

AMENDED IN ASSEMBLY JULY 15, 1999

AMENDED IN ASSEMBLY JULY 12, 1999

AMENDED IN SENATE MAY 19, 1999

AMENDED IN SENATE APRIL 5, 1999

SENATE BILL

No. 652

Introduced by Senator Speier
(Coauthors: Senators Alarcon and Alpert)
(Coauthors: Assembly Members Knox and Lempert)

February 24, 1999

An act to amend Sections 1808.47, 4750, 16020, 16025, 16028, 16029, 16030, 16033, 16070, 16071, 16457, and 40611 of, to add Sections 1808.24, 4000.38, and 16058.5 to, to repeal and add Section 4000.37 of, and to repeal Sections 1680, 16020, 16070, 16071, 16457, and 40611 of, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 652, as amended, Speier. Vehicles: financial responsibility.

(1) Existing law provides that records of the Department of Motor Vehicles are generally open to public inspection. However, with specified exceptions, any residence address in any record of the department is confidential.

This bill would provide that information regarding any motor vehicle liability insurance policy or surety bond provided to the department *pursuant to the provisions below or electronically* is confidential and shall not be disclosed to

any person, with limited exceptions. Because a violation of this prohibition would be a crime under existing law, this bill would create a new crime, thereby imposing a state-mandated local program.

(2) Existing law requires persons who obtain confidential or restricted addresses pursuant to law to require their agents to take necessary steps to ensure confidentiality.

This bill would expand the confidentiality to any confidential or restricted information, thereby expanding the scope of an existing crime and imposing a state-mandated local program.

(3) Existing law requires all drivers to maintain one of various forms of financial responsibility, including liability insurance, and to provide proof of financial responsibility to a peace officer in various circumstances.

Existing law, until January 1, 2000, requires the Director of Motor Vehicles, if the operation of any of the current provisions governing financial responsibility is delayed or interrupted by the action of a state or federal court and the constitutionality of the provision is upheld by a final decision of the court, to calculate what amount of time the operation of the provision was delayed or interrupted by the court's action, add the amount calculated to January 1, 2000, to determine a new repeal date for the challenged provision, and notify the Secretary of State in writing of the new repeal date.

This bill would repeal these latter provisions, thereby extending indefinitely certain provisions of existing law relating to financial responsibility, as proposed to be revised by the bill.

(4) Under existing law, the department is required to require an applicant for renewal of a motor vehicle registration to submit a specified form, as developed by the department, regarding the applicant's motor vehicle liability insurance or provide certain documentation regarding alternative evidence of financial responsibility.

This bill instead would require the department to require each applicant for renewal of a motor vehicle registration to submit either a form approved by the department, but issued by the insurer, containing specified information, or any one of specified documents as evidence of coverage under an



alternative form of financial responsibility that may be provided by the applicant.

(5) Existing law does not provide for the suspension, cancellation, or revocation of the registration of a vehicle based upon whether the registration was attained by providing false evidence of financial responsibility or upon notification by an insurance company that the required coverage has been canceled, as specified.

This bill would authorize the department to take that action and would provide a procedure for the reinstatement of a registration that has been suspended, canceled, or revoked.

(6) Under existing law, upon demand of a peace officer under specified circumstances, every person who drives upon a highway a motor vehicle that is required to be registered in this state is required to provide evidence of financial responsibility, as defined. A violation of this provision is a crime that is punishable by specified fines.

This bill would recast that provision to provide that, upon demand by a peace officer, every person who drives a motor vehicle upon a highway is required to provide evidence of financial responsibility for the vehicle that is in effect at the time the demand is made. Since the bill would expand the scope of this crime, the bill would impose a state-mandated local program. The bill would also revise the definition of “evidence of financial responsibility” for these purposes.

The bill would decrease the fines for a violation of this provision, but would require a court to impose a fine that is greater than the minimum fine provided unless the defendant has presented the court with evidence of financial responsibility, as defined, in addition to the written certificate of an insurance carrier that meets specified requirements.

The bill would provide that the imposition of the fine is mandatory upon conviction of a violation of the financial responsibility provision and may not be waived or suspended unless the court in its discretion reduces or waives the fine based on the defendant’s ability to pay. The bill would authorize the court to direct that the fine be paid within a limited time or in installments on specified dates.

