuant to this section shall  
965 not exceed the normal towing and storage rates for  
966 other vehicle towing and storage conducted by the  
967 impounding agency in the normal course of  
968 business. The impounding agency may recover from  
969 the unlicensed, suspended or revoked driver the  
970 amount of normal towing and storage costs not  
971 satisfied pursuant to this section.

972 (q) The impounding agency may act as the  
973 agent of the state in carrying out this section.

974 (r) No vehicle may be impounded pursuant to  
975 this section if the driver has a valid license but  
976 the license is for a class of vehicle other than  
977 the vehicle operated by the driver.

978 Sec. 8. Subsection (c) of section 14-12i of  
979 the general statutes, as amended by section 2 of  
980 public act 97-236, is repealed and the following  
981 is substituted in lieu thereof:

\* \* \* \* \*

"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF 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 HOUSE THEREOF FOR ANY PURPOSE."

\* \* \* \* \*

**FISCAL IMPACT STATEMENT - BILL NUMBER sSB 503**

STATE IMPACT	Indeterminate Cost and Revenue Gain (Various Funds), see explanation below
MUNICIPAL IMPACT	Indeterminate Cost and Revenue Gain, see explanation below
STATE AGENCY(S)	The Departments of Transportation, Administrative Services, Public Safety, Judicial Department, Division of Criminal Justice

**EXPLANATION OF ESTIMATES:**

STATE AND MUNICIPAL IMPACT: This bill would result in an indeterminate cost to State and local law enforcement and criminal justice agencies. The bill requires the seizure and impoundment of motor vehicles by police officers in certain cases, and expands their authority to impound motor vehicles in other cases. It also requires the Division of Criminal Justice to bring forfeiture proceedings in the court on these motor vehicles. These requirements would result in additional costs to State and local police departments, the Division of Criminal Justice and the Judicial Department that cannot be determined at this time. Costs associated with the storage, maintenance, towing, security and forfeiture of seized vehicles as well as court costs would be paid from the proceeds of auctioned vehicles. It is uncertain if the proceeds from the auction of these vehicles would be enough to cover the various state and municipal costs involved. The Department of Administrative Services (DAS) would be responsible for disposing of forfeited motor

vehicles at public auction. DAS can do this at no additional cost.

Funds into the Uninsured Motor Vehicle Forfeiture Revolving Account resulting from the auction of forfeited vehicles cannot be determined since it is dependent on the level of enforcement and the number of vehicles that would be towed, the value of the vehicles, payments of any costs incurred for the storage, towing, maintenance and security, and whether or not the sold vehicles have any liens.

The bill requires the imposition of a civil penalty when a motorist enters into a consent agreement with the Department of Motor Vehicles' (DMV) Commissioner, as detailed in Section 1(b) of the bill. Currently, the \$100 restoration fee from suspended registrations pursuant to Section 14-12g of the General Statutes is deposited in the Automobile Insurance Enforcement Fund. The \$100 civil penalty will be recorded as a \$100 restoration fee. If more uninsured motorists take advantage of the settlement clause in the bill, it could result in indeterminate revenue gain to the Automobile Insurance Enforcement Fund.

Under the bill, the restoration fee to obtain a new or renewed registration or operator's license would increase from \$100 to \$250 for the first 31 days that a registration is cancelled and \$10 for each additional day up to 90 days or \$840. This action would also result in an indeterminate revenue gain to the Automobile Insurance Enforcement Fund. Please note that the DMV has had a contract with General Systems Solutions (G.S.S.), to implement this program for which it pays \$360,000 annually from the Transportation Fund.

\* \* \* \* \*

#### OLR BILL ANALYSIS

sSB 503

#### AN ACT CONCERNING UNINSURED MOTORISTS

**SUMMARY:** This bill requires, in certain cases, the seizure, impoundment, and forfeiture of (1) uninsured motor vehicles whose registration is canceled and (2) motor vehicles driven by unlicensed registered owners

or by operators with suspended or revoked licenses. It establishes different impoundment, forfeiture, and sale procedures and other requirements. In the case of uninsured motor vehicles with canceled registrations, the bill (1) establishes consent agreements in certain cancellation cases; (2) expands the authority of police to seize and impound them; (3) increases the registration restoration fee and extends it to impounded vehicles; (4) subjects impounded vehicles to forfeiture; (5) establishes forfeiture procedures and a forfeiture account; (6) adds information about seizure, impoundment, and forfeiture on the notice required for registration cancellation; and (7) reduces the time vehicles are stored before they may be sold.

