## LEGISLATURE OF THE STATE OF IDAHO

Sixty-seventh Legislature

42

First Regular Session - 2023

## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 284

## BY WAYS AND MEANS COMMITTEE

1	AN ACT
2	RELATING TO MOTOR VEHICLE FINANCIAL RESPONSIBILITY; AMENDING SECTION
3	49-202, IDAHO CODE, TO PROVIDE FOR A FEE WAIVER FOR CERTAIN ELECTRONIC
4	FILINGS; AMENDING SECTION 49-1234, IDAHO CODE, TO REVISE PROVISIONS
5	REGARDING THE ONLINE INSURANCE VERIFICATION SYSTEM; AND DECLARING AN
6	EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
7	Be It Enacted by the Legislature of the State of Idaho:
8	SECTION 1. That Section 49-202, Idaho Code, be, and the same is hereby
9	amended to read as follows:
10	49-202. DUTIES OF DEPARTMENT. (1) All registration and driver's li-
11	cense records in the office of the department shall be public records and
12	open to inspection by the public during normal business hours, except for
13	those records declared by law to be for the confidential use of the depart-
14 15	ment, or those records containing personal information subject to restrictions or conditions regarding disclosure. If the department has contracted
15 16	for a service to be provided by another entity, an additional fee shall be
10 17	charged by that contractor whether the service is rendered during normal
18	business hours, other than normal business hours or on weekends.
19	(2) In addition to other fees required by law to be collected by the de-
20	partment, the department shall collect the following:
21	(a) For certifying a copy of any record pertaining to any vehicle li-
22	cense, any certificate of title, or any driver's license \$14.00
23	(b) For issuing every Idaho certificate of title \$14.00
24	(c) For furnishing a duplicate copy of any Idaho certificate
25	of title \$14.00
26	(d) For issuance or transfer of every certificate of title on a new or
27	used vehicle or other titled vehicle in an expedited manner (rush ti-
28	tles), in addition to any other fee required by this section $\dots$ \$26.00
29	(e) For recording a transitional ownership document, in addition to any
30	other fee required by this section\$26.00
31	(f) For furnishing a replacement of any receipt
32	of registration \$5.00
33	(g) For furnishing copies of registration or ownership of motor vehi-
34	cles or driver's license records, per vehicle registration, accident
35 36	report records, title or per driver's license record \$7.00
36 37	Additional contractor fee, not to exceed
38	registrations, vehicle titles, or driver's licenses per hour \$18.00
39	(i) Placing "stop" cards in vehicle registration or title
40	files, each \$21.00
41	(j) For issuance of an assigned or replacement vehicle
	,,,

identification number (VIN) ..... \$18.00

(k) For a vehicle identification number (VIN) inspection whether con-
ducted by a city or county peace officer or any other peace officer or
designated agent of the state of Idaho, per inspection \$5.00
(1) For all replacement registration stickers, each \$2.00
(m) For issuing letters of temporary vehicle clearance
to Idaho-based motor carriers\$18.00
(n) For all sample license plates, each\$21.00
(o) For filing release of liability statements \$3.50
(p) For safety and insurance programs for each vehicle operated
by a motor carrier \$3.00
A lesser amount may be set by rule of the board.

- (3) The fees required in this section shall not apply when the service is furnished to any federal, state, county or city peace officer when such service is required in the performance of their duties as peace officers.
- (4) The department may enter into agreements with private companies or public entities to provide the services for which a fee is collected in subsection (2)(g) of this section. Such private contractor shall collect the fee prescribed and remit the fee to the department. The contractor shall also collect and retain the additional fee charged for his services.
  - (5) (a) The department shall pay three dollars (\$3.00) of the fee collected by a county assessor or other authorized agent of the department as provided in subsection (2) (a) through (f) of this section, and four dollars (\$4.00) as provided in subsection (2) (g) of this section, to the county assessor or sheriff of the county or authorized agent of the department collecting such fee, which shall be deposited with the county treasurer and credited to the county current expense fund when collected by the county. When fees are collected by the department or an authorized agent of the department, such fees shall be deposited with the issuing entity. The remainder of the fees collected as provided in that subsection shall be paid by the department to the state treasurer and placed in the state highway account.
  - (b) The fee collected under subsection (2) (k) of this section for a VIN inspection shall be placed in the city general fund if conducted by a city peace officer, in the county current expense fund if conducted by a county peace officer, shall be retained by the special agent authorized to perform the inspection, or paid to the state treasurer and placed to the credit of the Idaho state police if conducted by the Idaho state police or in the state highway account if conducted by the department.
  - (c) The fee collected under subsection (2) (o) of this section for filing release of liability statements shall be retained by the county assessor of the county collecting such fee and shall be deposited with the county treasurer and credited to the county current expense fund. Any fees collected by the department for filing release of liability statements shall be retained by the department. However, the fees provided for in subsection (2) (o) of this section shall not apply when a transaction is filed electronically with the department.
  - (d) The fee in subsection (2) (m) of this section shall not apply when the Idaho-based motor carrier or its representative obtains and prints the document using internet access.

