



## 2009 SENATE BILL 489

January 25, 2010 - Introduced by LAW REVISION COMMITTEE. Referred to Committee on Transportation, Tourism, Forestry, and Natural Resources.

1     **AN ACT** *to repeal* 344.32; and *to amend* 343.39 (1) (a), 344.18 (1m) (a), 344.18  
2           (3m) (a), 344.26 (1), 344.27 (2), 344.30 (1), 344.33 (1), 344.34, 344.42 and 631.37  
3           (4) (e) of the statutes; **relating to:** the requirement that a nonresident provide  
4           proof of financial responsibility for the operation of a motor vehicle to reinstate  
5           a suspended operating privilege or vehicle registration (suggested as remedial  
6           legislation by the Department of Transportation).

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### ***Analysis by the Legislative Reference Bureau***

Under current law, any person whose operating privilege or vehicle registration has been suspended for failure to deposit security or demonstrate financial responsibility after an accident or judgment arising from an accident must provide, and maintain in effect, proof of financial responsibility as a condition of reinstatement of the operating privilege or vehicle registration unless at least three years have elapsed since the person became eligible for reinstatement of the operating privilege or vehicle registration. This applies to any resident or nonresident operator or owner of a motor vehicle involved in an accident in this state. The Department of Transportation may also require proof of financial responsibility in other circumstances, including for issuance of an operator's license after revocation by this state of a person's operating privilege. A nonresident may give proof of financial responsibility by furnishing certification of a motor vehicle liability insurance policy in effect for the benefit of the nonresident, issued by an insurer that satisfies specified requirements, which requirements are specific to nonresidents.

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This bill eliminates any requirement that nonresidents provide proof of financial responsibility with respect to reinstatement of a suspended operating privilege or registration in this state, and repeals the provision specifying the form of, and requirements related to, proof of financial responsibility provided by nonresidents.

For further information, see the NOTES provided by the Law Revision Committee of the Joint Legislative Council.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the Department of Transportation and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4. and 5., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

1           **SECTION 1.** 343.39 (1) (a) of the statutes is amended to read:

2           343.39 (1) (a) When, in the case of a suspended operating privilege, the period  
3 of suspension has terminated, the fees specified in s. 343.21 (1) (j) and (n) have been  
4 paid to the department and, for reinstatement of ~~an~~ the operating privilege of a  
5 resident suspended under ch. 344, the person files with the department proof of  
6 financial responsibility, if required, in the amount, form, and manner specified under  
7 ch. 344.

8           **SECTION 2.** 344.18 (1m) (a) of the statutes is amended to read:

9           344.18 (1m) (a) Unless 3 years have elapsed since the date that a requirement  
10 under sub. (1) (a), (b), (c), or (d) has been met or unless the person is a nonresident,  
11 the person whose operating privilege or registration was suspended or revoked  
12 under s. 344.14 shall file with the department and maintain in effect proof of  
13 financial responsibility in the amount, form, and manner specified in this chapter.

14           **SECTION 3.** 344.18 (3m) (a) of the statutes is amended to read:

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1           344.18 **(3m)** (a) Unless 3 years have elapsed since the date that a requirement  
2           under sub. (3) (a) or (b) has been met or unless the person is a nonresident, the person  
3           whose operating privilege or registration was suspended or revoked under sub. (3)  
4           shall file with the department and maintain in effect proof of financial responsibility  
5           in the amount, form, and manner specified in this chapter.

6           **SECTION 4.** 344.26 (1) of the statutes is amended to read:

7           344.26 **(1)** Subject to the exceptions stated in ss. 344.25 (2) and 344.27 (2), any  
8           operating privilege or registration suspended or revoked under s. 344.25 shall  
9           remain suspended or revoked until every judgment mentioned in s. 344.25 is stayed,  
10          satisfied, or discharged and, unless 3 years have elapsed since the date on which the  
11          judgment was stayed, satisfied, or discharged or unless the person is a nonresident,  
12          until the person whose operating privilege and registration was suspended or  
13          revoked furnishes and maintains in effect proof of financial responsibility for the  
14          future.

15          **SECTION 5.** 344.27 (2) of the statutes is amended to read:

16          344.27 **(2)** The secretary shall not suspend the operating privilege or  
17          registration and shall restore any operating privilege or registration suspended  
18          following nonpayment of a judgment when the judgment debtor obtains such order  
19          permitting the payment of the judgment in installments and, unless 3 years have  
20          elapsed since the date on which the order permitting the payment of the judgment  
21          in installments is filed with the secretary or unless the judgment debtor is a  
22          nonresident, furnishes and maintains proof of financial responsibility for the future.

23          **SECTION 6.** 344.30 (1) of the statutes is amended to read:

24          344.30 **(1)** Certification of insurance as provided in s. 344.31 ~~or 344.32~~; or

25          **SECTION 7.** 344.32 of the statutes is repealed.

**SENATE BILL 489****SECTION 7**

NOTE: SECTIONS 1 to 5 and 7 are explained in the analysis by the Legislative Reference Bureau.

1           **SECTION 8.** 344.33 (1) of the statutes is amended to read:

2           **344.33 (1) CERTIFICATION.** In this chapter, “motor vehicle liability policy” means  
3 a motor vehicle policy of liability insurance, certified as provided in s. 344.31 ~~or~~  
4 ~~344.32~~ as proof of financial responsibility for the future, and issued, ~~except as~~  
5 ~~otherwise provided in s. 344.32,~~ by an insurer authorized to do an automobile  
6 liability business in this state to or for the benefit of the person named in the policy  
7 as the insured.

8           **SECTION 9.** 344.34 of the statutes is amended to read:

9           **344.34 Notice of cancellation or termination of certified policy.** When  
10 an insurer has certified a motor vehicle liability policy under s. 344.31, ~~a policy under~~  
11 ~~s. 344.32~~ or a bond under s. 344.36, the insurance so certified shall not be canceled  
12 or terminated until at least 10 days after a notice of cancellation or termination of  
13 the insurance so certified has been filed in the office of the secretary. No insurance  
14 so certified may be canceled or terminated by the insurer prior to the expiration of  
15 90 days from the effective date of the certification on the grounds of failure to pay a  
16 premium when due. Such a certified policy or bond subsequently procured shall, on  
17 the effective date of its certification, terminate the insurance previously certified.  
18 Any certification or recertification filed by the same insurer following cancellation  
19 shall be accompanied by a fee of \$3 payable by the insurer.

20           **SECTION 10.** 344.42 of the statutes is amended to read:

21           **344.42 Submission of certifications and recertifications by insurers.**

22 If the sum of certifications and recertifications under ss. 344.31, ~~344.32~~ and 344.34  
23 that are submitted by an insurer to the department in any year exceeds 1,000, the

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1 insurer shall pay to the department a transaction fee of \$1.50 per certification or  
2 recertification that is not transmitted electronically to the department. The  
3 department shall promulgate rules establishing procedures for the collection of  
4 transaction fees under this section.

5 **SECTION 11.** 631.37 (4) (e) of the statutes is amended to read:

6 631.37 (4) (e) *Motor vehicle liability policy.* Section 344.34 applies to motor  
7 vehicle liability policies certified under s. 344.31 and to policies certified under s.  
8 344.32.

NOTE: SECTIONS 6 and 8 to 11 reflect the repeal of s. 344.32 by this bill.

9 **SECTION 12. Initial applicability.**

10 (1) This act first applies to proof of financial responsibility filed with the  
11 secretary of transportation on the effective date of this subsection.

12 (END)