

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1985

2001 HOUSE TRANSPORTATION

HB 1285

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1285

House Transportation Committee

Conference Committee

Hearing Date February 1, 2001

Tape Number	Side A	Side B	Meter #
1	x		3,723
Committee Clerk Signature <i>Lawrence J. Zink</i>			

Minutes: Rep. Weisz - Chairman opened the hearing on HB 1285: A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to liability insurance for motor vehicles; and to provide a penalty.

Rep. Delmore: I represent District 43 in Grand Forks. I realize that driving without insurance is not an issue to any of you on this committee. Although I have been aware of this problem for some time, this fall the impact and consequences of drivers driving without insurance became very real to me. My sister - in-law has been an early morning jogger for 15 years. Right before Thanksgiving she was on her early morning run when she realized there was a car coming down the county road -- traveling too fast. Even though she moved to an approach, he hit her -- throwing her forty feet through the air breaking her ribs and vertebrae. Her dog who accompanied on every run was also hit and died a few days later. Although her prognosis is good seeing my brother - in - law struggle with the medical bills and future ramifications because the driver who hit her was driving without insurance. Hopefully her recovery will continue to good better than

her chances for recourse. According to the North Dakota Highway Patrol in the last two years there were 3326 citation for driving without liability insurance. There were 559 for second offenses for driving without liability insurance; and , 392 citations for infractions where the uninsured owner was the driver. These are impressive statistics. We do have problem. Although North Dakota does have sanctions to punish these drivers, they still play the odds. They still drive on our roads. We need to track these people and get them off the roads before they cause harm. HB 1285 can be one more tool to keep these drivers off the road. It simply provides that the department randomly check 5% of the of all registered vehicles each year. We need to keep these drivers from playing the odds and driving the roads. If they don't have insurance they should not be allowed to drive. I have two hands out which I will give to the committee. Copies of the handouts are attached. I think this legislation will help get these people off the road.

Rep. Weisz - Chairman (4151) Is the thrust of this bill that public awareness that by inspection 5% of the vehicles that they know the Department will be checking up on them?

Rep.Delmore: I am hoping it will send notice that maybe one of the cars that is stopped. We all know that our tax forms may be checked and that certainly keeps a lot of us honest when we may be randomly selected.

Rep. Weisz - Chairman: Are you aware if the department checks ---

Rep. Delmore: No, Mr. Chairman.

Rep. Ruby: (4278) What happens if somebody takes off their insurance on a seasonal basis for work purposes and is still licensed and the department runs a check and finds this vehicle that is registered but not insured?

Rep. Delmore: I presume that the department would not find that was intended by this bill.

Rep. Schmidt: I signed on in support of this bill. I think that in the last interim in my area I had three calls ---- about people who were struck by drivers uninsured. So I am in support of this bill.

TESTIFYING IN OPPOSITION:

Keith Klusser: I am Director of the Motor Vehicle Division of the DOT. It is difficult to stand here in opposition to this bill, but my concerns about this bill are mainly fiscal. If someone had asked for a fiscal note on this bill my rough estimate would be about \$1 million dollars a year to implement and carry out the provisions. The bill would required us to inspect 35,000 vehicles. The bill as I read it would required use to do several things; first, to get from you the insurance information prior to the time you register your vehicle - we register some 700,000 vehicles per year. We have to get that information in some form whether it is a paper or some for so that we can get it into the data base. Then we would have to verify the information as that is another part of this bill. Then on those 35,000 vehicles per year we would have to do a random check on -- we would then have to write the insurance company and provide the insurance company the policy information you supplied and they then would have to verify that they had that vehicle insured. We had a program similar to this a couple of years ago. We were sampling 500 vehicles per month. That program cost us one full-time job for someone to tract that information. This program would be more in the neighborhood of 3000 verifications per month. I also see that we would need several employees just to enter the data into the computer system. I looked at my insurance policy - it had 13 characters just for the policy number and another 15 characters for the name of the company--- from my calculations these items alone would require more than 1 21 million key strokes per year which we don't have to do now. So we do have some concerns

as to what the impact would be to us from the fiscal side. While we need to provide a space for that data in the data base but we know from experience we won't get a lot of that information so we will have to return that application and process it again. So I see a need for perhaps two employees just for that follow up work which we are not now doing. We also had some experience back in 1976 when we first dealt with the no-fault insurance law. I do not see a simple practical way to solve the problem of the uninsured motorist on our highways. I don't think this bill will accomplish that and other bills which have been looked in the past wouldn't have accomplished that -- I don't see a practical way to accomplish what you want to do. The only system I have heard of that seems to work is that used in the Canadian Provinces; and, that is when you register your vehicle you buy your insurance from the Province. I don't think we want to get into that.

Rep. Waist - Chairman (5091) from the first part of this bill where it says 'provide the Dept. Satisfactory evidence' -- your interpretation of that is that the current system we have where you sign that you had liability insurance does not be adequate any more -- that you would need some physical evidence ?

Keith Kisser: I agree with you assessment -- right now that statute requires that you certify you have insurance. This statute clearly - to me -- would required something more than that. The only thing I know that we could do is to required you to furnish current insurance information and then we would verify it. The least we could ask for is the name of the company and the policy number. When you buy a vehicle you could be required to give the name of the agent. But at some later date we would have to verify the coverage it didn't show up in our tracking system.