(7) Existing law makes it a crime for any person to knowingly provide false evidence of financial responsibility



under specified circumstances by using certain listed false documents, imposes certain duties on the courts in connection with a conviction of that offense, authorizes the court to suspend a person’s driving privilege, and allows the court to restrict the person’s driving privilege rather than suspend the privilege, if the driving of a motor vehicle is required in the person’s course of employment.

This bill would (a) include a false self-insurer certificate as one of the documents that apply to the above, (b) revise the duties of the court and the department in connection with a conviction of the offense, and (c) require the department, rather than the court, upon receipt of the court’s abstract of conviction, to suspend the driving privilege for a one-year period, effective upon the date of the conviction.

(8)

~~(9)~~The bill would provide that its provisions shall become operative only if SB _____ is enacted and becomes operative on or before January 1, 2000.

~~(10)~~

(9) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1680 of the Vehicle Code is
- 2 repealed.
- 3 SEC. 2. Section 1808.24 is added to the Vehicle Code,
- 4 to read:
- 5 1808.24. Information regarding any motor vehicle
- 6 liability insurance policy or surety bond provided to the
- 7 department pursuant to Section 4000.37, ~~16058, or 16058.5~~
- 8 *or 16058.5, or if provided electronically* is confidential and
- 9 shall not be disclosed to any person, except to the
- 10 following:



1 (a) A court of competent jurisdiction.

2 (b) A law enforcement or other governmental agency.

3 (c) An insurance company or its assigns to verify a
4 record the company or its assigns previously submitted to
5 the department.

6 (d) A person whose vehicle or property has been
7 involved in an accident reported to the department, or
8 who suffered bodily injury or death in an accident
9 reported to the department, pursuant to Chapter 1
10 (commencing with Section 16000) of Division 7, or the
11 person's authorized representative, employer, parent, or
12 legal guardian.

13 SEC. 3. Section 1808.47 of the Vehicle Code is
14 amended to read:

15 1808.47. Any person who has access to confidential or
16 restricted information from the department shall
17 establish procedures to protect the confidentiality of
18 those records. If any confidential or restricted
19 information is released to any agent of a person
20 authorized to obtain information, the person shall require
21 the agent to take all steps necessary to ensure
22 confidentiality and prevent the release of any
23 information to a third party. No agent shall obtain or use
24 any confidential or restricted records for any purpose
25 other than the reason the information was requested.

26 SEC. 4. Section 4000.37 of the Vehicle Code is
27 repealed.

28 SEC. 5. Section 4000.37 is added to the Vehicle Code,
29 to read:

30 4000.37. (a) Upon application for renewal of
31 registration of a motor vehicle, the department shall
32 require that the applicant submit either a form approved
33 by the department, but issued by the insurer, as specified
34 in paragraph (1) or (2), or any of the items specified in
35 paragraph (3), as evidence that the applicant is in
36 compliance with the financial responsibility laws of this
37 state.

38 (1) For vehicles covered by private passenger
39 automobile liability policies and having coverage as
40 described in subdivisions (a) and (b) of Section 660 of the



1 Insurance Code, or policies and coverages for private
2 passenger automobile policies as described in
3 subdivisions (a) and (b) of that section and issued by an
4 automobile assigned risk plan, the form shall include all
5 of the following:

6 (A) The primary name of the insured covered by the
7 policy or the vehicle owner, or both.

8 (B) The year, make, and vehicle identification
9 number of the vehicle.

10 (C) The name, the National Association of Insurance
11 Commissioners (NAIC) number, and the address of the
12 insurance company or surety company providing a policy
13 or bond for the vehicle.

14 (D) The policy or bond number, and the effective date
15 and expiration date of that policy or bond.

16 (E) A statement from the insurance company or
17 surety company that the policy or bond meets the
18 requirements of Section 16056 or 16500.5.

19 (2) For vehicles covered by commercial or fleet
20 policies, and not private passenger automobile liability
21 policies, as described in paragraph (1), the form shall
22 include all of the following:

23 (A) The name and address of the vehicle owner or
24 fleet operator.

