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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/04/2020	.	
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	.	
	.	

The Committee on Banking and Insurance (Perry) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Present subsection (5) of section 316.646,
Florida Statutes, is redesignated as subsection (6), and a new
subsection (5) is added to that section, to read:

316.646 Security required; proof of security and display
thereof.—

(5) Eighteen months after implementation of the motor



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11 vehicle insurance online verification system established in s.
12 324.252, a law enforcement officer, during a traffic stop or
13 crash investigation, shall access information from the online
14 verification system to establish compliance with this chapter
15 and chapter 324.

16 Section 2. Paragraph (f) is added to subsection (5) of
17 section 320.02, Florida Statutes, to read:

18 320.02 Registration required; application for registration;
19 forms.—

20 (5)

21 (f) Upon implementation of the motor vehicle insurance
22 online verification system established in s. 324.252, the online
23 verification may be used in lieu of the verification procedures
24 in this subsection.

25 Section 3. Section 324.252, Florida Statutes, is created to
26 read:

27 324.252 Insurance online verification system.—The
28 department shall establish an online verification system for
29 motor vehicle insurance. The goal of the system is to identify
30 uninsured motorists and aid the department in the enforcement of
31 the financial responsibility law.

32 (1) The online verification system must:

33 (a) Be accessible through electronic means for use by any
34 government agency, including any court or law enforcement
35 agency, in carrying out its functions; by any private person or
36 entity acting on behalf of a federal, state, or local agency in
37 carrying out its functions; by any other entity authorized by
38 the department; and by any insurer authorized by the Office of
39 Insurance Regulation to provide motor vehicle insurance. The



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40 department may also establish a web portal or other mechanism
41 that provides the general public with the ability to confirm
42 whether a particular motor vehicle is currently insured.

43 (b) In real time, send requests to insurers for
44 verification of evidence of insurance for motor vehicles
45 registered in this state, and receive confirmation in real time
46 from insurers via electronic means consistent with the
47 specifications and standards of the Insurance Industry Committee
48 on Motor Vehicle Administration (IICMVA), with enhancements,
49 additions, and modifications as required by the department.
50 However, the enhancements, additions, and modifications may not
51 conflict with, nullify, or add requirements that are materially
52 inconsistent with the specifications or standards of the IICMVA.

53 (c) Be operational by July 1, 2023. The Motor Vehicle
54 Insurance Online Verification Task Force established in s.
55 324.255 must conduct a pilot program for at least 9 months to
56 test the system before statewide use. The system may not be used
57 in any enforcement action until successful completion of the
58 pilot program.

59 (d) Be available 24 hours a day, except as provided in
60 paragraph (2)(a), to verify the insurance status of any vehicle
61 registered in this state through the insurer's National
62 Association of Insurance Commissioners (NAIC) company code or
63 Florida company code, in combination with other identifiers,
64 including vehicle identification number, car make, car model,
65 year, registered owner's name, policy number, levels or types of
66 coverage, or other characteristics or markers as specified by
67 the Motor Vehicle Insurance Online Verification Task Force.

68 (e) Include appropriate safeguards and controls to prevent



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69 misuse or unauthorized access.

70 (f) Include a disaster recovery plan to ensure service
71 continuity in the event of a disaster.

72 (g) Include information that enables the department to make
73 inquiries of evidence of insurance by using multiple data
74 elements for greater matching accuracy, specifically the
75 insurer's NAIC company code, in combination with other
76 identifiers, such as vehicle identification number, policy
77 number, or other characteristics or markers as specified by the
78 Motor Vehicle Insurance Online Verification Task Force or the
79 department.

80 (h) Include a self-reporting mechanism for insurers with
81 fewer than 2,000 vehicles insured within this state or for
82 individual entities that are self-insured.

83 (2) The department has the following powers and duties:

84 (a) Upon an insurer's advance notice to the department, the
85 department shall allow online services established by the
86 insurer to have reasonable downtime for system maintenance and
87 other work, as needed. An insurer is not subject to
88 administrative penalties or disciplinary actions when its online
89 services are not available under such circumstances or when an
90 outage is unplanned by the insurer and is reasonably outside its
91 control.

92 (b) Upon recommendation of the Motor Vehicle Insurance
93 Online Verification Task Force, the department may develop and
94 operate its own system or competitively procure a private vendor
95 that has personnel with extensive operational and management
96 experience in the development, deployment, and operation of
97 insurance online verification systems.



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98 (c) The department and its private vendor, if any, shall
99 each maintain a contact person for the insurers during the
100 establishment, implementation, and operation of the system.

101 (d) The department may enter into agreements governing the
102 use of the system with any public or private entity accessing
103 the system to verify insurance coverage.

104 (e) The department shall maintain a historical record of
105 the system data for 6 months after the date of any verification
106 request and response.

107 (3) An insurance company authorized to issue insurance
108 policies for motor vehicles registered in this state:

109 (a) Shall comply with the verification requirements of
110 motor vehicle insurance for every motor vehicle insured by that
111 company in this state.

112 (b) Shall maintain policyholder records in order to confirm
113 insurance coverage for 3 years after the date of any
114 verification request and response.

115 (c) Shall cooperate with the department in establishing,
116 implementing, and maintaining the system.

117 (d) Is immune from civil liability for good faith efforts
118 to comply with this section. An online verification request or
119 response may not be used as the basis of a civil action against
120 an insurer.

