ASSEMBLY AMENDMENT 108, TO ASSEMBLY SUBSTITUTE AMENDMENT 1, TO 2001 SENATE BILL 55

June 29, 2001 - Offered by Representatives Carpenter and Berceau.

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

1. Page 985, line 20: after that line insert:

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"Section 2972r. 194.41 (1) of the statutes is amended to read:

194.41 (1) No permit or vehicle registration may be issued to a common motor carrier of property, contract motor carrier, or rental company, no permit or vehicle registration may remain in force to operate any motor vehicle under the authority of this chapter, and no vehicle registration may be issued or remain in force for a semitrailer unless the carrier or rental company has on file with the department and in effect an approved certificate for a policy of insurance or other written contract in such form and containing such terms and conditions as may be approved by the department issued by an insurer authorized to do a surety or automobile motor vehicle liability business in this state under which the insurer assumes the liability

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prescribed by this section with respect to the operation of such motor vehicles. The certificate or other contract is subject to the approval of the department and shall provide that the insurer shall be directly liable for and shall pay all damages for injuries to or for the death of persons or for injuries to or destruction of property that may be recovered against the owner or operator of any such motor vehicles by reason of the negligent operation thereof in such amount as the department may require. Liability may be restricted so as to be inapplicable to damage claims on account of injury to or destruction of property transported, but the department may require a certificate or other contract protecting the owner of the property transported by carriers from loss or damage in the such amount and under the such conditions as the department may require. No permit or vehicle registration may be issued to a common motor carrier of passengers by any motor vehicle, or other carrier of passengers by motor bus, except those registered in accordance with s. 341.26 (2) (a) and (d), and no permit or vehicle registration may remain in force to operate any motor vehicle unless it has on file with the department a like certificate or other contract in the form and containing the such terms and conditions as may be approved by the department for the payment of damages for injuries to property and injuries to or for the death of persons, including passengers, in the such amounts as the department may require. This subsection does not apply to a motor carrier that is registered by another state under a single-state registration system consistent with the standards under 49 USC 14504.".

- **2.** Page 1089, line 9: after "violations" insert ", financial responsibility violations under s. 344.10 (1) (a) 2...".
 - **3.** Page 1118, line 21: after that line insert:

"Section 3427rg. 344.10 of the statutes is created to read:

344.10 Compulsory financial responsibility; limits and penalties. (1)

(a) 1. No person may operate a motor vehicle upon a highway in this state unless the owner or 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 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 motor 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 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 issuance of the citation. 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 officer issuing the citation 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 liability policy or bond in effect for the motor vehicle under s. 344.15 or 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 a certification of insurance under s.

 344.31 or a copy of that certification.
 - 3. The department shall promulgate a rule specifying the form of proof that may be displayed by a person under par. (c) to show that the requirements under par.(a) 1. do not apply to him or her.
 - (c) Paragraph (a) 1. does not apply to:
- 1. Any person operating a vehicle owned by a self–insurer under s. 344.16, if operating with the owner's permission.
 - 2. Any person operating a vehicle insured as required by s. 121.53, 194.41, or 194.42, if operating with the owner's permission.
 - 3. Any person who has filed proof of financial responsibility as provided under sub. (2) or any person operating a vehicle owned by the person who has filed such proof, if operating with the owner's permission.
 - 4. The operator of a vehicle owned by or leased to the United States, this or another state, or any county or municipality of this or another state, if operating with the owner's or lessee's permission.
 - **(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 ch. 343 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 3427rh. 344.15 (1) of the statutes is amended to read:

344.15 **(1)** No policy or bond is effective under s. <u>344.10 or</u> 344.14 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 3427ri. 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. 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 3427rj. 344.15 (4) of the statutes is amended to read:

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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 3427rk. 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 estopped 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 3427rL. 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 3427rm. 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 3427rn. 344.35 (title) of the statutes is amended to read:

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

Section 3427ro. 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 3427rp. 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 3427rq. 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."

4. Page 1124, line 20: after that line insert:

"Section 3441r. 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, <u>by an</u> association, or by an insurance company authorized to write <u>automobile motor vehicle</u> liability insurance within this state, by filing with the commissioner of insurance an undertaking thus to become surety.".