The bill classifies as a nuisance and subjects to forfeiture vehicles driven on state highways by operators with suspended or revoked licenses or unlicensed registered owners. It prohibits police from stopping vehicles only to determine whether the driver is licensed and from impounding a vehicle whose driver cannot produce his license or whose license has expired for a period less than 30 days. It allows police to use their discretion about impoundment in certain cases. The bill establishes hearing procedures for any contested impoundment and post-storage dispute and requires the state's attorney to establish an expedited hearing when a claim to redeem an impounded vehicle is timely filed.

The bill also (1) establishes procedures for the release and forfeiture of vehicles, (2) gives certain owners of a forfeited vehicle the right to sell it, (3) requires a sets distribution priority from forfeiture proceeds, (4) prohibits impoundment when the driver has a license for another class of vehicle and the sale of stolen vehicles in most cases, and (5) gives vehicle owners the right to recover certain losses from drivers with suspended or revoked licenses and those without a license.

EFFECTIVE DATE: October 1, 1998

**FURTHER EXPLANATION**

**Uninsured Vehicles and Registration Cancellation**

**Consent Agreements.** The bill allows the motor vehicle

commissioner to enter into consent agreements with owners of vehicles who have received notices of registration cancellation because the commissioner determined that their vehicle was uninsured. He can do this when the owner (1) does not contest the determination that he failed to maintain insurance, (2) presents evidence that he has obtained insurance, and (3) pays a \$100 civil penalty. The agreement provides that the vehicle's registration will not be cancelled unless, after it takes effect, the commissioner determines that the owner failed to continuously maintain insurance and the owner cannot establish to the commissioner's satisfaction that he did. The bill specifies that such agreements can not prevent the commissioner from canceling, suspending or revoking a registration under other laws.

**Police Authority to Impound.** The bill expands the authority of police by allowing them to seize and impound vehicles they observe being operated on public highways or parked in lots and displaying canceled registration plates according to a list provided by the commissioner. If police seize and impound the vehicle, they must notify the commissioner within three days. Under current law, when police observe a vehicle being operated on public highways displaying canceled plates they can stop or detain the vehicle and its occupants, issue a ticket for operating an unregistered vehicle or one with an expired registration and remove the plates.

**Registration Restoration Fee and Impounded Vehicles.** The bill increases the fee for restoring a registration that is canceled because of the lack of insurance from a flat \$100 to \$250 for the first 31 days plus \$10 for each additional day or part thereof up to 90 days (an \$840 maximum) in order to obtain a new or renewal registration and plates.

The bill applies the increased fee to an owner who wants to regain possession of his impounded vehicle. The owner must also personally appear at a Motor Vehicle Department office and (1) complete a registration application, (2) furnish proof of insurance, and (3) show financial responsibility for one year.

**Forfeiture Procedures.** Within 45 to 90 days after the police seize a vehicle in connection with a lawful

stop, the bill allows the chief state's attorney, his deputy, or a state's attorney or assistant state's attorney to petition the court for a forfeiture order. The proceeding is like a civil suit in equity in which the state must prove all material facts by clear and convincing evidence. The court must identify the owner and others with an interest in the vehicle and order the state to notify them by certified or registered mail. Within two weeks after notice, the court must hold a hearing on the petition. It must hear evidence, make findings of fact, enter conclusions of law, and issue a final order, from which the parties may appeal. No testimony or evidence offered by the owner or other interested party may be used against them, nor may any evidence discovered as a result of or otherwise derived from such testimony or evidence be used. But they may be prosecuted for perjury or contempt while giving testimony or producing evidence.

At any time before the filing of the petition, the bill allows the registered or legal owner at the time of impoundment to ask for a hearing to contest the validity of the impoundment. The hearing must follow the same procedures as those followed in a petition for forfeiture.

