

1 H.578

2 Introduced by Representatives LaLonde of South Burlington and Grad of

3 Moretown

4 Referred to Committee on

5 Date:

6 Subject: Motor vehicles; operator's license; privilege to operate; suspension;

7 Judicial Bureau; license or privilege to operate termination and

8 reinstatement fees; proof of financial responsibility; insurance; SR-22

9 certificate

10 Statement of purpose of bill as introduced: This bill proposes to:

11 (1) Eliminate the Judicial Bureau's authority to suspend an operator's  
12 license or privilege to operate for the nonpayment of a judgment on a traffic  
13 violation resulting in the imposition of points;

14 (2) Authorize Judicial Bureau hearing officers to waive the operator's  
15 license or privilege to operate reinstatement fee;

16 (3) Waive the reinstatement fee for an operator's license or privilege to  
17 operate previously suspended for the nonpayment of a judgment on a traffic  
18 violation resulting in the imposition of points;

19 (4) Require a report on the elimination of operator's license or privilege to  
20 operate termination and reinstatement fees; and

21 (5) Limit the instances when proof of financial responsibility is required.

1           An act relating to operator's license and privilege to operate suspensions  
2           and proof of financial responsibility

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

4                                 \* \* \* Suspension for Nonpayment \* \* \*

5           Sec. 1. 4 V.S.A. § 1109(b) is amended to read:

6           (b) Late fees; ~~suspensions for nonpayment of certain traffic violation~~  
7           ~~judgments~~ payment plans.

8                         (1) A Judicial Bureau judgment shall provide notice that a \$30.00 fee  
9           shall be assessed for failure to pay within 30 days. If the defendant fails to pay  
10          the amount due within 30 days, the fee shall be added to the judgment amount  
11          and deposited in the Court Technology Special Fund established pursuant to  
12          section 27 of this title.

13                        (2)(A) In the case of a judgment on a traffic violation for which the  
14          imposition of points against the person's driving record is authorized by law,  
15          the judgment shall contain a notice that ~~failure to pay or otherwise satisfy the~~  
16          ~~amount due within 30 days of the notice will result in suspension of the~~  
17          ~~person's operator's license or privilege to operate, and that payment plan~~  
18          options are available. ~~If the defendant fails to pay the amount due within 30~~  
19          ~~days of the notice, or by a later date as determined by a Judicial Bureau clerk~~  
20          ~~or hearing officer, and the case is not pending on appeal, the Judicial Bureau~~  
21          ~~shall provide electronic notice thereof to the Commissioner of Motor Vehicles.~~  
22          ~~After 20 days from the date of receiving the electronic notice, the~~

1 ~~Commissioner shall suspend the person's operator's license or privilege to~~  
2 ~~operate for a period of 30 days or until the amount due is satisfied, whichever~~  
3 ~~is earlier.~~

4 (B) At minimum, the Judicial Bureau shall offer a payment plan  
5 option that allows a person to ~~avoid a suspension of his or her license or~~  
6 ~~privilege to operate by paying no pay not more than \$30.00 per traffic violation~~  
7 judgment per month, and not to exceed \$100.00 per month if the person has  
8 four or more outstanding judgments.

9 \* \* \* Waiver of Reinstatement Fee \* \* \*

10 Sec. 2. 4 V.S.A. § 1109(c)(4) is amended to read:

11 (4)(A) Hearing. The hearing shall be conducted in a summary manner.  
12 The hearing officer shall examine the defendant and any other witnesses and  
13 may require the defendant to produce documents relevant to the defendant's  
14 ability to pay the amount due. The State or municipality shall not be a party  
15 except with the permission of the hearing officer. The defendant may be  
16 represented by counsel at the defendant's own expense.

17 (B) Traffic violations; reduction of amount due. When the judgment  
18 is based upon a traffic violation, the hearing officer may waive the  
19 reinstatement fee required pursuant to 23 V.S.A. § 675 or reduce the amount  
20 due on the basis of the defendant's driving history, ability to pay, or service to  
21 the community; the collateral consequences of the violation; or the interests of

1 justice. The hearing officer's decision ~~on a motion~~ to reduce the amount due  
2 shall not be subject to review or appeal except in the case of a violation of  
3 rights guaranteed under the Vermont or U.S. Constitution.

4 Sec. 3. WAIVER OF REINSTATEMENT FEE

5 (a) Notwithstanding 23 V.S.A. § 675(a), the Commissioner shall waive the  
6 \$80.00 reinstatement fee owed for an operator's license or privilege to operate  
7 suspended pursuant to 4 V.S.A. § 1109(b)(2)(A) prior to July 1, 2020.

8 (b) This subsection shall not affect the amount due for traffic violations or  
9 any pending suspensions of an individual's license or privilege to operate other  
10 than those specifically described in subsection (a) of this section.

11 \* \* \* Report on Eliminating Termination and Reinstatement Fee \* \* \*

12 Sec. 4. REPORT ON ELIMINATING TERMINATION AND  
13 REINSTATEMENT FEE

14 The Department of Motor Vehicles, in consultation with the Vermont  
15 Judicial Bureau and the Joint Fiscal Office, shall complete a study and submit  
16 a written report to the House and Senate Committees on Judiciary and the  
17 House and Senate Committees on Transportation on or before December 15,  
18 2020 concerning eliminating the operator's license or privilege to operate  
19 termination and reinstatement fees required pursuant to 23 V.S.A. § 675(a).

