ASSEMBLY AMENDMENT 12, TO ASSEMBLY SUBSTITUTE AMENDMENT 3, TO 1999 ASSEMBLY BILL 52

May 12, 1999 – Offered by Representatives Cullen, Krusick, Gronemus, Bock and Carpenter.

At the locations indicated, amend the substitute amendment as follows:

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- **1.** Page 1, line 7: after "programs;" insert "assuring financial responsibility for the operation of motor vehicles;".
- **2.** Page 4, line 15: after "conviction." insert "The department may not issue a probationary license to operate "Class D" vehicles under this section to an applicant who is under 18 years of age unless the applicant submits to the department proof, in the form and manner required by the department, that the applicant has in effect a motor vehicle liability policy or bond that meets the requirements under s. 344.15 for any motor vehicle operated by the applicant insuring against loss resulting from liability imposed by law for bodily injury, death and property damage sustained by any person arising out of the ownership, maintenance, operation or use of the motor vehicle.".

3. Page 8, line 18: after that line insert:

"Section 16gd. 344.10 of the statutes is created to read:

344.10 Compulsory financial responsibility for certain probationary licensees. (1) (a) 1. No person subject to operating restrictions under s. 343.085 (2m) (a) may operate a motor vehicle upon a highway in this state unless the operator has in effect a motor vehicle liability policy or bond for the motor vehicle, which meets the requirements under s. 344.15, insuring against loss resulting from liability imposed by law for bodily injury, death and property damage sustained by any person arising out of the ownership, maintenance, operation or use of the motor vehicle.

- 2. No person subject to operating restrictions under s. 343.085 (2m) (a) may operate a motor vehicle upon a highway in this state unless the person has in his or her immediate possession at all times while operating the vehicle proof that he or she is in compliance with subd. 1. or that the requirements of subd. 1. do not apply to him or her. The operator of the motor vehicle who is subject to operating restrictions under s. 343.085 (2m) (a) shall display the proof required under this subdivision upon demand from any law enforcement officer.
- (b) 1. No person charged with violating par. (a) 1. may be convicted if the person produces proof that he or she was in compliance with par. (a) 1. or that the requirements of par. (a) 1. did not apply to him or her at the time of the arrest. Such proof may be produced either at the time of the person's appearance in court in response to the uniform traffic citation, or in the office of the arresting officer within 5 days after the date of issuance of the uniform traffic citation.
- 2. Proof of compliance with par. (a) 1. may be evidenced by display of the motor vehicle policy or bond in effect for the motor vehicle under s. 344.15, a copy of that

- policy or bond or an identification card issued to the person by the insurer indicating that the policy or bond is in effect or by display of certification of insurance under s. 344.31 or a copy of that certification.
 - **(2)** Proof of financial responsibility may be evidenced by a deposit of money or securities in the amount, form and manner specified in s. 344.37.
- (3) Notwithstanding s. 349.02, a law enforcement officer may not stop or inspect a vehicle solely to determine compliance with sub. (1) (a) 1. or 2. or both or a local ordinance in conformity with sub. (1) (a) 1. or 2. or both. This subsection does not limit the authority of a law enforcement officer to issue a citation for a violation of sub. (1) (a) 1. or 2. or both or a local ordinance in conformity with sub. (1) (a) 1. or 2. or both observed in the course of a stop or inspection made for other purposes, except that a law enforcement officer may not take a person into physical custody solely for a violation of sub. (1) (a) 1. or 2. or both or a local ordinance in conformity with sub. (1) (a) 1. or 2. or both.
- **(4)** The department shall include with each operator's license issued under s. 343.085 to an applicant under 18 years of age written notification of the requirements and penalties under this section.
 - (5) (a) Any person who violates sub. (1) (a) 1. shall forfeit not more than \$500.
 - (b) Any person who violates sub. (1) (a) 2. may be required to forfeit \$10.
- **SECTION 16gh.** 344.15 (1) of the statutes is amended to read:
- 344.15 **(1)** No policy or bond is effective under s. <u>343.085 (1) (b)</u>, <u>344.10 or 344.14</u> unless issued by an insurer authorized to do an automobile a motor vehicle liability or surety business in this state, except as provided in sub. (2), or unless the policy or bond is subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than \$25,000 because of bodily injury to or

death of one person in any one accident and, subject to that limit for one person, to a limit of not less than \$50,000 because of bodily injury to or death of 2 or more persons in any one accident and, if the accident has resulted in injury to or destruction of property, to a limit of not less than \$10,000 because of injury to or destruction of property of others in any one accident.