- (e) The fee collected under subsection (2) (p) of this section for motor carriers shall be paid by the department to the state treasurer and placed in the state highway account. The director and the director of the Idaho state police shall jointly determine the amount to be transferred from the state highway account to the law enforcement fund for motor carrier safety programs conducted by the Idaho state police pursuant to the provisions of section 67-2901A, Idaho Code.
- (6) The department as often as practicable may provide to law enforcement agencies the record of suspensions and revocations of driver licenses via the public safety and security information system (ILETS).
- (7) The department shall provide the forms prescribed in chapter 5 of this title, shall receive and file in its office in Ada county all instruments required in chapter 5 of this title to be filed with the department, shall prescribe a uniform method of numbering certificates of title, and shall maintain in the department indices for such certificates of title. All indices shall be by motor or identification number and alphabetical by name of the owner.
- (8) The department shall file each registration received under a distinctive registration number assigned to the vehicle and to the owner thereof.
- (9) The department shall not renew a driver's license or identification card when fees required by law have not been paid or where fees for past periods are due, owing and unpaid including insufficient fund checks, until those fees have been paid.
  - (10) The department shall not grant the registration of a vehicle when:
  - (a) The applicant is not entitled to registration under the provisions of this title; or
  - (b) The applicant has neglected or refused to furnish the department with the information required in the appropriate form or reasonable additional information required by the department; or
  - (c) The fees required by law have not been paid, or where fees for past registration periods are due, owing and unpaid including insufficient fund checks.
- (11) The department or its authorized agents have the authority to request any person to submit to medical, vision, highway, or written examinations, to protect the safety of the public upon the highways. The department or its authorized agents may exercise such authority based upon evidence which may include, but is not limited to, observations made.
  - (12) The department shall revoke the registration of any vehicle:
  - (a) Which the department shall determine is unsafe or unfit to be operated or is not equipped as required by law;
  - (b) Whenever the person to whom the registration card or registration plate has been issued shall make or permit to be made any unlawful use of the same or permit their use by a person not entitled thereto;
  - (c) For any violation of vehicle registration requirements by the owner or operator in the current or past registration periods;
  - (d) Whenever a motor carrier requests revocation, or whenever an interstate carrier's federal operating authority has been revoked;
  - (e) For failure of the owner or operator to file the reports required or nonpayment of audit assessments or fees assessed against the owner by

the department or the state tax commission pursuant to audit under the provisions of section 49-439, Idaho Code;

- (f) Identified by any city or county administering a program established by ordinance for the inspection and readjustment of motor vehicles (which program is part of an approved state implementation plan adopted by both the state and federal governments under 42 U.S.C. 7410) as having failed to comply with an ordinance requiring motor vehicle emission inspection and readjustment; provided that no vehicle shall be identified to the department under this subsection unless:
  - (i) The city or county certifies to the department that the owner of the motor vehicle has been given notice and had the opportunity for a hearing concerning compliance with the ordinance and has exhausted all remedies and appeals from any determination made at such hearing; and
  - (ii) The city or county reimburses the department for all direct costs associated with the registration revocation procedure.
- (13) The department shall not reregister or permit a vehicle to operate on a special trip permit until all fees, penalties and interest have been paid.
- (14) The department shall institute educational programs, demonstrations, exhibits and displays.
- (15) The department shall cancel a driver's license or identification card when fees required by law have not been paid or where fees are due, owing and unpaid including insufficient fund checks, until those fees have been paid.
- (16) The department shall examine persons and vehicles by written, oral, vision and skills tests without compulsion except as provided by law.
- (17) The department shall employ expert and special help as needed in the department.
- (18) The department shall compile accident statistics and disseminate information relating to those statistics.
- (19) The department shall cooperate with the United States in the elimination of road hazards, whether of a physical, visual or mental character.
- (20) The department shall place and maintain traffic-control devices, conforming to the board's manual and specifications, upon all state highways as it shall deem necessary to indicate and to carry out the provisions of this title or to regulate, warn, or guide traffic. No local authority shall place or maintain any traffic-control device upon any highway under the jurisdiction of the department except by the latter's permission. The placement and maintenance of such a traffic-control device by a local authority shall be made according to the board's manual and specifications for a uniform system of traffic-control devices.
- (21) The department may conduct an investigation of any bridge or other elevated structure constituting a part of a highway, and, if it shall find that the structure cannot with safety to itself withstand vehicles traveling at a speed otherwise permissible under this title, shall determine and declare the maximum speed of vehicles which the structure can safely withstand, and shall cause or permit suitable signs stating the maximum speed to be erected and maintained before each end of the structure.