Page 5

House Transportation Committee

Bill/Resolution Number HB 1285

Hearing Date February 1, 2001

Rep. Throg: (5285) I have several older vehicles stored, registered but not licensed -- if this bill were to pass -- I am not driving them, so -- if they were checked out I would have insure them.

Keith Kisser: My reading would be that only if the registration were current, then you would. If you have a current license then this law would apply to you.

Rep. Disco: (5355) Can you tell us what it costs to be caught driving without insurance?

Keith Kisser: I honestly can't tell you -- I don't know.

Rep. Weisz - Chairman We have a 'cheat sheet' here that says its -- first offense is 6 points and \$150 to 500 fine --- going up to 12 points.

Rep. Stemmed: (5595) The 6 points and \$150 fine - isn't that if you are convicted of an accident?

Keith Kiser: My understanding is the penalty if you are found driving without liability insurance. That would be if the officer found you guilty of driving without insurance or if he found you guilty of causing an accident and not having insurance or if it was a routine traffic stop and he asked you for your insurance information.

Rep. Schmidt: (5681) Even if it is for an accident -- this is what has been told to me -- especially a driver who has points on (?off) his drivers license -- he goes to an insurance company -- the insurance premium if \$400 or 500 dollars and they said that dropping the insurance would pay the fine -- maybe it would be all right if we drafted an amendment and raise that up -- the fee for driving without liability.

Page 6
House Transportation Committee
Bill/Resolution Number HB 1285
Hearing Date February 1, 2001

Keith Klser: I do know that legislation in the past has looked at raising the penalty on those persons driving without liability insurance. It has been an ongoing subject for a long period of time.

There being no other persons wishing to appear to testify either for or against HB 1285, Rep. Welsz - Chairman closed the hearing on receipt of any further testimony.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1285 B

House Transportation Committee

Conference Committee

Hearing Date February 2, 2001

Tape Number	Side A	Side B	Meter #
2	x		5,224
		x	339
Committee Clerk Signature <i>Lauren B. Park</i>			

Minutes: Rep. Weisz - Chairman opened the discussion for action HB 1285.

Rep. Weisz - Chairman, this is a difficult one (bill) to address and maybe we won't act on it today.

Rep. Jensen: (5282) Instead of the department randomly select 5% of the registrations, couldn't we have enforcement random check like they do for alcohol?

Rep. Price: You could check at that point in time but it might only be good for 6 month or a year but what about the rest of the time? But why can't we asked them when they sign that they are insured at the time of registration had them not only certify but give the name of the insurance company. Include the agent and policy number ---

Discussions were quite extensive exploring how these inspection might be done, the phone calls and correspondence necessary to be checked; fiscal notes and costs; Canadian checks finding you don't have coverage you just don't drive; --

TAPE TWO SIDE 2 (0)

Page 2
House Transportation Committee
Bill/Resolution Number HB 1285 B
Hearing Date February 2, 2001

Rep. Carlson: (1) Are we being asked to set up a "liability insurance coverage - Police Force"?

Rep. Price: (158) Would you mind if we just took a look at what it would cost if we put it on the certification? And lets look at the 5% random checks --

END 339 NO ACTION

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1285 C

House Transportation Committee

Conference Committee

Hearing Date February 8, 2001

Tape Number	Side A	Side B	Meter #
3	x		1
			End 1752
Committee Clerk Signature <i>Lauren B. Fink</i>			

Minutes: Rep. Weisz - Chairman opened the discussion for action on HB 1285.

Following discussion:

Rep. Hawken: (1283) I move that we amend this bill to delete after the period line 8 all thereafter and add the word "compliance" in line 7 add including the insurance company name and policy number.

Rep. Hawken: Seconded the motion.

On a voice vote the motion carried.

Rep. Hawken: (1384) I move a 'Do Pass as Amended' for HB 1285.

Rep. Thoreson: I second the motion.

On a roll call vote HB 1285 carried: 13 yeas 0 nays 1 absent.

END (1752)

VK
2/9/01

HOUSE AMENDMENTS HB 1285 HOUSE 1285 2-12-01

Page 1, line 1, remove the third "to"

Page 1, line 2, remove "; and to provide a penalty"

Page 1, line 6, remove "and inspection" and remove "- Penalty"

Page 1, line 7, after "department" insert "the name of the applicant's motor vehicle insurance company and policy number as"

Page 1, line 8, remove "The department shall randomly inspect five percent of all registered vehicles"

Page 1, remove lines 9 through 13

Renumber accordingly

Date: 2/08/01
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1285

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amended

Motion Made By Rep. Hawken Seconded By Rep. Thoreson

Representatives	Yes	No	Representatives	Yes	No
Robin Welsz - Chairman	✓		Howard Grumbo	✓	
Chet Pollert - Vice Chairman	✓		John Mahoney	✓	
Al Carlson	✓		Arlo E. Schmidt	✓	
Mark A. Dosch	✓		Elwood Thorpe	✓	
Kathy Hawken	✓				
Roxanne Jensen	✓				
RaeAnn G. Kelsch	✓				
Clara Sue Price	✓				
Dan Ruby	A				
Laurel Thoreson	✓				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Rep. Thoreson

If the vote is on an amendment, briefly indicate intent:

