

## No. 1992-165

## AN ACT

## HB 2519

Amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for required financial responsibility.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 1786 of Title 75 of the Pennsylvania Consolidated Statutes is amended to read:

§ 1786. Required financial responsibility.

(a) General rule.—Every motor vehicle of the type required to be registered under this title which is operated or currently registered shall be covered by financial responsibility.

(b) Self-certification.—The Department of Transportation shall require that each motor vehicle registrant certify that the registrant is financially responsible at the time of registration or renewal thereof. The department shall refuse to register or renew the registration of a vehicle for failure to comply with this requirement or falsification of self-certification.

(c) Consent to produce proof of financial responsibility.—Upon registering a motor vehicle or renewing a motor vehicle registration, the owner of the motor vehicle shall be deemed to have given consent to produce proof, upon request, to the Department of Transportation or a police officer that the vehicle registrant has the financial responsibility required by this chapter.

(d) Suspension of registration and operating privilege.—The Department of Transportation shall suspend the registration of a vehicle if it determines the required financial responsibility was not secured as required by this chapter and shall suspend the operating privilege of the owner or registrant for a period of three months if the department determines that the owner or registrant has operated or permitted the operation of the vehicle without the required financial responsibility. The operating privilege shall not be restored until the restoration fee for operating privilege provided by section 1960 (relating to reinstatement of operating privilege or vehicle registration) is paid. Whenever the department revokes or suspends the registration of any vehicle under this chapter, the department shall not restore the registration until the vehicle owner furnishes proof of financial responsibility in a manner determined by the department and submits an application for registration to the department, accompanied by the fee for restoration of registration provided by section 1960. This subsection shall not apply in the following circumstances:

(1) The owner or registrant proves to the satisfaction of the department that the lapse in financial responsibility coverage was for a period of less than [21] 31 days and that the owner or registrant did not operate or permit the operation of the vehicle during the period of lapse in financial responsibility.

(2) The owner or registrant is a member of the armed services of the United States, the owner or registrant has previously had the financial responsibility required by this chapter, financial responsibility had lapsed while the owner or registrant was on temporary, emergency duty and the vehicle was not operated during the period of lapse in financial responsibility. The exemption granted by this paragraph shall continue for 30 days after the owner or registrant returns from duty as long as the vehicle is not operated until the required financial responsibility has been established.

(e) Obligations upon termination of financial responsibility.—

(1) An owner of a motor vehicle who ceases to maintain financial responsibility on a registered vehicle shall not operate or permit operation of the vehicle in this Commonwealth until proof of the required financial responsibility has been provided to the Department of Transportation.

(2) An insurer who has issued a contract of motor vehicle liability insurance, or any approved self-insurance entity, shall notify the department in a timely manner and in a method prescribed by the department's regulations.

(3) An insurer who has issued a contract of motor vehicle liability insurance and knows or has reason to believe that the contract is only for the purpose of providing proof of financial responsibility shall notify the department if the insurance has been canceled or terminated by the insured or by the insurer. The insurer shall notify the department not later than ten days following the effective date of the cancellation or termination.

(4) A person who, after maintaining financial responsibility on the vehicle of another person, ceases to maintain such financial responsibility shall immediately notify the vehicle's owner who shall not operate, or permit operation of, the vehicle in this Commonwealth.

(5) In the case of a person who leases any motor vehicle from a person engaged in the business of leasing motor vehicles, the lessee shall sign a statement indicating that the required financial responsibility has been provided through the lessor or through the lessee's motor vehicle liability insurance policy coverage. The lessee shall submit the statement to the lessor.

(f) Operation of a motor vehicle without required financial responsibility.—Any owner of a motor vehicle for which the existence of financial responsibility is a requirement for its legal operation shall not operate the motor vehicle or permit it to be operated upon a highway of this Commonwealth without the financial responsibility required by this chapter. In addition to the penalties provided by subsection (d), any person who fails to comply with this subsection commits a summary offense and shall, upon conviction, be sentenced to pay a fine of \$300.

(g) Defenses.—

(1) No person shall be convicted of failing to produce proof of financial responsibility under this subchapter or section 3743 (relating to accidents involving damage to attended vehicle or property) or 6308 (relating to investigation by police officers) if the person produces, at the office of the issuing authority within five days of the date of the violation, proof

that he possessed the required financial responsibility at the time of the violation.

(2) No person shall be penalized for maintaining a registered motor vehicle without financial responsibility under subsection (d) if the registration plate and card were voluntarily surrendered to the department or an agent appointed by the department to issue temporary registration cards and plates pursuant to regulations promulgated by the department at the time insurance coverage terminated or financial responsibility lapsed. The department or the agent, as the case may be, shall issue a receipt showing the date that the registration plate and card were received. The agent shall return the registration plate and card to the department accompanied by a copy of the receipt.

(h) Reinstatement of voluntarily surrendered registration plate and card.—

(1) Except as provided in paragraph (2), the original registration plate and card shall be canceled by the department and destroyed. Any person who voluntarily surrendered a registration plate and card pursuant to the provisions of subsection (g)(2) may obtain a substitute registration plate and card bearing a registration number other than that originally issued from the department or an agent, as the case may be. Proof of financial responsibility in a form approved by the department shall be submitted.

(2) Any registration plate issued under sections 1340 (relating to antique and classic plates) and 1341 (relating to personal plate) shall be returned by the department to the owner of the motor vehicle upon receipt of proof of financial responsibility.

(3) An agent appointed by the department to issue temporary registration cards and plates pursuant to regulations promulgated by the department shall be authorized to issue substitute temporary registration plates provided proof of financial responsibility is furnished. The fees provided pursuant to sections 1929 (relating to replacement registration plates) and 1932 (relating to duplicate registration cards) shall not be charged if the original registration plate and card were canceled pursuant to paragraph (1).

Section 2. This act shall take effect in 60 days.

APPROVED—The 16th day of December, A. D. 1992.

ROBERT P. CASEY