25 (B) The name, the NAIC number, and the address of
26 the insurance company or surety company providing a
27 policy or bond for the vehicle.

28 (C) The policy or bond number, and the effective date
29 and expiration date of the policy or bond.

30 (D) A statement from the insurance company or
31 surety company that the policy or bond meets the
32 requirements of Section 16056 or 16500.5 and is a
33 commercial or fleet policy. For vehicles registered
34 pursuant to Article 9.5 (commencing with Section 5300)
35 or Article 4 (commencing with Section 8050) of Chapter
36 4, one form may be submitted per fleet as specified by the
37 department.

38 (3) In lieu of evidence of insurance as described in
39 paragraphs (1) and (2), one of the following documents



1 as evidence of coverage under an alternative form of
2 financial responsibility may be provided by the applicant:

3 (A) An evidence form, as specified by the department,
4 that indicates either a certificate of self-insurance or an
5 assignment of deposit letter has been issued by the
6 department pursuant to Sections 16053 or 16054.2.

7 (B) An insurance covering note or binder pursuant to
8 Section 382 or 382.5 of the Insurance Code.

9 (b) This section does not apply to any of the following:

10 (1) A vehicle for which a certification has been filed
11 pursuant to Section 4604, until the vehicle is registered for
12 operation upon the highway.

13 (2) A vehicle that is owned or leased by, or under the
14 direction of, the United States or any public entity that is
15 included in Section 811.2 of the Government Code.

16 (3) A vehicle registration renewal application where
17 there is a change of registered owner.

18 (4) A vehicle for which evidence of liability insurance
19 information has been filed with the department pursuant
20 to ~~Section 16058~~ or *electronically or pursuant to Section*
21 *16058.5.*

22 SEC. 6. Section 4000.38 is added to the Vehicle Code,
23 to read:

24 4000.38. (a) The department may suspend, cancel, or
25 revoke the registration of a vehicle when it determines
26 that either of the following circumstances has occurred:

27 (1) The registration was obtained by providing false
28 evidence of financial responsibility to the department.

29 (2) Upon notification by an insurance company that
30 the required coverage has been canceled and a sufficient
31 period of time has elapsed since the cancellation
32 notification, as determined by the department, for
33 replacement coverage to be processed and received by
34 the department.

35 (b) Prior to suspending, canceling, or revoking the
36 registration of a vehicle, the department shall notify the
37 vehicle owner of its intent to suspend, cancel, or revoke
38 the registration, and shall provide the vehicle owner a
39 reasonable time, not less than 45 days in cases under
40 paragraph (2) of subdivision (a), to provide evidence of



1 financial responsibility or to establish that the vehicle is
2 not being operated.

3 (c) Notwithstanding any other provision of this code,
4 before a registration is reinstated after suspension,
5 cancellation, or revocation, there shall, in addition to any
6 other fees required by this code, be paid to the
7 department a fee sufficient to pay the cost of the
8 reissuance as determined by the department.

9 SEC. 7. Section 4750 of the Vehicle Code is amended
10 to read:

11 4750. The department shall refuse registration, or
12 renewal or transfer of registration, upon any of the
13 following grounds:

14 (a) The application contains any false or fraudulent
15 statement.

16 (b) The required fee has not been paid.

17 (c) The registration, or renewal or transfer of
18 registration, is prohibited by the requirements of Part 5
19 (commencing with Section 43000) of Division 26 of the
20 Health and Safety Code.

21 (d) The owner of a heavy vehicle, which is subject to
22 the heavy vehicle use tax imposed pursuant to Section
23 4481 of Title 26 of the United States Code, has not
24 presented sufficient evidence, as determined by the
25 department, that the tax for the vehicle has been paid
26 pursuant to that section.

27 (e) Evidence of financial responsibility, that is
28 required for a vehicle registration renewal where there
29 is no change in registered owner, ~~pursuant to Section~~
30 ~~4000.37, 16058, or 16058.5, has not been provided to the~~
31 ~~department~~ *has not been provided to the department*
32 *pursuant to Section 4000.37 or 16058.5 or electronically.*

33 This subdivision does not apply to any of the following:

34 (1) A vehicle for which a certification has been filed
35 pursuant to Section 4604, until the vehicle is registered for
36 operation upon the highway.

