

SCS HB 322 -- MOTOR VEHICLE INSURANCE POLICIES

This bill allows the proof of financial responsibility required for vehicle registration to be provided by displaying an electronic image of an insurance identification card on a mobile electronic device. The person presenting the device must assume all liability for any damage that may occur to the device except for damage willfully or maliciously caused by a department employee or agent. The employee or agent must only view the evidence of financial responsibility and not any other content on the device. The insurance identification card that contains proof of insurance information for a motor vehicle may be produced in a paper or an electronic format. An acceptable electronic form includes the display of an electronic image on a cellular phone or any other type of portable electronic device. A photocopy or an image displayed on a mobile electronic device that contains the policy information must be satisfactory evidence of insurance in lieu of an insurance identification card.

Any person who knowingly or intentionally produces, manufactures, sells, or otherwise distributes a fraudulent photocopy or image displayed on a mobile electronic device intended to serve as an insurance identification card is guilty of a class D felony. Any person who knowingly or intentionally possesses a fraudulent photocopy intended to serve as an insurance identification card or knowingly or intentionally uses a fraudulent image displayed on a mobile electronic device is guilty of a class B misdemeanor.

The display of an image of the insurance card on a mobile electronic device must not serve as consent for a police officer, commercial vehicle enforcement officer, commercial vehicle inspector, or other person to access other contents of the device in any manner other than to verify the image of the insurance card. The person presenting a mobile electronic device as proof of financial responsibility to a peace officer, commercial vehicle enforcement officer, or commercial vehicle inspector must assume all liability for any damage to the device except for any damage willfully or maliciously caused by the officer or inspector.

The apportionment plan for providing service to applicants for insurance under Section 303.200, RSMo, applies to personal automobile and commercial motor vehicle liability policies. "Personal automobile" is defined in the bill. If the total premium volume for any one plan established for handling coverage for personal automobile risks exceeds \$10 million in a year, a company with more than 5% market share of the risks in Missouri cannot be excused from accepting and servicing applicants and policies of the plan for the next year unless the governing body of the plan votes to allow any company with the market share the option to be

excused.

The bill allows any notice to a party or any other required document in an insurance transaction or that is to serve as evidence of insurance coverage to be delivered, stored, and presented by electronic means so long as it meets the requirements of the Uniform Electronic Transactions Act. The criteria for obtaining a customer's consent to receive electronic documents are specified in the bill. A discount may be offered to an insured who elects to receive notices and documents electronically.

Certain insurance policy forms and endorsements with non-personal information may be made available on an insurer's website in lieu of mailing or delivering a paper copy. The criteria for posting documents to a website are specified in the bill. Policy forms and endorsements must be retained for five years after they are withdrawn from use or replaced with other forms and endorsements. The policy forms and endorsements must be available on the insurer's website in a format that enables the insured to print and save the forms and endorsements using programs or applications that are widely available on the Internet and free to use. At policy issuance and renewal, the insurer must provide clear and conspicuous notice to the insured that it does not intend to mail or deliver a paper copy of the forms or documents. The notice must provide instructions on how the insured may access the forms and endorsements on the insurer's website. A customer must be informed that he or she has the right to a paper copy of the policy forms and endorsements at no cost and must be provided with a toll-free phone number or the number of the insured's producer by which the insured can make this request.