

House Bill 1005 (AS PASSED HOUSE AND SENATE)

By: Representatives Dempsey of the 13th, Rice of the 51st, Kaiser of the 59th, Lindsey of the 54th, Abrams of the 84th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles, so
2 as to provide a definition for a taxicab and a limousine; to provide for an "In God We Trust"
3 decal on license plates; to change certain provisions relating to registration and titling of
4 motor vehicles; to provide for a special license plate supporting Zoo Atlanta in its mission;
5 to provide for administration of the system of mandatory insurance for motor vehicles; to
6 provide for the registration and licensing of taxicabs and limousines; to provide for effective
7 dates; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles, is amended
11 by revising Code Section 40-1-1, relating to definitions, by adding new paragraphs as
12 follows:

13 "(24.1) 'Limousine' has the same meaning as provided in paragraph (4) of Code Section
14 46-7-85.1.

15 (63.1) 'Taxicab' means a motor vehicle for hire which conveys passengers between
16 locations of their choice and is a mode of public transportation for a single passenger or
17 small group for a fee. Such term shall also mean taxi or cab, but not a bus or school bus,
18 limousine, passenger car, or commercial motor vehicle."

19 **SECTION 2.**

20 Chapter 2 of Title 40 of the Official Code of Georgia Annotated, relating to registration and
21 licensing of motor vehicles, is amended by revising subparagraph (b)(2)(A) of Code Section
22 40-2-8, relating to operation of an unregistered vehicle or vehicle without current license
23 plate or revalidation decal, as follows:

24 "(2)(A) It shall be a misdemeanor to operate any vehicle required to be registered in the
25 State of Georgia without a valid numbered license plate properly validated, unless such

26 operation is otherwise permitted under this chapter; and provided, further, that the
 27 purchaser of a new vehicle or a used vehicle may operate such vehicle on the public
 28 highways and streets of this state without a current valid license plate during the period
 29 within which the purchaser is required by Code Section 40-2-20 to register such vehicle
 30 as provided for in Code Section 40-2-29; but the purchaser of any vehicle from a dealer
 31 of new or used motor vehicles shall display a temporary plate issued as provided by
 32 subparagraph (B) of this paragraph on the rear of such vehicle in the space provided for
 33 a license plate when such vehicle is operated on the public highways and streets of this
 34 state during such period prior to registration, unless such purchaser has made
 35 application to transfer to such vehicle in accordance with this chapter a valid license
 36 plate issued to him or her, in which event the license plate to be transferred shall be
 37 displayed on the vehicle during the period prior to registration, or unless such vehicle
 38 is to be registered under the International Registration Plan."

39 **SECTION 2.1.**

40 Said chapter is further amended by revising Code Section 40-2-9, relating to license plates
 41 containing a space for a county name decal, as follows:

42 "40-2-9.

43 (a) Any metal special, distinctive, or prestige license plate, except those provided for in
 44 Code Sections 40-2-61, 40-2-62, 40-2-74, 40-2-82, and 40-2-85.1 or as otherwise expressly
 45 provided in this chapter, shall contain a space for a county name decal. The provisions of
 46 this chapter relative to county name decals shall be applicable to all such license plates.

47 (b) The department shall make available to all license plates recipients a decal with the
 48 same dimensions as the county name decal that contains the words, 'In God We Trust.' The
 49 department shall charge any person requesting such decal no more than the cost to the
 50 department for the manufacture and distribution of such decal. Such decal may be
 51 displayed in the space reserved for the county name decal in lieu of the county name decal."

52 **SECTION 3.**

53 Said chapter is further amended by revising subsection (a) of Code Section 40-2-20, relating
 54 to registration and license requirements and extension of registration period, as follows:

55 "(a)(1)(A) Except as provided in subsection (b) of this Code section and subsection (a)
 56 of Code Section 40-2-47, every owner of a motor vehicle, including a tractor or
 57 motorcycle, and every owner of a trailer shall, during the owner's registration period in
 58 each year, register such vehicle as provided in this chapter and obtain a license to
 59 operate it for the 12 month period until such person's next registration period.

60 (B)(i) The purchaser or other transferee owner of every new or used motor vehicle,
61 including tractors and motorcycles, or trailer shall, ~~within the initial registration~~
62 ~~period of such vehicle~~, register such vehicle as provided in ~~this chapter~~ Code Section
63 40-2-8 and obtain or transfer as provided in this chapter a license to operate it for the
64 period remaining until such person's next registration period which immediately
65 follows such initial registration period, without regard to whether such next
66 registration period occurs in the same calendar year as the initial registration period
67 or how soon such next registration period follows the initial registration period;
68 provided, however, that this registration and licensing requirement does not apply to
69 a dealer which acquires a new or used motor vehicle and holds it for resale. The
70 commissioner may provide by rule or regulation for one 30 day extension of such
71 initial registration period which may be granted by the county tag agent to a purchaser
72 or other transferee owner if the transferor has not provided such purchaser or other
73 transferee owner with a title to the motor vehicle more than five business days prior
74 to the expiration of such initial registration period.