37 (2) A vehicle owned or leased by, or under the
38 direction of, the United States or any public entity that is
39 included in Section 811.2 of the Government Code.



1 (3) A vehicle registration renewal application where
2 there is a change of registered owner.

3 SEC. 8. Section 16020 of the Vehicle Code, as
4 amended by Section 10 of Chapter 652 of the Statutes of
5 1997, is amended to read:

6 16020. (a) Every driver and every owner of a motor
7 vehicle shall at all times be able to establish financial
8 responsibility pursuant to Section 16021, and shall at all
9 times carry in the vehicle evidence of the form of
10 financial responsibility in effect for the vehicle.

11 (b) "Evidence of financial responsibility" means any
12 of the following:

13 (1) A form issued by an insurance company, as
14 specified by the department pursuant to Section 4000.37.

15 (2) If the owner is a self-insurer, as provided in Section
16 16052 or a depositor, as provided in Section 16054.2, the
17 certificate of self-insurance or the assignment of deposit
18 letter issued by the department.

19 (3) An insurance covering note or binder pursuant to
20 Section 382 or 382.5 of the Insurance Code.

21 (4) A showing that the vehicle is owned or leased by,
22 or under the direction of, the United States or any public
23 entity, as defined in Section 811.2 of the Government
24 Code.

25 (c) For purposes of this section, "evidence of financial
26 responsibility" also may be obtained by a law
27 enforcement officer from the electronic reporting system
28 ~~established under Section 16058.~~ *established by the*
29 *department.*

30 (d) For purposes of this section, "evidence of financial
31 responsibility" also includes any of the following:

32 (1) The number of an insurance policy or surety bond
33 that was in effect at the time of the accident or at the time
34 that evidence of financial responsibility is required to be
35 provided pursuant to Section 16028, if that information is
36 contained in the vehicle registration records of the
37 department.

38 (2) The identifying motor carrier of property permit
39 number issued by the Department of the California
40 Highway Patrol to the motor carrier of property as



1 defined in Section 34601, and displayed on the motor
2 vehicle in the manner specified by the Department of the
3 California Highway Patrol.

4 (3) The identifying number issued to the household
5 goods carrier, passenger stage carrier, or transportation
6 charter party carrier by the Public Utilities Commission
7 and displayed on the motor vehicle in the manner
8 specified by the commission.

9 (4) The identifying number issued by the Interstate
10 Commerce Commission or its successor federal agency,
11 if proof of financial responsibility must be presented to
12 the issuing agency as part of the identification number
13 issuance process, and displayed on the motor vehicle in
14 the manner specified by the issuing agency.

15 (e) Evidence of financial responsibility does not
16 include any of the identification numbers in paragraph
17 (1), (2), (3), or (4) of subdivision (d) if the carrier is
18 currently suspended by the issuing agency for lack or
19 lapse of insurance or other form of financial
20 responsibility.

21 SEC. 9. Section 16020 of the Vehicle Code, as added
22 by Section 5 of Chapter 1126 of the Statutes of 1996, is
23 repealed.

24 SEC. 10. Section 16025 of the Vehicle Code is
25 amended to read:

26 16025. (a) Every driver involved in the accident
27 shall, unless rendered incapable, exchange with any other
28 driver or property owner involved in the accident and
29 present at the scene, all of the following information:

30 (1) Driver's name and current residence address,
31 driver's license number, vehicle identification number,
32 and current residence address of registered owner.

33 (2) Evidence of financial responsibility, as specified in
34 Section 16020. If the financial responsibility of a person is
35 a form of insurance, then that person shall supply the
36 name and address of the insurance company and the
37 number of the insurance policy.

38 (b) Any person failing to comply with all of the
39 requirements of this section is guilty of an infraction



1 punishable by a fine not to exceed two hundred fifty
2 dollars (\$250).

