

1 H.513

2 Introduced by Representatives Pellett of Chester, Morrissey of Bennington,  
3 Donaghy of Poultney, French of Shrewsbury, Grad of  
4 Moretown, Jewett of Ripton, Koch of Barre Town, Marek of  
5 Newfane and Martin of Springfield

6 Referred to Committee on

7 Date:

8 Subject: Motor vehicles; registration; proof of automobile liability insurance  
9 or bond; suspension

10 Statement of purpose: This bill proposes to require that proof of automobile  
11 liability insurance coverage or bond be presented to the department of motor  
12 vehicles as a condition for the registration of a motor vehicle and that the  
13 department of motor vehicles adopt rules to monitor an owner's maintenance  
14 of financial responsibility and to suspend the registration of owners who fail to  
15 maintain financial responsibility.

16 An act relating to proof and maintenance of financial responsibility as a  
17 condition of motor vehicle registration

18 It is hereby enacted by the General Assembly of the State of Vermont:

1 Sec. 1. 23 V.S.A. § 800 is amended to read:

2 § 800. MAINTENANCE OF FINANCIAL RESPONSIBILITY

3 (a) No owner or operator of a motor vehicle required to be licensed shall  
4 operate or permit the operation of the vehicle upon the highways of the state  
5 without having in effect an automobile liability policy or bond in the amounts  
6 of at least \$25,000.00 for one person and \$50,000.00 for two or more persons  
7 killed or injured and \$10,000.00 for damages to property in any one accident.  
8 In lieu thereof, evidence of self-insurance in the amount of \$115,000.00 must  
9 be filed with the commissioner of motor vehicles. Such financial  
10 responsibility shall be maintained and evidenced in a form prescribed by the  
11 commissioner. The commissioner may require that evidence of financial  
12 responsibility be produced before motor vehicle inspections are performed  
13 pursuant to the requirements of section 1222 of this title.

14 (b) As a condition of registering a motor vehicle with the department of  
15 motor vehicles, the owner of a vehicle that has not filed evidence of  
16 self-insurance with the commissioner shall present proof of liability coverage  
17 or bonding required under the provisions of this section.

18 (c) The department of motor vehicles shall adopt rules and take appropriate  
19 steps to monitor an owner's ongoing maintenance of financial responsibility as  
20 required under the provisions of this section. Such rules may require any  
21 company issuing policies in this state insuring against liability arising out of

1 the maintenance, ownership, or use of any motor vehicle to provide the  
2 commissioner written notice when a policyholder's motor vehicle liability  
3 insurance policy terminates or if a new motor vehicle liability insurance policy  
4 is issued.

5 (d) Effective July 1, 2011, the commissioner shall suspend the registration  
6 of the owner of a motor vehicle who fails to maintain financial responsibility  
7 as required under the provisions of this section.

8 (e) A person who violates subsection (a) of this section shall be assessed a  
9 civil penalty of not more than \$100.00, and such violation shall be a traffic  
10 violation within the meaning of chapter 24 of this title.