

By: Phillips

H.B. No. 2893

Substitute the following for H.B. No. 2893:

By: Krusee

C.S.H.B. No. 2893

A BILL TO BE ENTITLED

AN ACT

relating to a motor vehicle liability insurance compliance program;
providing civil and criminal penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 601, Transportation Code, is amended by
adding Subchapter N to read as follows:

SUBCHAPTER N. MOTOR VEHICLE LIABILITY INSURANCE COMPLIANCE PROGRAM

Sec. 601.501. ESTABLISHMENT OF PROGRAM. (a) The
department shall establish a motor vehicle liability insurance
compliance program.

(b) In establishing the program, the department may request
and obtain advice and assistance from any other agency of this or
another state, including the Texas Department of Insurance and the
Texas Department of Transportation.

(c) The department may contract with one or more public or
private entities to administer the program.

Sec. 601.502. REPORTING REQUIREMENTS. (a) The motor
vehicle liability insurance compliance program shall require that,
on or after the effective date of this subchapter, when an insurance
company authorized to write motor vehicle liability insurance in
this state or its designated agent issues or renews a motor vehicle
liability insurance policy that provides the minimum coverages
required by this chapter to a person who is required to maintain
insurance under this chapter and who is the holder of a Texas

1 driver's license or a Texas commercial driver's license, or
2 terminates or cancels such a policy, the insurance company or its
3 designated agent shall furnish to the department or administering
4 entity the following information:

5 (1) the insurance policy number;

6 (2) the effective date of the policy;

7 (3) the make, model, license plate number, and vehicle
8 identification number of each vehicle covered by the policy; and

9 (4) any other information reasonably required by the
10 department.

11 (b) The required information relating to an insurance
12 policy that is issued or renewed shall be provided to the department
13 or administering entity not later than the third business day after
14 the date of issuance or renewal.

15 (c) The required information relating to an insurance
16 policy that is terminated or canceled shall be provided to the
17 department before the effective date of the termination or
18 cancellation.

19 Sec. 601.503. ELECTRONIC REPORTING. (a) Each insurance
20 company or its designated agent shall provide information required
21 under Section 601.502 through an electronic system in the format
22 specified by the department or administering entity.

23 (b) The format specified by the department or administering
24 entity under Subsection (a) should be compatible with insurance
25 industry standards. The format must allow the information to be
26 submitted individually or in bulk.

27 (c) Any proprietary information provided by an insurance

1 company or an agent under this section remains the property of the
2 insurance company or the agent.

3 Sec. 601.504. COMPUTER DATABASE. From the information
4 provided by insurance companies or their designated agents under
5 this subchapter, the department or administering entity shall
6 develop and maintain a computer database to be used in the
7 administration and enforcement of this subchapter.

8 Sec. 601.505. CONFIDENTIALITY OF INFORMATION. (a)
9 Information in the computer database is confidential and not
10 subject to required public disclosure under Chapter 552, Government
11 Code.

12 (b) The department or administering entity shall develop
13 procedures to enable law enforcement officers, and other state or
14 local governmental entities that enforce this Act, to have access
15 to the information in the computer database. The department or
16 administering entity shall maintain the confidentiality of the
17 information in making information available to other entities
18 authorized to receive the information. The department may provide
19 for direct access to the information in the computer database and
20 may establish and maintain a toll-free telephone number that
21 provides access to that information.

22 (c) For the purpose of verifying that financial
23 responsibility has been established for a motor vehicle, the
24 procedures developed under Subsection (b) must provide that
25 information in the computer database may be readily accessed at all
26 times by:

27 (1) a driver's license office, in connection with an

1 application under Chapter 521 or 522 for an original, renewal, or
2 duplicate driver's license or commercial driver's license;

3 (2) a county tax assessor-collector or a full-service
4 or limited purpose deputy, in connection with an application under
5 Chapter 502 for an original or renewal registration of a motor
6 vehicle;

7 (3) an inspector, in connection with an inspection of
8 a vehicle under Chapter 548; and

9 (4) any peace officer of this state, in connection
10 with the enforcement of this chapter.

11 (d) The department or administering entity shall
12 periodically update the database to identify new insurance policies
13 and to determine whether previous insurance policies are still in
14 effect.

15 (e) A person commits an offense if the person:

16 (1) discloses information in the computer database to
17 a person who is not authorized to receive the information; or

18 (2) permits a person described by Subdivision (1) to
19 view, read, or copy the information.

20 (f) An offense under Subsection (e) is a state jail felony.

21 Sec. 601.506. CERTAIN FEES AND CHARGES PROHIBITED. An
22 insurance company or designated agent subject to the motor vehicle
23 liability insurance compliance program may not assess or collect
24 from the policyholder of a motor vehicle liability insurance policy
25 subject to this section a charge or fee because the company or agent
26 is required to comply with any part of the program.

27 SECTION 2. This Act takes effect September 1, 2005.