

# VIRGINIA ACTS OF ASSEMBLY -- 2004 RECONVENED SESSION

## CHAPTER 998

*An Act to amend and reenact § 46.2-417 of the Code of Virginia, relating to driver's license suspension for nonpayment of certain judgments.*

[H 1137]

Approved April 21, 2004

**Be it enacted by the General Assembly of Virginia:**

**1. That § 46.2-417 of the Code of Virginia is amended and reenacted as follows:**

§ 46.2-417. Suspension for failure to satisfy motor vehicle accident judgment; exceptions; insurance in liquidated company; insurer obligated to pay judgment.

A. Upon the application of any judgment creditor, the Commissioner shall suspend the driver's license and all of the registration certificates and license plates of any person who has failed for ~~thirty~~ 30 days to satisfy any judgment (i) in an amount and on a cause of action as hereinafter stated in this subsection or (ii) in an amount and on a cause of action pursuant to §§ 15.2-1716 or 15.2-1716.1, immediately upon receiving an authenticated judgment order or abstract thereof in an action for damages in a motor vehicle accident or pursuant to §§ 15.2-1716 or 15.2-1716.1, if (i) the order or abstract is received by the Commissioner within ~~ten~~ 10 years of the date of judgment or (ii) if the judgment has been revived. However, if judgment is marked satisfied on the court records on or before the Commissioner's issuance of suspension, the order of suspension shall be invalid.

B. The Commissioner shall not, however, suspend the license of an owner or driver if the insurance carried by him was in a company which was authorized to transact business in this Commonwealth and which subsequent to an accident involving the owner or driver and prior to settlement of the claim therefor went into liquidation, so that the owner or driver is thereby unable to satisfy the judgment arising out of the accident.

C. The Commissioner shall not suspend the driver's license or driving privilege or any registration certificate, license plates, or decals under clause (i) of subsection A of this section or § 46.2-418, if the Commissioner finds that an insurer authorized to do business in the Commonwealth was obligated to pay the judgment upon which suspension is based, or that a policy of the insurer covers the person subject to the suspension, if the insurer's obligation or the limits of the policy are in an amount sufficient to meet the minimum amounts required by § 46.2-472, even though the insurer has not paid the judgment for any reason. A finding by the Commissioner that an insurer is obligated to pay a judgment, or that a policy of an insurer covers the person, shall not be binding upon the insurer and shall have no legal effect whatever except for the purpose of administering this article. Whenever in any judicial proceeding it is determined by any final judgment, decree, or order that an insurer is not obligated to pay the judgment, the Commissioner, notwithstanding any contrary finding made by him, forthwith shall suspend the driver's license or driving privilege, or any registration card, license plates or decals of any person against whom the judgment was rendered, as provided in subsection A of this section.