3 SEC. 11. Section 16028 of the Vehicle Code is
4 amended to read:

5 16028. (a) Upon demand of a peace officer pursuant
6 to subdivision (b) or (c), every person who drives a motor
7 vehicle upon a highway shall provide evidence of
8 financial responsibility for the vehicle that is in effect at
9 the time the demand is made. However, a peace officer
10 shall not stop a vehicle for the sole purpose of
11 determining whether the vehicle is being driven in
12 violation of this subdivision.

13 (b) Whenever a notice to appear is issued for any
14 alleged violation of this code, except a violation specified
15 in Chapter 9 (commencing with Section 22500) of
16 Division 11 or any local ordinance adopted pursuant
17 thereto, the cited driver shall furnish written evidence of
18 financial responsibility upon request of the peace officer
19 issuing the citation. The peace officer shall request and
20 write the driver's evidence of financial responsibility on
21 the notice to appear, except when the peace officer is
22 unable to write the driver's evidence of financial
23 responsibility on the notice to appear due to an
24 emergency that requires his or her presence elsewhere.
25 If the cited driver fails to provide evidence of financial
26 responsibility at the time the notice to appear is issued,
27 the peace officer may issue the driver a notice to appear
28 for violation of subdivision (a). The notice to appear for
29 violation of subdivision (a) shall be written on the same
30 citation form as the original violation.

31 (c) Whenever a peace officer, or a regularly employed
32 and salaried employee of a city or county who has been
33 trained as a traffic collision investigator, is summoned to
34 the scene of an accident described in Section 16000, the
35 driver of any motor vehicle that is in any manner
36 involved in the accident shall furnish written evidence of
37 financial responsibility upon the request of the peace
38 officer or traffic collision investigator. If the driver fails to
39 provide evidence of financial responsibility when
40 requested, the peace officer may issue the driver a notice



1 to appear for violation of this subdivision. A traffic
2 collision investigator may cause a notice to appear to be
3 issued for a violation of this subdivision, upon review of
4 that citation by a peace officer.

5 (d) (1) If, at the time a notice to appear for a violation
6 of subdivision (a) is issued, the person is driving a motor
7 vehicle owned or leased by the driver's employer, and the
8 vehicle is being driven with the permission of the
9 employer, this section shall apply to the employer rather
10 than the driver. In that case, a notice to appear shall be
11 issued to the employer rather than the driver, and the
12 driver may sign the notice on behalf of the employer.

13 (2) The driver shall notify the employer of the receipt
14 of the notice issued pursuant to paragraph (1) not later
15 than five days after receipt.

16 (e) A person issued a notice to appear for a violation
17 of subdivision (a) may personally appear before the clerk
18 of the court, as designated in the notice to appear, and
19 provide written evidence of financial responsibility in a
20 form consistent with Section 16020, showing that the
21 driver was in compliance with that section at the time the
22 notice to appear for violating subdivision (a) was issued.
23 In lieu of the personal appearance, the person may submit
24 by mail to the court written evidence of having had
25 financial responsibility at the time the notice to appear
26 was issued. Upon receipt by the clerk of that written
27 evidence of financial responsibility in a form consistent
28 with Section 16020, further proceedings on the notice to
29 appear for the violation of subdivision (a) shall be
30 dismissed.

31 SEC. 12. Section 16029 of the Vehicle Code is
32 amended to read:

33 16029. Notwithstanding any other provision of law, a
34 violation of subdivision (a) of Section 16028 is an
35 infraction and shall be punished as follows:

36 (a) Upon a first conviction, by a fine of not less than
37 one hundred dollars (\$100) and not more than two
38 hundred dollars (\$200), plus penalty assessments.

39 (b) Upon a subsequent conviction, occurring within
40 three years of a prior conviction, by a fine of not less than



1 two hundred dollars (\$200) and not more than five
2 hundred dollars (\$500), plus penalty assessments.

3 (c) (1) At the discretion of the court, for good cause,
4 and in addition to the penalties specified in subdivisions
5 (a) and (b), the court may order the impoundment of the
6 vehicle for which the owner could not produce evidence
7 of financial responsibility in violation of subdivision (a) of
8 Section 16028.