The bill prohibits forfeiture of a vehicle to the extent of an owner's or lienholder's interest because of another party's act or omission if the owner or lienholder did not or could not have reasonably known that the vehicle was uninsured and subject to forfeiture. Any vehicle forfeited must be sold at a public auction conducted by the commissioner of administrative services or his designee.

**Forfeiture Account.** The bill requires that forfeiture sales proceeds be distributed according to the following priorities: (1) to any balance due on any lien preserved by the court; (2) to cost of storage, maintenance, towing, security, and forfeiture; and (3) to court costs. Any balance remaining must be deposited in the Uninsured Motor Vehicle Forfeiture Revolving Account, which the bill creates.

The forfeiture account is funded by proceeds from the sale of vehicles. Money deposited in the account is distributed as follows: (1) 50% to the Automobile Insurance Enforcement Fund; (2) 40% to the DMV to pay

any unpaid confiscation fees to sheriffs, deputy sheriffs, or constables who take plates, in the order in which the taking occurred, subject to fund availability (when plates are taken by police, the fee is paid to their employer); and (3) 10% to the Department of Public Safety (DPS) and local police departments for enforcing the laws against vehicles with canceled registrations.

The bill requires expenditures that go to DPS and local police to be authorized by a three-member panel consisting of the DMV commissioner or his designee, the DPS commissioner or his designee, and the president of the Connecticut Police Chiefs Association or his designee. The panel must adopt procedures authorizing expenditures, subject to the comptroller's approval. Money may be given only to the DPS and local police departments, and they must hold it in accounts set up for that purpose. The money must not be deposited in the state or town general fund. The panel must ensure an equitable distribution of money between the DPS and local police who directly participate in the activities that lead to seizure and forfeiture of uninsured vehicles. The panel must authorize expenditures to reimburse police departments that use their own funds to detect, investigate, apprehend, and seize uninsured vehicles. The departments must apply for reimbursement. Balances in the account at the end of the fiscal year must remain there and not revert to the General Fund.

#### **Unlicensed Drivers or Drivers With Suspended or Revoked Licenses**

**Demand by Police and Police Discretion.** The bill requires impoundment of the vehicle regardless of ownership, after an attempt to verify the license status of the driver who is unable to produce one on demand of a police officer fails. The bill allows police to exercise discretion about impounding vehicles where the driver is without a license or permit but is an employee (1) driving his employer's registered vehicle in the course of his employment or (2) of a bona fide business or otherwise controlled by such business and it appears that the vehicle's owner or agent gave possession of the vehicle to the business for servicing, parking, or similar activities and not to be driven except as necessary to meet these business objectives.

**Hearing Procedures.** The bill gives registered and legal owners at the time of impoundment the right to request a hearing to determine its validity. The request must be made to the impounding agency within 10 days of impoundment. If personal service was given to the owner and no mail notice was required, the hearing must be requested within three days after impoundment. The hearing must be conducted within two days of the request, and the impounding agency may permit its officers or employees to conduct it if they are not the same people responsible for the impoundment. The bill specifies that the owner's failure to either request or attend a scheduled hearing satisfies the hearing requirement. The agency employing the person responsible for the impoundment is responsible for towing and storage charges if it is determined that the owner at the time of impoundment had a driver's license.

When a claim for release of an impounded vehicle is timely filed and served, the state's attorney must file a forfeiture petition with the court within 10 days after receiving the claim. He must establish an expedited hearing date in accordance with the court's instructions, and the court must hear the matter without delay. The impounding agency must reimburse the claimant court-filing fee, up to \$50, if he prevails. If possible, the civil and criminal cases are heard at the same time in an expedited, consolidated proceeding.

The bill imposes the burden of proof on the prosecuting agency and requires that it be determined by a preponderance of the evidence. It requires that all other proceedings be conducted as in ordinary civil actions and that questions that arise be decided. It also specifies that a forfeiture judgment does not require as a precondition the conviction of the defendant for an offense, but the filing of the claim within the prescribed time frame is considered a jurisdictional prerequisite for the action. The bill requires that all rights, title, and interest in the vehicle vests in the state upon the commission of the act giving rise to the forfeiture.

