



Ohio Legislative Service Commission

Bill Analysis

Katie Bentley

H.B. 4

129th General Assembly
(As Introduced)

Rep. Huffman

BILL SUMMARY

- Repeals the financial responsibility random verification program of the Bureau of Motor Vehicles.

CONTENT AND OPERATION

Operation of the bill

The bill eliminates the financial responsibility random verification program.¹

Background

Requirement to maintain proof of financial responsibility

Current law requires that a person be able to verify the person's ability to pay for damages for liability that come from the ownership, maintenance, or use of a motor vehicle. The ability to provide this verification is called proof of financial responsibility and is usually accomplished through providing proof of motor vehicle liability insurance coverage. Under current law, any person operating a motor vehicle in Ohio or permitting another to operate the person's motor vehicle in Ohio may be required to provide that proof of financial responsibility under the following specified circumstances:

- Involvement in a traffic accident requiring the filing of an accident report;

¹ R.C. 4509.101 and 4510.04; Section 3 of the bill.

- Receipt of a traffic ticket indicating that proof of financial responsibility was not produced upon the request of a peace officer or State Highway Patrol trooper;
- Whenever the person is randomly selected by the Registrar and requested to provide verification under the random verification program.²

Penalties for failure to maintain proof of financial responsibility

Failure to maintain proof of financial responsibility results in two civil penalties:

- Suspension of operating privileges and impoundment of driver's license;
- Suspension of vehicle registration and impoundment of certificate of registration.

In order to have his or her driving privileges restored and license and certificate of registration returned, the person must establish proof of financial responsibility and pay a financial responsibility reinstatement fee of \$100 for the first violation, \$300 for a second violation, and \$600 for a third or subsequent violation.³

Random verification program

Current law requires the Registrar to establish the random verification program by rule. The rules adopted by the Registrar must do all of the following:

- Establish a three step process for written notification to the owner of a randomly selected vehicle to submit proof of financial responsibility. If the second notice is returned as not deliverable, the Registrar must make reasonable efforts to determine if the owner's address has changed. If an owner fails to respond to the first two notices, the third notice must be sent by certified mail, return receipt requested.
- Allow the Registrar to order the above civil penalties if a person fails to provide proof of financial responsibility in response to the first notice. However, the order may be implemented only if the owner fails to respond to the third notice.
- Require the Registrar to indicate the type of suspension and impoundment when recording information for an order that imposes the

² R.C. 4509.101.

³ R.C. 4509.101.

above civil penalties when the penalties are a result of failure to respond to the random verification. The Registrar also must indicate the type of suspension and impoundment when the Registrar puts the information in the Law Enforcement Data Automated System and when the Registrar records the information as part of a person's permanent record.

- Establish procedures for a person to provide proof of financial responsibility at the office of a deputy registrar if the operating privileges or registration rights of the person are suspended because of a failure to respond to a financial responsibility random verification request.⁴

HISTORY

ACTION	DATE
Introduced	01-11-11

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⁴ Section 14 of Am. Sub. H.B. 163 of the 123rd General Assembly.