9 (2) A vehicle impounded pursuant to paragraph (1)
10 shall be released to the legal owner of the vehicle or the
11 legal owner's agent if all of the following conditions are
12 met:

13 (A) The legal owner is a motor vehicle dealer, bank,
14 credit union, acceptance corporation, or other licensed
15 financial institution legally operating in this state.

16 (B) The legal owner or the legal owner's agent pays all
17 towing and storage fees related to the seizure of the
18 vehicle.

19 (C) The legal owner or the legal owner's agent
20 presents foreclosure documents or an affidavit of
21 repossession for the vehicle.

22 (3) (A) A legal owner or the legal owner's agent that
23 obtains release of the vehicle pursuant to paragraph (2)
24 shall not release the vehicle to the registered owner of the
25 vehicle or any agents of the registered owner, unless the
26 registered owner is a rental car agency, except upon
27 presentation of evidence of financial responsibility, as
28 defined in Section 16020, for the vehicle. The legal owner
29 or the legal owner's agent shall make every reasonable
30 effort to ensure that the evidence of financial
31 responsibility that is presented is valid.

32 (B) Prior to relinquishing the vehicle, the legal owner
33 may require the registered owner to pay all towing and
34 storage charges related to impoundment and any
35 administrative charges authorized under Section 22850.5
36 that were incurred by the legal owner in connection with
37 obtaining custody of the vehicle.

38 (4) A vehicle impounded under paragraph (1) shall be
39 released to a rental car agency if the agency is either the
40 legal owner or the registered owner of the vehicle and the



1 agency pays all towing and storage fees related to the
2 seizure of the vehicle.

3 (5) A vehicle impounded under paragraph (1) shall be
4 released to the registered owner of the vehicle only upon
5 presentation of evidence of financial responsibility, as
6 defined in Section 16020, for that vehicle, and evidence
7 that all towing and storage fees related to the seizure of
8 the vehicle are paid.

9 This paragraph does not apply to a person, entity, or
10 agency who is entitled to release of a vehicle under
11 paragraph (2) or (4) and is either:

12 (A) The registered and the legal owner and is
13 described in subparagraph (A) of paragraph (2).

14 (B) The registered owner or legal owner and is
15 described in paragraph (4).

16 (d) It is the intent of the Legislature that fines
17 collected pursuant to this section be used to reduce the
18 number of uninsured drivers and not be used to generate
19 revenue for general purposes.

20 (e) (1) Except as provided in this subdivision, the
21 court shall impose a fine that is greater than the minimum
22 fine specified in subdivision (a) or (b), and may not
23 reduce that fine to the minimum specified fine
24 authorized under those provisions, unless the defendant
25 has presented the court with evidence of financial
26 responsibility, as defined in Section 16020, for the vehicle.
27 In no event may the court impose a fine that is less than
28 the minimum specified in subdivision (a) or (b), or
29 impose a fine that exceeds the maximum specified fine
30 authorized under those subdivisions. In addition to the
31 fine authorized under subdivision (a) or (b), the court
32 shall require a written certificate of an insurance carrier
33 that meets the requirements of Sections 16431 and 16433
34 (also known as an SR-22 filing) for any driver who has a
35 current or prior conviction of a misdemeanor or felony
36 violation of this code. For all other drivers, in addition to
37 the fine authorized under subdivision (a), the court shall
38 require an SR-1P filing as defined by the department.

39 (2) Notwithstanding any other provision of law, the
40 imposition of the fine required under subdivision (a) or



1 (b) is mandatory upon conviction of a violation of
2 subdivision (a) of Section 16028 and may not be waived,
3 suspended, or reduced below the minimum fines, unless
4 the court in its discretion reduces or waives the fine based
5 on the defendant's ability to pay. The court may direct
6 that the fine and penalty assessments be paid within a
7 limited time or in installments on specified dates. The
8 Legislature hereby declares that it is in the interest of
9 justice that the minimum fines set forth in subdivisions
10 (a) and (b) for these offenses be enforced by the court,
11 as provided in this subdivision.