**Release of Vehicle.** The bill requires the release of an impounded vehicle if (1) the driver was not the registered owner at the time of impoundment or (2) the driver was the registered owner and within three days

after the impoundment he presents his driver's license, temporary license, or permit to the impounding agency. The vehicle must be released to the owner or his authorized agent upon payment of towing and storage charges. The person claiming the vehicle must be licensed and the vehicle registered. After notice, uninsured vehicles impounded under circumstances that permit police discretion must also be released, whether or not the driver presents his license.

**Release Agreement.** The bill authorizes the use of a stipulated release agreement that the impounding agency must report to DMV within 10 days after it is signed. Anyone who signs the agreement consents to the automatic future forfeiture and transfer of title to the state of any vehicle registered in his name if driven by a driver with a suspended or revoked license or by an unlicensed driver. The agreement remains in effect for the time noted on the driver's record.

**Forfeiture Notice.** Within two days after impoundment, the bill requires the impounding agency to send the registered and legal owner notice by certified mail, return receipt requested that the vehicle is subject to forfeiture and sale. The notice must be sent to the address obtained by DMV and include instructions about filing a claim with the state's attorney to get possession of the vehicle, the time limit for filing a claim, and the right of the legal owner to conduct the sale. If notice to the registered owner was personally served at the time of the impoundment, no further notice is required except to the legal owner. But, if notice was not sent to the legal owner before the two-day period expired the agency cannot charge the owner storage costs for more than 15 days and no processing charge may be imposed if he redeems the vehicle within those 15 days.

**Declaration of Forfeiture.** The bill requires the state's attorney to prepare and sign a written declaration to the state if no claims for possession of the vehicle are filed and served (1) before the 15-day period expires after mailing notice or (2) within five days after notice by personal service. Claims filed and later withdrawn are treated as if they were never filed. The signed declaration is deemed to give the state good and sufficient title to the vehicle, and a copy of it must be provided on request.

**Sale of the Vehicle.** The bill requires any vehicle that is impounded, forfeited, and not redeemed to be sold once the order of forfeiture is issued by the state's attorney.

It permits any legal owner, who in the regular course of business, sells, repossesses or surrenders vehicles to conduct the sale if he notifies the impounding agency within 15 days of the forfeiture notice. If the legal owner is not in such business, the impounding agency must sell the vehicle at public auction within 60 days of receiving title. After removing the plate, low-value vehicles must be given to a dismantler or charitable organization.

**Distribution of Proceeds.** The bill requires the proceeds of a sale to be distributed in the following priority:

1. to pay for towing and storage following impoundment, providing notice, the sale, and unfunded judicial proceedings;
2. to the legal owner to satisfy any indebtedness owed as of the date of sale, including interest, finance charges, and delinquency charges, if the indebtedness was incurred before the impoundment;
3. to holders of subordinate liens or encumbrances to satisfy indebtedness, if written demand is received before the distribution is completed;
4. to anyone other than the legal or registered owner who has an interest in the vehicle;
5. to pay any remaining local agency or court costs that are unsatisfied; and
6. to the Uninsured Motor Vehicle Forfeiture Revolving Account.

The person conducting the sale must distribute the proceeds and submit a written accounting to the impounding agency and, on request, to others entitled to or claiming a share of the proceeds, within 15 days after the sale.

**Stolen Vehicles**. The bill prohibits the sale of a stolen vehicle unless the owner cannot be reasonably ascertained. The owner of a stolen vehicle may claim it any time after the impoundment. The vehicle's registration must be current and the owner must not have any outstanding traffic violations or parking penalties on his driving record or registration.

**Cause of Action for Damages**. The bill gives vehicle owners who suffer a loss due to the vehicle's impoundment or forfeiture the right to recover the amount of the loss from the unlicensed driver or the driver with a suspended or revoked license. If possession of a vehicle was given in good faith to a business, and a unlicensed employee causes the impoundment, the owner may recover damages from the business for loss of use of the vehicle. The impounding agency may also recover towing and storage charges from the unlicensed driver or the driver with suspended or revoked licenses.

#### **COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable Substitute  
Yea 18      Nay 0