5. Page 1125, line 10: after that line insert:

"Section 3442b. 345.61 (2) (c) of the statutes, as affected by 2001 Wisconsin Act (this act), 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 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. 757.05, the truck driver education assessment required by s. 349.04, the jail 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).

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SECTION 3442c. 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 posted.".

6. Page 1129, line 6: after that line insert:

"Section 3445d. 346.73 of the statutes is amended to read:

- **346.73 Accident reports not to be used in trial.** Notwithstanding s. 346.70 (4) (f), accident reports required to be filed with or transmitted to the department or a county or municipal authority shall not be used as evidence in any judicial trial, civil or criminal, arising out of an accident, except that such reports may be used as evidence in a trial for a violation of s. 344.10 or in any administrative proceeding conducted by the department. The department shall furnish upon demand of any person who has or claims to have made such a report, or upon demand of any court, a certificate showing that a specified accident report has or has not been made to the department solely to prove a compliance or a failure to comply with the requirement that such a report be made to the department.".
- **7.** Page 1182, line 22: after "traffic violations" insert "<u>, financial responsibility</u> violations under s. 344.10 (1) (a) 2.,".
- **8.** Page 1208, line 7: after "(5)" insert "<u>, a financial responsibility violation</u> under s. 344.10 (1) (a) 2...".
 - **9.** Page 1208, line 8: after that line insert:
- "Section 3832r. 814.63 (2) of the statutes is amended to read:
 - 814.63 **(2)** Upon the disposition of a forfeiture action in circuit court for violation of a county, town, city, village, town sanitary district, or public inland lake protection and rehabilitation district ordinance, except an action for <u>a financial responsibility violation under s. 344.10 (1) (a) 2. or a safety belt use violation under s. 347.48 (2m), the county, town, city, village, town sanitary district, or public inland lake protection and rehabilitation district shall pay a nonrefundable fee of \$5 to the clerk of circuit court.".</u>
 - **10.** Page 1208, line 13: after that line insert:

"Section 3834r. 814.634 (1) (a) of the statutes is amended to read:

814.634 **(1)** (a) Except for an action for <u>a financial responsibility violation</u> under s. 344.10 (1) (a) 2. or a safety belt use violation under s. 347.48 (2m), the clerk of circuit court shall charge and collect a \$40 court support services fee from any person, including any governmental unit, as defined in s. 108.02 (17), paying a fee under s. 814.61 (1) (a), (3), or (8) (am) or 814.63 (1).

SECTION 3834t. 814.635 (1) of the statutes is amended to read:

814.635 (1) Except for an action for a financial responsibility violation under s. 344.10 (1) (a) 2. or a safety belt use violation under s. 347.48 (2m), the clerk of circuit court shall charge and collect a \$9 justice information system fee from any person, including any governmental unit, as defined in s. 108.02 (17), paying a fee under s. 814.61 (1) (a), (3), or (8) (am), 814.62 (1), (2), or (3) (a) or (b), or 814.63 (1). The justice information system fee is in addition to the other fees listed in this section.

Section 3834v. 814.65 (1) of the statutes is amended to read:

814.65 (1) COURT COSTS. In a municipal court action, except an action for violation of an ordinance in conformity with s. 344.10 (1) (a) 2. or 347.48 (2m), the municipal judge shall collect a fee of not less than \$15 nor more than \$23 on each separate matter, whether it is on default of appearance, a plea of guilty or no contest, on issuance of a warrant or summons, or the action is tried as a contested matter. Of each fee received by the judge under this subsection, the municipal treasurer shall pay monthly \$5 to the state treasurer for deposit in the general fund and shall retain the balance for the use of the municipality."

11. Page 1362, line 21: after that line insert:

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"(6z) Financial responsibility for operation of motor vehicle. The department of transportation shall submit in proposed form the rule required under section 344.10 (1) (b) 3. of the statutes, as created by this act, to the legislative council staff under section 227.15 (1) of the statutes no later than the first day of the 9th month beginning after the effective date of this subsection."

12. Page 1425, line 21: after that line insert:

"(8z) Financial responsibility for operation of motor vehicle. The treatment of sections 194.41 (1), 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), 345.61 (1) (a), (2) (c) (by Section 3442b), and (3), 346.73, 814.63 (2), 814.634 (1) (a), 814.635 (1), and 814.65 (1) of the statutes takes effect on the first day of the 12th month beginning after publication.".

12 (END)