12 SEC. 13. Section 16030 of the Vehicle Code is
13 amended to read:

14 16030. (a) Except as provided in subdivision (c), any
15 person who knowingly provides false evidence of
16 financial responsibility (1) when requested by a peace
17 officer pursuant to Section 16028 or (2) to the clerk of the
18 court as permitted by subdivision (e) of Section 16028,
19 including an expired or canceled insurance policy, bond,
20 certificate of self-insurance, or assignment of deposit
21 letter, is guilty of a misdemeanor punishable by a fine not
22 exceeding seven hundred fifty dollars (\$750) or
23 imprisonment in the county jail not exceeding 30 days, or
24 by both that fine and imprisonment. Upon receipt of the
25 court's abstract of conviction, the department shall
26 suspend the driving privilege, effective upon the date of
27 conviction, for a period of one year. The court shall
28 impose an interim suspension of the person's driving
29 privileges pursuant to Section 13550, and shall notify the
30 driver of the suspension pursuant to Section 13106, and all
31 driver's licenses in the possession of the driver shall be
32 surrendered to the court pursuant to Section 13550. Any
33 driver's license surrendered to the court pursuant to this
34 section shall be transmitted by the court, together with
35 the required report of the conviction, to the department
36 within 10 days of the conviction. The suspension may not
37 be terminated until one year has elapsed from the date of
38 the suspension and until the person files proof of financial
39 responsibility, as provided in Chapter 3 (commencing
40 with Section 16430) except that the suspension shall be



1 reinstated if the person fails to maintain proof of financial
2 responsibility for three years.

3 (b) However, in lieu of suspending a person's driving
4 privileges pursuant to subdivision (a), the court shall
5 restrict the person's driving privileges to driving that is
6 required in the person's course of employment, if driving
7 of a motor vehicle is necessary in order to perform the
8 duties of the person's primary employment. The
9 restriction shall remain in effect for the period of
10 suspension otherwise required by subdivision (a). The
11 court shall provide for endorsement of the restriction on
12 the person's driver's license, and violation of the
13 restriction constitutes a violation of Section 14603 and
14 grounds for suspension or revocation of the license under
15 Section 13360.

16 (c) This section does not apply to a driver who is
17 driving a motor vehicle owned or leased by the employer
18 of the driver and driven in the course of the driver's
19 employment with the permission of the employer.

20 SEC. 14. Section 16033 of the Vehicle Code is
21 amended to read:

22 16033. No public entity or employee, agent, or any
23 person or organization authorized under Section 4610 to
24 endorse receipts or validate registration cards or
25 potential registration cards, is liable for any loss,
26 detriment, or injury resulting, directly or indirectly, from
27 any of the following:

28 (a) Failure to request evidence of financial
29 responsibility.

30 (b) Failure to notify a vehicle owner that an insurance
31 policy has been terminated.

32 (c) The discretionary failure to cancel, suspend, or
33 revoke a vehicle registration when an insurance policy
34 has been terminated.

35 (d) Inaccurately recording that evidence under
36 Section 16028 or as a result of the driver producing false
37 or inaccurate financial responsibility information.

38 SEC. 15. Section 16058.5 is added to the Vehicle Code,
39 to read:



1 16058.5. Notwithstanding Section 4000.37, the
2 department, in consultation with the insurance industry,
3 the motor carrier industry, and the Department of the
4 California Highway Patrol, shall determine the feasibility
5 of insurers reporting motor vehicle liability insurance
6 information for vehicles registered or base-plated in this
7 state or to policyholders with a California address that are
8 covered by policies, *other than those motor vehicle*
9 *liability insurance policies that are electronically*
10 *reported to the department.*

11 SEC. 16. Section 16070 of the Vehicle Code, as
12 amended by Section 10 of Chapter 1126 of the Statutes of
13 1996, is amended to read:

14 16070. (a) Whenever a driver involved in an
15 accident described in Section 16000 fails to provide
16 evidence of financial responsibility, as required by
17 Section 16020, at the time of the accident, the department
18 shall, pursuant to subdivision (b), suspend the privilege
19 of the driver or owner to drive a motor vehicle, including
20 the driving privilege of a nonresident in this state.

