

**As Introduced**

**127th General Assembly  
Regular Session  
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**H. B. No. 58**

**Representative Combs**

**Cosponsors: Representatives Uecker, Evans, Fende, Wagner, Webster**

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**A B I L L**

To enact section 4509.106 of the Revised Code to 1  
require generally any person who cancels a motor 2  
vehicle liability insurance policy to obtain a 3  
replacement policy or other proof of financial 4  
responsibility, and to require motor vehicle 5  
liability insurers to report to the Bureau of 6  
Motor Vehicles the names and addresses of persons 7  
whose policies are canceled or lapse. 8

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 4509.106 of the Revised Code be 9  
enacted to read as follows: 10

**Sec. 4509.106.** (A)(1) Each insurer that delivers, issues for 11  
delivery, or renews in this state insurance policies that provide 12  
proof of financial responsibility under section 4509.101 of the 13  
Revised Code shall furnish the bureau of motor vehicles with the 14  
names and addresses, as shown in its records, of both of the 15  
following: 16

(a) All persons to whom it issues such policies of insurance; 17

(b) All persons who cancel such policies of theirs or allow 18  
their policies to lapse through failure to pay the premium due. 19

(2) Each insurer shall furnish the bureau with the information described in division (A)(1) of this section not later than five business days after the date of issuance of the policy of insurance or the date of cancellation or lapsing, as the case may be. 20  
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(3) The registrar of motor vehicles may require such names and addresses to be sent to the bureau via electronic means. 25  
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(B) Subject to the defenses specified in division (E)(1)(b) of this section, no person to whom this state has issued a driver's license or commercial driver's license or a certificate of registration for a motor vehicle shall cancel or fail to pay the premium due on a policy of insurance covering the person's operation of a motor vehicle unless the person does either of the following: 27  
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(1) Replaces the policy of insurance with other insurance or proof of financial responsibility that satisfies the requirements of section 4509.101 of the Revised Code. The person shall notify any insurer that issues a replacement policy of the cancellation or lapse of the prior policy. 34  
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(2) Surrenders the person's driver's license, commercial driver's license, or motor vehicle certificate of registration and license plates to the registrar as provided in division (A)(4) of section 4509.101 of the Revised Code. 39  
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(C)(1) The bureau shall monitor the name of any person who cancels the person's policy of insurance that provides proof of financial responsibility or allows such policy of the person to lapse through failure to pay the premium due. If, within thirty days after the date of cancellation or lapsing, the bureau does not receive information from an insurer that such a person has replaced the canceled or lapsed policy of insurance with another such policy or the person does not secure another form of proof of 43  
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financial responsibility that satisfies the requirements of 51  
section 4509.101 of the Revised Code, the registrar shall issue an 52  
order suspending the person's driver's or commercial driver's 53  
license. The order shall be identical to an order imposing the 54  
penalties described in division (A)(2)(a), (b), or (c) of section 55  
4509.101 of the Revised Code, as appropriate, and an order 56  
described in division (A)(2)(d) of that section. The registrar 57  
shall send written notification to the person at the person's last 58  
known address as shown on the records of the bureau. The person, 59  
within ten days after the date of the mailing of the notification, 60  
shall surrender to the registrar or a deputy registrar, in the 61  
manner set forth in division (A)(4) of section 4509.101 of the 62  
Revised Code, any driver's or commercial driver's license under an 63  
order of suspension or any certificate of registration and license 64  
plates under an order of impoundment. 65

(2) Except as provided in division (D) or (E) of this 66  
section, the registrar shall not restore any operating privileges, 67  
motor vehicle certificate of registration, or registration rights 68  
suspended under this section, return any driver's or commercial 69  
driver's license, certificate of registration, or license plates 70  
impounded under this section, reissue license plates under section 71  
4503.232 of the Revised Code if the registrar destroyed the 72  
impounded license plates under that section, or reissue a driver's 73  
or commercial driver's license under section 4510.52 of the 74  
Revised Code if the registrar destroyed the suspended license 75  
under that section, unless the rights are not subject to 76  
suspension or revocation under any other law and unless the 77  
person, in addition to complying with all other conditions 78  
required by law for reinstatement of the operating privileges or 79  
registration rights, does all of the following: 80

(a) Pays a financial responsibility reinstatement fee of 81  
seventy-five dollars if the driver's or commercial driver's 82

license suspension order that was issued was identical to an order 83  
imposing the penalties described in division (A)(2)(a) of section 84  
4509.101 of the Revised Code, two hundred fifty dollars if the 85  
suspension order was identical to an order imposing the penalties 86  
described in division (A)(2)(b) of that section, and five hundred 87  
dollars if the suspension order was identical to an order imposing 88  
the penalties described in division (A)(2)(c) of that section; 89