20 The report shall, at a minimum, address:

1           (1) what surcharge would need to be assessed on all tickets for traffic  
2           violations, as defined in 23 V.S.A. § 2302, to compensate for the loss of  
3           revenue from the license or privilege to operate termination fee;

4           (2) what surcharge would need to be assessed on all tickets for traffic  
5           violations, as defined in 23 V.S.A. § 2302, to compensate for the loss of  
6           revenue from the license or privilege to operate reinstatement fee;

7           (3) what percentage of reinstatement fees are paid;

8           (4) any anticipated administrative benefits associated with eliminating  
9           the termination and reinstatement fees and instead utilizing a surcharge; and

10           (5) any anticipated administrative difficulties associated with  
11           eliminating the termination and reinstatement fees and instead utilizing a  
12           surcharge.

13                           \* \* \* Proof of Financial Responsibility \* \* \*

14           Sec. 5. 23 V.S.A. § 801 is amended to read:

15           § 801. PROOF OF FINANCIAL RESPONSIBILITY REQUIRED

16           (a) The Commissioner shall require proof of financial responsibility to  
17           satisfy any claim for damages, by reason of personal injury to or the death of  
18           any person, of at least \$25,000.00 for one person and \$50,000.00 for two or  
19           more persons killed or injured and \$10,000.00 for damages to property in any  
20           one accident, as follows:

1           (1) From a person who is convicted of any of the following violations of  
2 this title:

3           (A) Death resulting from:

4                 (i) careless and negligent operation of a motor vehicle; or

5                 (ii) reckless driving of a motor vehicle.

6           (B) Any violation of section 1201 of this title or for any suspension  
7 pursuant to section 1205 of this title.

8           (C) Failing to immediately stop and render such assistance as may be  
9 reasonably necessary following an accident resulting in injury to any person or  
10 property, other than the vehicle then under his or her control.

11           (D) Operating, taking, using, or removing a motor vehicle without  
12 the consent of the owner in violation of section 1094 of this title.

13           (E) Operating a motor vehicle after suspension, revocation, or refusal  
14 of a license, in violation of section 674 of this title.

15           (F) ~~Operating without financial responsibility.~~ [Repealed.]

16           (G) ~~Any moving violation as defined in section 4 of this title if the~~  
17 ~~person has five points assessed against the person's license at the time the~~  
18 ~~moving violation occurs. At the time a ticket or a citation for a moving~~  
19 ~~violation is issued, the law enforcement officer shall give the defendant an~~  
20 ~~insurance verification certificate, which shall not be an SR-22 certificate. The~~  
21 ~~defendant shall complete the certificate and mail or deliver it to the~~

1 ~~Commissioner within 21 days of being issued the ticket or citation. The~~  
2 ~~Commissioner shall prescribe the form of the insurance verification certificate~~  
3 ~~and administer the insurance verification process by adopting rules and may,~~  
4 ~~pursuant to 3 V.S.A. chapter 25, adopt rules to administer the insurance~~  
5 ~~verification process. [Repealed.]~~

6 (H) The provisions of subdivisions (a)(1)(A), (C), (D), and (E), ~~and~~  
7 ~~(G)~~ of this section shall not apply to an operator furnishing the Commissioner  
8 with satisfactory proof that a standard provisions automobile liability insurance  
9 policy, issued by an insurance company authorized to transact business in this  
10 State insuring the operator against public liability and property damage, in the  
11 amounts required under this section with respect to proof of financial  
12 responsibility, was in effect at the time of the violation. Nor shall these  
13 provisions apply if the operator was a nonresident, holding a valid license  
14 issued by the state of his or her residence, at the time of the violation, and  
15 satisfactory proof, in the form of a certificate issued by an insurance company  
16 authorized to transact business in the state of his or her residence, and  
17 accompanied by a power of attorney authorizing the Commissioner to accept  
18 service on its behalf, of notice or process in any action arising out of the  
19 violation, certifying that insurance covering the legal liability of the operator to  
20 satisfy any claim or claims for damage to person or property, in an amount

1 equal to the amounts required under this section with respect to proof of  
2 financial responsibility was in effect at the time of the violation.

3 \* \* \*

4 Sec. 6. WAIVER OF PROOF OF FINANCIAL RESPONSIBILITY

5 The Commissioner shall relieve an operator from the obligation to furnish  
6 proof of financial responsibility required pursuant to 23 V.S.A. § 801(a)(1)(F)  
7 and (G) on July 1, 2020. This provision shall not be construed to relieve an  
8 operator of his or her responsibility to comply with the mandatory insurance  
9 requirement set forth in 23 V.S.A. § 800.

10 \* \* \* Effective Dates \* \* \*

11 Sec. 7. EFFECTIVE DATES

12 (a) Secs. 1 (suspension for nonpayment) and 5 (proof of financial  
13 responsibility required) shall take effect on July 1, 2020.

14 (b) All other sections shall take effect on passage.