(22) Whenever the department shall determine on the basis of an engineering and traffic investigation that slow speeds on any highway or part of a highway impede the normal and reasonable movement of traffic, the department may determine and declare a minimum speed limit below which no person shall drive a vehicle except when necessary for safe operation or in compliance with law, and that limit shall be effective when posted upon appropriate fixed or variable signs.

- (23) The department shall regulate or prohibit the use of any controlled-access highway by any class or kind of traffic which is found to be incompatible with the normal and safe movement of traffic.
- (24) The department shall erect and maintain traffic-control devices on controlled-access highways on which any prohibitions are applicable.
- (25) The department and local authorities are authorized to determine those portions of any highway under their respective jurisdictions where overtaking and passing or driving on the left side of the roadway would be especially hazardous and may by appropriate signs or markings on the roadway indicate the beginning and end of those zones and when signs or markings are in place and clearly visible to an ordinarily observant person, every driver of a vehicle shall obey those directions.
- (26) The department and local authorities in their respective jurisdictions may in their discretion issue special permits authorizing the operation upon a highway of traction engines or tractors having movable tracks with transverse corrugations upon the periphery of the movable tracks or farm tractors or other farm machinery, the operation of which upon a highway would otherwise be prohibited under this title or title 40, Idaho Code.
- (27) The department and local highway authorities within their respective jurisdictions may place official traffic-control devices prohibiting, limiting or restricting the stopping, standing or parking of vehicles on any highway where such stopping, standing or parking is dangerous to those using the highway or where the stopping, standing or parking of vehicles unduly interferes with the free movement of traffic thereon.
- (28) On any informational material printed after July 1, 1995, by or at the order of the department and distributed to counties, school districts or individuals for the purpose of assisting a person to successfully pass a driver's license test, the department shall include material about the state's open range law and responsibilities, liabilities and obligations of drivers driving in the open range.
- SECTION 2. That Section 49-1234, Idaho Code, be, and the same is hereby amended to read as follows:
- 49-1234. ONLINE INSURANCE VERIFICATION SYSTEM -- PEACE OFFICER DUTIES -- RULEMAKING. (1) The department shall establish and maintain an online insurance verification system for motor vehicle insurance coverage required by the provisions of this chapter, subject to the following:
  - (a) The department shall consult with representatives of the insurance industry to determine the objectives, details and deadlines relating to the verification system;
  - (b) The verification system shall be accessible through the internet, world wide web or a similar proprietary or common carrier electronic system by authorized personnel of the department, department of in-

surance, courts, law enforcement entities and of any other entity authorized by the department;