Section 16gp. 344.15 (2) (intro.) of the statutes is amended to read:

344.15 **(2)** (intro.) A policy or bond with respect to a vehicle which was not registered in this state or was registered elsewhere at the time of the effective date of the policy or bond or the most recent renewal thereof may be effective under s. 343.085 (1) (b), 344.10 or 344.14 even though not issued by an insurer authorized to do an automobile a motor vehicle liability or surety business in this state if the following conditions are complied with:

Section 16gt. 344.15 (4) of the statutes is amended to read:

344.15 **(4)** After receipt of the report of an accident of the type specified in s. 344.12, the secretary may forward to the insurer named therein, that portion of the report or other notice which pertains to an automobile a motor vehicle liability policy or bond. The secretary shall assume that an automobile a motor vehicle liability policy or bond as described in this section was in effect and applied to both the owner and operator with respect to the accident unless the insurer notifies the secretary otherwise within 30 days from the mailing to the insurer of that portion of the report or other notice pertaining to the automobile motor vehicle liability policy or bond. Upon receipt of notice from the insurer that an automobile a motor vehicle liability policy or bond was in effect as to the owner only, the operator only or was not in effect as to either of them, the secretary shall within the remainder of the 90-day period specified in s. 344.13 (3) require the owner or operator or both, whichever is

applicable, to deposit security pursuant to this chapter. As respects permission to operate the vehicle, the insurer may correct the report or other notice only if it files with the secretary within the 30–day period specified in this subsection an affidavit signed by the owner stating that the operator did not have the owner's permission to operate the vehicle. Where the insurer's failure to notify the secretary within 30 days of a correction in that portion of the report or other notice pertaining to an automobile a motor vehicle liability policy or bond is caused by fraud, the insurer shall notify the secretary of the correction within 30 days of the time the fraud is discovered.

SECTION 16md. 344.15 (5) of the statutes is amended to read:

344.15 **(5)** Nothing in this chapter shall be construed to impose any obligation not otherwise assumed by the insurer in its automobile motor vehicle liability policy or bond except that if no correction is made in the report or other notice within 30 days after it is mailed to the insurer, the insurer, except in case of fraud, whenever such fraud may occur, is stopped from using as a defense to its liability the insured's failure to give permission to the operator or a violation of the purposes of use specified in the automobile motor vehicle liability policy or bond or the use of the vehicle beyond agreed geographical limits.

SECTION 16mh. 344.32 (1) (intro.) of the statutes is amended to read:

344.32 **(1)** (intro.) A nonresident may give proof of financial responsibility by filing with the secretary a written certification of an insurer authorized to transact an automobile a motor vehicle liability or surety business in the state in which the person resides or by transmitting such certification to the secretary by another means approved by the secretary, provided the certification otherwise conforms to

this chapter. The secretary shall accept the certification if the insurer complies with the following with respect to the policies so certified:

SECTION 16mp. 344.33 (1) of the statutes is amended to read:

344.33 **(1)** Certification. In this chapter ss. 344.30 to 344.34, "motor vehicle liability policy" means a motor vehicle policy of liability insurance, certified as provided in s. 344.31 or 344.32 as proof of financial responsibility for the future, and issued, except as otherwise provided in s. 344.32, by an insurer authorized to do an automobile a motor vehicle liability business in this state to or for the benefit of the person named in the policy as the insured.

Section 16mt. 344.35 (title) of the statutes is amended to read:

344.35 (title) This chapter Section 344.33 not to affect other policies.

SECTION 16rd. 344.35 (1) of the statutes is amended to read:

344.35 **(1)** This chapter Section 344.33 does not apply to or affect policies of automobile motor vehicle insurance against liability which may now or hereafter be required by any other law of this state. If such policies contain an agreement or are endorsed to conform to the requirements of this chapter s. 344.33, they may be certified as proof of financial responsibility under this chapter.