(b) If the person did not voluntarily surrender the license, 90  
certificate of registration, or license plates in compliance with 91  
the order, pays a financial responsibility nonvoluntary compliance 92  
fee in an amount, not to exceed fifty dollars, determined by the 93  
registrar; 94

(c) Files and continuously maintains proof of financial 95  
responsibility under sections 4509.44 to 4509.67 of the Revised 96  
Code. 97

(3) The registrar shall issue any order under division (C)(1) 98  
of this section without a hearing. Any person adversely affected 99  
by the order, within ten days after the issuance of the order, may 100  
request an administrative hearing before the registrar, who shall 101  
provide the person with an opportunity for a hearing in accordance 102  
with division (C)(3) of this section. A request for a hearing does 103  
not operate as a suspension of the order. The scope of the hearing 104  
shall be limited to whether the person in fact has been issued by 105  
this state a driver's or commercial driver's license or a 106  
certificate of registration for a motor vehicle, canceled or 107  
failed to pay the premium due on a policy of insurance covering 108  
the person's operation of a motor vehicle, and failed to replace 109  
the policy of insurance with other insurance or proof of financial 110  
responsibility that satisfies the requirements of section 4509.101 111  
of the Revised Code. 112

The registrar shall determine the date, time, and place of 113  
the hearing, provided that the hearing shall be held, and an order 114

issued or findings made, within thirty days after the registrar 115  
receives a request for a hearing. If the person so requests in 116  
writing, the registrar may designate as the place of hearing the 117  
county seat of the county in which the person resides or a place 118  
within fifty miles of the person's residence. The person shall pay 119  
the cost of the hearing before the registrar if the registrar's 120  
order of suspension or impoundment is upheld. 121

(D) If the registrar issues an order under division (C)(1) of 122  
this section and the registrar, upon a showing of proof of 123  
financial responsibility, determines that the person was in 124  
compliance with division (B)(1) of this section at the time of 125  
issuance of the order, the registrar shall do both of the 126  
following: 127

(1) Terminate the order of suspension or impoundment; 128

(2) Restore the operating privileges and registration rights 129  
of the person without payment of the fees established in divisions 130  
(C)(2)(a) and (b) of this section and without requiring that the 131  
person file and continuously maintain proof of financial 132  
responsibility under sections 4509.44 to 4509.67 of the Revised 133  
Code as prescribed in division (C)(2)(c) of this section. 134

Such a determination may be made at any time without a 135  
hearing. 136

(E)(1) The registrar may terminate any suspension imposed 137  
upon a person under this section and not require the person to 138  
comply with divisions (C)(2)(a), (b), and (c) of this section if 139  
the registrar with or without a hearing determines that the person 140  
has established by clear and convincing evidence that all of the 141  
following apply: 142

(a) The person customarily maintains proof of financial 143  
responsibility. 144

(b) Proof of financial responsibility was not maintained for 145

<u>the motor vehicle for one of the following reasons:</u>	146
<u>(i) The motor vehicle was inoperable.</u>	147
<u>(ii) The motor vehicle is operated only seasonally and the date on which the motor vehicle policy of insurance covering the motor vehicle was canceled or lapsed was outside the season of operation.</u>	148 149 150 151
<u>(iii) The motor vehicle was sold or otherwise transferred to another person and was not replaced with another motor vehicle;</u>	152 153
<u>(iv) A person other than the motor vehicle owner was at fault for the lapse of proof of financial responsibility through no fault of the owner.</u>	154 155 156
<u>(v) The lapse of proof of financial responsibility was caused by excusable neglect under circumstances that are not likely to recur and do not suggest a purpose to evade the requirements of this chapter.</u>	157 158 159 160
<u>(2) If clear and convincing evidence is shown, the registrar shall grant a person relief for a reason specified in division (E)(1)(b)(i), (ii), or (iii) of this section. The registrar shall grant a person relief for a reason specified in division (E)(1)(b)(iv) or (v) of this section only if the person has not previously been granted relief under division (E)(1)(b)(iv) or (v) of this section.</u>	161 162 163 164 165 166 167
<u>(F) The registrar shall adopt rules in accordance with Chapter 119. of the Revised Code that are necessary to administer and enforce this section. The rules shall include procedures for the surrender of license plates upon failure to maintain proof of financial responsibility and provisions relating to reinstatement of registration rights, acceptable forms of proof of financial responsibility, and verification of the existence of financial responsibility during the period of registration.</u>	168 169 170 171 172 173 174 175