21 (b) Whenever the department receives an accident
22 report pursuant to this article which alleges that any of
23 the drivers involved in the accident was not in
24 compliance with Section 16020 at the time of the accident,
25 the department shall immediately mail to that driver a
26 notice of intent to suspend the driving privilege of that
27 driver. The department shall suspend the driving
28 privilege 30 days after mailing the notice, unless the
29 driver has, prior to that date, established financial
30 responsibility at the time of the accident, as specified in
31 Section 16021, with the department. The suspension
32 notice shall notify the driver of the action taken and the
33 right to a hearing under Section 16075.

34 SEC. 17. Section 16070 of the Vehicle Code, as added
35 by Section 11 of the Statutes of 1996, is repealed.

36 SEC. 18. Section 16071 of the Vehicle Code, as
37 amended by Section 12 of Chapter 1126 of the Statutes of
38 1996, is amended to read:

39 16071. The department shall suspend the driving
40 privilege of any person upon receiving notice from



1 another state that the person's driving privilege in that
2 state has been suspended for failure to meet the financial
3 responsibility provisions of the law in that state, if the
4 suspension in that state was taken on grounds that would
5 have resulted in a suspension in this state.

6 SEC. 19. Section 16071 of the Vehicle Code, as added
7 by Section 13 of Chapter 1126 of the Statutes of 1996, is
8 repealed.

9 SEC. 20. Section 16457 of the Vehicle Code, as
10 amended by Section 14 of Chapter 1126 of the Statutes of
11 1996, is amended to read:

12 16457. Whenever proof of financial responsibility is
13 required to be filed pursuant to this chapter, no person of
14 whom that proof is required shall drive any motor vehicle
15 not covered by the certificate of proof of financial
16 responsibility filed by him or her with the department,
17 nor shall any applicant for that proof knowingly fail to
18 disclose ownership of a motor vehicle in the application
19 for proof of financial responsibility or to disclose any
20 subsequently acquired motor vehicle.

21 SEC. 21. Section 16457 of the Vehicle Code, as added
22 by Section 15 of Chapter 1126 of the Statutes of 1996, is
23 repealed.

24 SEC. 22. Section 40611 of the Vehicle Code, as
25 amended by Section 16 of Chapter 1126 of the Statutes of
26 1996, is amended to read:

27 40611. (a) Upon proof of correction of an alleged
28 violation of Section 12500 or 12951, or any violation cited
29 pursuant to Section 40610, or upon submission of evidence
30 of financial responsibility pursuant to subdivision (e) of
31 Section 16028, the clerk shall collect a ten dollar (\$10)
32 transaction fee for each case. The fee shall be deposited
33 by the clerk in accordance with Section 68084 of the
34 Government Code, and allocated monthly as follows:

35 (1) Thirty-three percent shall be transferred to the
36 local governmental entity in whose jurisdiction the
37 citation was issued for deposit in the general fund of the
38 entity.



1 (2) Thirty-four percent shall be transferred to the
2 State Treasury for deposit in the State Penalty Fund
3 established by Section 1464 of the Penal Code.

4 (3) Thirty-three percent shall be deposited in the
5 county general fund.

6 (b) No fee shall be imposed pursuant to this section if
7 the violation notice is processed only by the issuing
8 agency and no record of the action is transmitted to the
9 court.

10 SEC. 23. Section 40611 of the Vehicle Code, as added
11 by Section 17 of the Statutes of 1996, is repealed.

12 SEC. 24. It is the intent of the Legislature that the
13 extension of a proof-of-financial-responsibility law, as
14 proposed by this bill, shall proceed in conjunction with
15 the enactment of legislation that provides a low-cost
16 motor vehicle liability insurance policy that satisfies the
17 financial responsibility law. To that end, this bill shall
18 become operative only if Senate Bill _____ is enacted
19 and becomes operative on or before January 1, 2000.

20 SEC. 25. No reimbursement is required by this act
21 pursuant to Section 6 of Article XIII B of the California
22 Constitution because the only costs that may be incurred
23 by a local agency or school district will be incurred
24 because this act creates a new crime or infraction,
25 eliminates a crime or infraction, or changes the penalty
26 for a crime or infraction, within the meaning of Section
27 17556 of the Government Code, or changes the definition
28 of a crime within the meaning of Section 6 of Article
29 XIII B of the California Constitution.