SECTION 16rh. 344.35 (2) of the statutes is amended to read:

344.35 **(2)** This chapter Section 344.33 does not apply to or affect policies insuring solely the insured named in the policy against liability resulting from the maintenance or use by persons in the insured's employ or on the insured's behalf of motor vehicles not owned by the insured.

Section 16rp. 344.51 (1m) of the statutes is amended to read:

344.51 **(1m)** No lessor or rental company may for compensation rent or lease any motor vehicle unless there is filed with the department on a form prescribed by

the department a certificate for a good and sufficient bond or policy of insurance issued by an insurer authorized to do an automobile a motor vehicle liability insurance or surety business in this state. The certificate shall provide that the insurer which issued it will be liable for damages caused by the negligent operation of the motor vehicle in the amounts set forth in s. 344.01 (2) (d). No lessor or rental company complying with this subsection, and no lessor or rental company entering into or acquiring an interest in any contract for the rental or leasing of a motor vehicle for which any other lessor or rental company has complied with this subsection, is liable for damages caused by the negligent operation of the motor vehicle by another person.

Section 16rt. 345.61 (1) (a) of the statutes is amended to read:

345.61 **(1)** (a) Any domestic or foreign surety company which has qualified to transact surety business in this state may, in any year, become surety in an amount not to exceed \$200 with respect to any guaranteed arrest bond certificates issued in such year by an automobile club, association or by an insurance company authorized to write automobile motor vehicle liability insurance within this state, by filing with the commissioner of insurance an undertaking thus to become surety.

SECTION 16vd. 345.61 (2) (c) of the statutes is amended to read:

345.61 (2) (c) "Guaranteed arrest bond certificate" as used in this section means any printed card or other certificate issued by an automobile club, association or insurance company to any of its members or insureds, which card or certificate is signed by the member or insureds and contains a printed statement that the automobile club, association or insurance company and a surety company, or an insurance company authorized to transact both automobile motor vehicle liability insurance and surety business, guarantee the appearance of the persons whose

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signature appears on the card or certificate and that they will in the event of failure of the person to appear in court at the time of trial, pay any fine or forfeiture imposed on the person, including the penalty assessment required by s. 165.87, the jail assessment required by s. 302.46 (1), the railroad crossing improvement assessment required by s. 346.177, 346.495 or 346.65 (4r) and the crime laboratories and drug law enforcement assessment required by s. 165.755, in an amount not exceeding \$200, or \$1,000 as provided in sub. (1) (b).

Section 16vh. 345.61 (3) of the statutes is amended to read:

345.61 (3) Any guaranteed arrest bond certificate with respect to which a surety company has become surety, or a guaranteed arrest bond certificate issued by an insurance company authorized to transact both automobile motor vehicle liability insurance and surety business within this state as herein provided, shall, when posted by the person whose signature appears thereon, be accepted in lieu of cash bail or other bond in an amount not to exceed \$200, or \$1,000 as provided in sub. (1) (b), as a bail bond, to guarantee the appearance of such person in any court in this state, including all municipal courts in this state, at such time as may be required by such court, when the person is arrested for violation of any vehicle law of this state or any motor vehicle ordinance of any county or municipality in this state except for the offense of driving under the influence of intoxicating liquors or of drugs or for any felony committed prior to the date of expiration shown on such guaranteed arrest bond certificates; provided, that any such guaranteed arrest bond certificates so posted as bail bond in any court in this state shall be subject to the forfeiture and enforcement provisions with respect to bail bonds in criminal cases as otherwise provided by law or as hereafter may be provided by law, and that any such guaranteed arrest bond certificate posted as a bail bond in any municipal court of this state shall be subject to the forfeiture and enforcement provisions, if any, of the charter or ordinance of the particular county or municipality pertaining to bail bonds

3 posted.".

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4. Page 9, line 18: delete "and 343.32 (2) (bc)" and substitute ", 343.32 (2) (bc), 344.10, 344.15 (1), (2) (intro.), (4) and (5), 344.32 (1) (intro.), 344.33 (1), 344.35 (title),

(1) and (2), 344.51 (1m) and 345.61 (1) (a), (2) (c) and (3)".

7 (END)