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## HOUSE BILL NO. 327

Offered January 15, 1998

A BILL to amend and reenact § 46.2-706 of the Code of Virginia, relating to registration of uninsured motor vehicles.

Patron—Dillard

Referred to Committee on Finance

**Be it enacted by the General Assembly of Virginia:****1. That § 46.2-706 of the Code of Virginia is amended and reenacted as follows:**

§ 46.2-706. Additional fee; proof of insurance required of applicants for registration of insured motor vehicles; verification of insurance; suspension of driver's license, registration certificates, and license plates for certain violations.

In addition to any other fees prescribed by law, every person registering an uninsured motor vehicle, as defined in § 46.2-705, at the time of registering or reregistering the uninsured vehicle, shall pay a fee of ~~\$400~~ \$500; however, if the uninsured motor vehicle is being registered or reregistered for a period of less than a full year, the uninsured motor vehicle fee shall be prorated for the unexpired portion of the registration period. If the vehicle is a motor vehicle being registered or reregistered as provided in subsection B of § 46.2-697, the fee shall be one-fourth of the annual uninsured motor vehicle fee for each quarter for which the vehicle is registered.

If the owner of a motor vehicle registered under this article as an uninsured motor vehicle, during the period for which such vehicle is registered, obtains insurance coverage adequate to permit such vehicle's registration as an insured motor vehicle and presents evidence satisfactory to the Commissioner of the existence of such insurance coverage, the Commissioner shall amend the Department's records to show such vehicle to be registered as an insured motor vehicle and shall refund to the owner a prorated portion of the additional fee required by this section for registration of an uninsured motor vehicle. Such proration shall be on a monthly basis, except that no such refund shall be made (i) as to any registration during the last three months of its validity or (ii) on any portion of any such fee required to be paid resulting from a determination by the Department or any court that a vehicle was uninsured and no fee had been paid.

Every person applying for registration of a motor vehicle and declaring it to be an insured motor vehicle shall, under the penalties set forth in § 46.2-707, execute and furnish to the Commissioner his certificate that the motor vehicle is an insured motor vehicle as defined in § 46.2-705, or that the Commissioner has issued to its owner, in accordance with § 46.2-368, a certificate of self-insurance applicable to the vehicle sought to be registered. The Commissioner, or his duly authorized agent, may verify that the motor vehicle is properly insured by comparing owner and vehicle identification information on file at the Department of Motor Vehicles with liability information on the owner and vehicle transmitted to the Department by any insurance company licensed to do business in the Commonwealth as provided in § 46.2-706.1. If no record of liability insurance is found, the Department may require the motor vehicle owner to verify insurance in a method prescribed by the Commissioner.

The refusal or neglect of any owner within thirty days to submit the liability insurance information when required by the Commissioner or his duly authorized agent, or the electronic notification by the insurance company or surety company that the policy or bond named in the certificate of insurance is not in effect, shall require the Commissioner to suspend any driver's license and all registration certificates and license plates issued to the owner of the motor vehicle until the person (i) has paid to the Commissioner a fee of ~~\$400~~ \$1,000 to be disposed of as provided for in § 46.2-710 with respect to the motor vehicle determined to be uninsured and (ii) furnishes proof of financial responsibility for the future in the manner prescribed in Article 15 (§ 46.2-435 et seq.) of Chapter 3 of this title. No order of suspension required by this section shall become effective until the Commissioner has offered the person an opportunity for an administrative hearing to show cause why the order should not be enforced. Notice of the opportunity for an administrative hearing may be included in the order of suspension. When three years have elapsed from the effective date of the suspension required in this section, the Commissioner may relieve the person of the requirement of furnishing proof of future financial responsibility.

The Commissioner shall suspend the driver's license and all registration certificates and license plates of any person on receiving a record of his conviction of a violation of any provisions of § 46.2-707, but the Commissioner shall dispense with the suspension when the person is convicted for a violation of § 46.2-707 and the Department's records show conclusively that the motor vehicle was insured or that

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**60** the fee applicable to the registration of an uninsured motor vehicle has been paid by the owner prior to  
**61** the date and time of the alleged offense.