- (c) The verification system shall provide for direct inquiry and response between the department and insurance carriers, or such other method of inquiry and response as agreed to by the department and individual insurance carriers;
- (d) The verification system shall be capable of sending inquiries to and receiving responses from insurers for the purpose of verifying current motor vehicle insurance coverage via web services established by insurers through the internet, world wide web or a similar proprietary or common carrier electronic system, in compliance with the specifications and standards of the insurance industry committee on motor vehicle administration (IICMVA), provided that the department shall promulgate rules to provide insurers an alternative method for verifying motor vehicle insurance policy data rather than establishing web services or utilizing IICMVA's insurance data transfer guide;
- (e) With the exception of unplanned system outages, the verification system shall be available twenty-four (24) hours a day to verify the insurance status of any motor vehicle registered in this state through the vehicle's identification number, policy number, national association of insurance commissioners' (NAIC) code or registered owner's name; provided that a reasonable amount of downtime may be allotted for planned system outages;
- (f) The verification system shall include appropriate provisions, consistent with IICMVA standards, to secure its data against unauthorized access and to maintain a record of all information requests; and
- (g) All information exchanged between the department and insurance companies, any database created, all information contained in the verification system and all reports, responses or other information generated for the purposes of the verification system shall be exempt from disclosure as provided in section 74-106, Idaho Code.
- (2) As a condition for writing motor vehicle liability insurance policies in this state, insurance carriers shall cooperate with the department in establishing and maintaining the insurance verification system and shall provide access to motor vehicle insurance policy status information as may be provided in rules promulgated by the department.
- (3) Insurers that make good faith efforts to comply with the provisions of this section shall be immune from civil or administrative liability related to this section.
- (4) The department shall establish a program to match information from the online insurance verification system with motor vehicle registrations to determine whether owners of motor vehicles have established financial responsibility. The department shall suspend the registration of any motor vehicle identified by the department as having failed to comply with the financial responsibility requirements. The program shall include:
  - (a) Insurers reporting data to the verification system  $\frac{\text{monthly}}{\text{monthly}}$  at least weekly;
  - (b) The department performing a periodic match at least monthly of the information from the online insurance verification system with motor

vehicle registrations to determine whether owners of motor vehicles have established financial responsibility;

- (c) An initial notice to an owner of a motor vehicle who is shown to not have established or maintained financial responsibility for two (2) consecutive months. Such notice shall provide thirty (30) sixty (60) days for an owner to comply with the financial responsibility requirements or to notify the department of exemption before suspension of an owner's registration will be effective;
- (d) A final notice of immediate suspension of registration shall be mailed to an owner of a motor vehicle who does not establish financial responsibility after being given thirty (30) days to comply with such requirement A final notice to an owner of a motor vehicle who is shown not to have established or maintained financial responsibility subsequent to the notice issued pursuant to paragraph (c) of this subsection. Such notice shall provide ten (10) days for an owner to comply with the financial responsibility requirements or to notify the department of exemption before suspension of an owner's registration will be effective;
- (e) That the department may offer, and that an owner may consent to, the sending of all eligible notices by e-mail in lieu of sending such notices through the mail;
- (f) The opportunity for an owner to provide a certificate or proof of liability insurance prior to any action taken against the registration;
- (g) That a registration may not be reinstated unless evidence of insurance is provided to the department and a reinstatement fee of seventy-five dollars (\$75.00) is paid to the department. These fees shall be deposited into the state highway account. These fees are in addition to any other applicable fines, penalties, and fees;
- (h) That an owner may lawfully suspend vehicle insurance pursuant to section 41-2516, Idaho Code; and
- (i) That an insurance company shall, if it has such capability, report data indicating that a vehicle's insurance has been lawfully suspended because such vehicle has been placed into storage by the owner; and
- (i) (j) That an owner may notify the department when exempt from the requirement to possess proof of vehicle financial responsibility for reasons allowed by Idaho Code or pursuant to rules promulgated by the department. If an exemption applies, the department shall mark the registration record as exempt and such registration shall not be suspended.
- (5) Peace officers shall access information from the online insurance verification system to verify the current validity of motor vehicle liability insurance. If insurance is verified, then the peace officer shall not issue a citation for an infraction violation of the provisions of section 49-1232, Idaho Code.
- (6) If an Idaho uniform citation is issued to a person for an infraction violation of the provisions of section 49-1232, Idaho Code, and it is subsequently found that the legally required motor vehicle insurance coverage was in force at the time of the issuance of the citation, then the court shall dismiss the citation without penalty and such citation shall not appear on the person's record.

(7) This section shall not apply to any vehicle insured under commercial motor vehicle coverage and shall not apply to implements of husbandry and golf carts. As used in this section, "commercial motor vehicle coverage" means an insurance policy that covers a business's vehicles and employees.

- (8) The department may promulgate rules in accordance with the provisions of chapter 52, title 67, Idaho Code, to carry out the provisions of this section.
- SECTION 3. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2023.