

# STATE OF NEW YORK

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181

2017-2018 Regular Sessions

## IN SENATE

(Prefiled)

January 4, 2017

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Introduced by Sens. MARCHIONE, LARKIN -- read twice and ordered printed,  
and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law, in relation to electronic  
proof of financial security

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Paragraph (b) of subdivision 1 of section 312 of the vehi-  
2 cle and traffic law, as amended by chapter 557 of the laws of 1994, is  
3 amended to read as follows:

4 (b) The owner of such motor vehicle shall maintain proof of financial  
5 security continuously throughout the registration period and his or her  
6 failure to produce proof of financial security when requested to do so  
7 upon demand of a magistrate, motor vehicle inspector, peace officer,  
8 acting pursuant to his or her special duties, or police officer, while  
9 such vehicle is being operated upon the public highway, shall be  
10 presumptive evidence of operating a motor vehicle without proof of  
11 financial security. Subject to the rules of the commissioner, pursuant  
12 to paragraph (c) of subdivision two of section three hundred thirteen of  
13 this article, such proof of financial security shall be produced in  
14 written form or in electronic form on the owner's portable electronic  
15 device, as defined in paragraph (a) of subdivision two of section twelve  
16 hundred twenty-five-d of this chapter. Insurers shall retain the right  
17 to determine whether to offer to their policyholders the ability to  
18 produce proof of financial security in electronic form. Upon the  
19 production of proof of financial security such presumption is removed.  
20 Production of proof of financial security may be made by mailing such  
21 proof to the court having jurisdiction in the matter, and any necessary  
22 response by such court or acknowledgement of the production of such  
23 proof may also be made by mail. When insurance with respect to any motor  
24 vehicle, other than a motorcycle, is terminated the owner shall surren-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

LBD04043-01-7

1 der forthwith his or her registration certificate and number plates of  
2 the vehicle to the commissioner unless proof of financial security  
3 otherwise is maintained in compliance with this article.

4 § 2. Paragraph (c) of subdivision 2 of section 313 of the vehicle and  
5 traffic law, as amended by chapter 678 of the laws of 1997, is amended  
6 to read as follows:

7 (c) The commissioner shall promulgate regulations establishing proce-  
8 dures for issuance of proof of insurance and for reporting by insurers  
9 of notices of termination and policy issuance, either electronically or  
10 by paper copy, at the option of the department. Such reporting shall be  
11 required for every cancellation or termination which is effective on or  
12 after July first, nineteen hundred eighty-four and for every policy  
13 issuance which is effective on or after January first, two thousand;  
14 provided, however, that should the commissioner find, after testing of  
15 reporting procedures, that it would be feasible to require reporting for  
16 policy cancellations, terminations or issuances effective on an earlier  
17 date, he or she may by regulation so require reporting on such earlier  
18 date, but in no event shall reporting be required for cancellations or  
19 terminations effective prior to February first, nineteen hundred eight-  
20 y-four nor for policy issuances effective prior to September first,  
21 nineteen hundred ninety-nine. The commissioner shall provide for the  
22 acceptance of proof of insurance in electronic form on a motor vehicle  
23 owner's portable electronic device, as defined in paragraph (a) of  
24 subdivision two of section twelve hundred twenty-five-d of this chapter.  
25 Insurers shall cooperate fully with the commissioner in any such testing  
26 of reporting procedures.

27 § 3. This act shall take effect on the one hundred eightieth day after  
28 it shall have become a law. Provided, however, that effective immediate-  
29 ly, the addition, amendment and/or repeal of any rule or regulation  
30 necessary for the implementation of this act on its effective date are  
31 authorized and directed to be made and completed on or before such  
32 effective date.