121 (4) A law enforcement officer, during a traffic stop or
122 crash investigation, shall query information from the online
123 verification system to establish compliance with this chapter.

124 (5) This section does not apply to vehicles insured under
125 commercial motor vehicle coverage. As used in this subsection,
126 the term "commercial motor vehicle coverage" means any coverage



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127 provided to an insured under a commercial coverage form and
128 rated from a commercial manual approved by the Office of
129 Insurance Regulation. However, insurers of such vehicles may
130 participate in the online verification system on a voluntary
131 basis.

132 (6) The department may adopt rules to administer this
133 section.

134 Section 4. Section 324.255, Florida Statutes, is created to
135 read:

136 324.255 Motor Vehicle Insurance Online Verification Task
137 Force.—There is created the Motor Vehicle Insurance Online
138 Verification Task Force within the department.

139 (1) The task force shall:

140 (a) Facilitate the implementation of the motor vehicle
141 insurance online verification system established in s. 324.252.

142 (b) Assist in the development of a detailed guide for
143 insurers by providing data fields and other information
144 necessary for compliance with the online verification system.

145 (c) Coordinate a pilot program and conduct the program for
146 at least 9 months to test the online verification system and
147 identify necessary changes to be implemented before statewide
148 use.

149 (d) Issue recommendations based on periodic reviews of the
150 online verification system.

151 (2) The task force shall consist of 10 voting members and 1
152 nonvoting member.

153 (a) By July 31 of the year this section becomes effective,
154 the 10 voting members shall be appointed in the following
155 manner:



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156 1. Three representatives of the department, representing
157 the Florida Highway Patrol, the Division of Motorist Services,
158 and the Information Systems Administration, appointed by the
159 executive director of the department.

160 2. One representative of the Office of Insurance
161 Regulation, appointed by the Commissioner of Insurance
162 Regulation.

163 3. Three representatives of the motor vehicle insurance
164 industry, appointed by the Chief Financial Officer as follows:

165 a. One member must represent the motor vehicle insurer with
166 the largest national market share as of December 31 of the year
167 before the appointment.

168 b. One member must represent the motor vehicle insurer with
169 the largest Florida market share as of December 31 of the year
170 before the appointment.

171 c. One member must be selected from a list of
172 representatives recommended by the Insurance Industry Committee
173 on Motor Vehicle Administration.

174 4. One representative of the Department of Financial
175 Services, appointed by the Chief Financial Officer.

176 5. One representative of the Division of State Technology,
177 appointed by the Secretary of the Department of Management
178 Services.

179 6. One member who must be a member of local law
180 enforcement, appointed by the executive director of the
181 department.

182 (b) The executive director of the department, who shall be
183 a nonvoting member, shall serve as chair of the task force.

184 (3) By September 30 of the year this section becomes



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185 effective, the task force shall meet to establish procedures for
186 the conduct of its business, and the voting members shall elect
187 a vice chair at that meeting. The task force shall meet at the
188 call of the chair, who shall prepare the agenda for each meeting
189 with the consent of the task force. A majority of the voting
190 members of the task force constitutes a quorum, and a quorum is
191 necessary for the purpose of voting on any action or
192 recommendation of the task force. All meetings shall be held in
193 Tallahassee.

194 (4) The department shall provide the task force members
195 with administrative and technical support. Task force members
196 shall serve without compensation and are not entitled to
197 reimbursement for per diem or travel expenses.

198 (5) By July 1 of the third year after this section becomes
199 effective, the task force shall complete its work and submit its
200 final report evaluating the online verification system's
201 effectiveness and making recommendations for system enhancements
202 to the department, the President of the Senate, and the Speaker
203 of the House of Representatives. Upon submission of the report,
204 the task force shall expire.

205 Section 5. The amendments made by this act to ss. 316.646
206 and 320.02, Florida Statutes, and the creation of ss. 324.252
207 and 324.255, Florida Statutes, by this act shall take effect
208 upon a specific appropriation.

209 Section 6. This act shall take effect July 1, 2020.

211 ===== T I T L E A M E N D M E N T =====

212 And the title is amended as follows:

213 Delete everything before the enacting clause



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214 and insert:

215 A bill to be entitled
216 An act relating to insurance; amending s. 316.646,
217 F.S.; requiring law enforcement officers, after a
218 certain timeframe and under certain circumstances, to
219 access information from the motor vehicle insurance
220 online verification system for certain purposes;
221 amending s. 320.02, F.S.; authorizing the use of the
222 online verification of insurance for motor vehicle
223 registration purposes; creating s. 324.252, F.S.;
224 requiring the Department of Highway Safety and Motor
225 Vehicles to establish an online verification system
226 for motor vehicle insurance; providing system
227 requirements; providing powers and duties of the
228 department; providing requirements for insurers and
229 law enforcement officers; providing immunity from
230 civil liability to insurers for certain good faith
231 efforts; providing applicability; defining the term
232 "commercial motor vehicle coverage"; authorizing the
233 department to adopt rules; creating s. 324.255, F.S.;
234 creating the Motor Vehicle Insurance Online
235 Verification Task Force within the department;
236 providing duties of the task force; specifying the
237 composition of the task force; providing meeting
238 requirements; requiring the department to provide
239 certain support to the task force; providing that task
240 force members shall serve without compensation and are
241 not entitled to certain reimbursement; providing the
242 date by which the task force must complete its work



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243 and submit its final report to the department and the
244 Legislature; providing for expiration of the task
245 force; providing contingent effect; providing an
246 effective date.