

2/16/96 Transportation

FILED FEB 14 1996

SENATE FILE 2192
BY REDFERN

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing an exemption from motor vehicle financial
2 responsibility security filing requirements.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

1 Section 1. Section 321A.6, Code 1995, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 5. If, prior to the date that the
4 department would otherwise suspend the person's license and
5 registration or nonresident's operating privilege under
6 section 321A.5, evidence of either of the following is filed
7 with the department:

8 a. Evidence that the person made diligent and reasonable
9 efforts to locate the prospective claimants, but was unable to
10 do so.

11 b. Evidence that the person made a written request by
12 restricted certified mail in an effort to settle the claim and
13 no response was made to the request within thirty days of the
14 request.

15 EXPLANATION

16 Chapter 321A applies to owners and operators of motor
17 vehicles who do not have automobile insurance. Current law
18 requires the state department of transportation to suspend the
19 motor vehicle license of an operator and the registration of
20 an owner of a motor vehicle involved in a motor vehicle
21 accident which has resulted in bodily injury, death, or damage
22 in excess of \$500 unless the owner or operator deposits
23 security which is sufficient to satisfy any judgment for
24 damages resulting from the accident. The department may
25 suspend the license and registration within 60 days of receipt
26 of the accident report.

27 Section 321A.6 provides for exceptions to filing security
28 if there was no injury or damage caused to a person or
29 property other than the operator or owner; if the motor
30 vehicle was stopped, standing, or parked; if the motor vehicle
31 was being operated without the owner's permission; and if
32 prior to the date the department would suspend the license and
33 registration, the person files evidence that the person is
34 released from liability, been finally adjudicated not to be
35 liable or has executed a warrant for confession of judgment,

1 or has executed a written agreement providing for payment of
2 an agreed amount in installments.

3 This bill adds another exception which prohibits the
4 department from suspending the license and registration if the
5 person files evidence with the department that the person has
6 made diligent and reasonable efforts to locate the prospective
7 claimants, but was unable to do so, or the person has sent a
8 written request by restricted certified mail (registered mail,
9 return receipt requested) and no response was made within 30
10 days.

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35