75 (ii) No person, company, or corporation, including, but not limited to, used motor
76 vehicle dealers and auto auctions, shall sell or transfer a motor vehicle without
77 providing to the purchaser or transferee of such motor vehicle the last certificate of
78 registration on such vehicle at the time of such sale or transfer; provided, however,
79 that in the case of a salvage motor vehicle or a motor vehicle which is stolen but
80 subsequently recovered by the insurance company after payment of a total loss claim,
81 the salvage dealer or insurer, respectively, shall not be required to provide the
82 certificate of registration for such vehicle; and provided, further, that in the case of a
83 repossessed motor vehicle or a court ordered sale or other involuntary transfer, the
84 lienholder or the transferor shall not be required to provide the certificate of
85 registration for such vehicle but shall, prior to the sale of such vehicle, surrender the
86 license plate of such vehicle to the commissioner or the county tag agent by personal
87 delivery or by certified mail or statutory overnight delivery for cancellation.

88 (2) An application for the registration of a motor vehicle may not be submitted separately
89 from the application for a certificate of title for such motor vehicle, unless a certificate
90 of title has been issued in the owner's name, has been applied for in the owner's name, or
91 the motor vehicle is not required to be titled. An application for a certificate of title for
92 a motor vehicle may be submitted separately from the application for the registration of
93 such motor vehicle."

94 **SECTION 3.1.**

95 Said chapter is further amended by revising subsection (d) of Code Section 40-2-26, relating
 96 to form and contents of application for registration, as follows:

97 "(d)(1) As used in this subsection, for the purpose of issuing or renewing motor vehicle
 98 registration, the term 'satisfactory proof' means:

99 (A) Any type of proof that is satisfactory or sufficient proof of the owner's insurance
 100 coverage under subsection (a) of Code Section 40-6-10;

101 (B) Information obtained from the records or data base of the department regarding the
 102 owner's insurance coverage which information is derived from notice provided to the
 103 department pursuant to Code Section ~~40-5-71~~ 40-2-137; or

104 (C) Such other type of proof of the owner's insurance coverage as may be approved for
 105 purposes of this Code section by rule or regulation of the department.

106 (2) No vehicle registration or renewal thereof shall be issued to any motor vehicle unless
 107 the tag agent receives satisfactory proof that the motor vehicle is subject to a policy of
 108 insurance that provides the minimum motor vehicle insurance coverage required by
 109 Chapter 34 of Title 33 or an approved self-insurance plan and, in the case of a private
 110 passenger vehicle, that such coverage was initially issued for a minimum term of six
 111 months; provided, however, that the owner's inability to register or renew the registration
 112 of any motor vehicle due to lack of proof of insurance shall not excuse or defer the timely
 113 payment of ad valorem taxes due and payable upon said vehicle."

114 **SECTION 4.**

115 Said chapter is further amended by revising Code Section 40-2-29, relating to license plate
 116 fees and temporary permits, as follows:

117 "40-2-29.

118 (a) Except as otherwise provided in this chapter, any person purchasing or acquiring a
 119 vehicle shall register and obtain, or transfer, a license plate to operate such vehicle from
 120 the county tag agent in their county of residence no later than seven business days after the
 121 date of purchase or acquisition of the vehicle by presenting to the county tag agent the
 122 following:

123 (1) A motor vehicle certificate of title as provided in Chapter 3 of this title;

124 (2) Satisfactory proof of owner's insurance coverage as provided for in subsection (d) of
 125 Code Section 40-2-26;

126 (3) If applicable, satisfactory proof of compliance with the Article 2 of Chapter 9 of Title
 127 12, the 'Georgia Motor Vehicle Emission Inspection and Maintenance Act'; and

128 (4) Satisfactory proof that all fees, permits, and taxes have been paid.

129 (b) An application for registration shall be accompanied by check; cash; certified or
 130 cashier's check; bank, postal, or express money order; or other similar bankable paper; for
 131 the amount of the license plate or temporary permit fee or any taxes required by law. A
 132 money order receipt or other evidence of the purchase and remittance of such bankable
 133 paper for the proper amount, dated prior to any delinquency by the proper authority of the
 134 issuer, and showing the office of the commissioner or the office of the county tag agent as
 135 the payee and the owner of the vehicle sought to be licensed and registered as the remitter
 136 shall serve as a temporary permit to operate such vehicle for a period of 15 days from the
 137 date of such remittance.

138 (c) A person unable to fully comply with the requirements of subsection (a) of this Code
 139 section shall register such vehicle and receive a temporary operating permit that will be
 140 valid until the end of the initial registration period as provided for in paragraph (1) of
 141 subsection (a) of Code Section 40-2-21.

142 (d) A conviction for displaying a license plate or temporary license plate not provided for
 143 in this chapter shall be punished as a misdemeanor."

144 **SECTION 4.1.**

145 Said chapter is further amended by revising Code Section 40-2-86.21, relating to special
 146 license plates promoting certain beneficial projects and supporting certain agencies, funds,
 147 or nonprofit corporations, by adding a new paragraph to subsection (o) to read as follows:

148 "(41) A special license plate for Zoo Atlanta to support its mission to inspire the citizens
 149 of Atlanta and Georgia and all visitors to the zoo to value wildlife on Earth; to help
 150 safeguard existing species through conservation by providing for an informative,
 151 educational, and engaging experience to all visitors; to carry out the responsible
 152 stewardship of the animals and the zoo facility; and to engage in related conservation
 153 activities and research. The funds raised by the sale of this special plate shall be disbursed
 154 to the Atlanta-Fulton County Zoo, Inc. Such license plate shall not include a space for a
 155 county name decal but shall instead bear the legend 'Protect Wildlife' in lieu of the name
 156 of the county of issuance."

157 **SECTION 5.**

158 Said chapter is further amended by revising in its entirety Code Section 40-2-137, relating
 159 to definitions and notification of termination of insurance coverage of vehicles, as follows:

160 "40-2-137.

161 (a) As used in this Code section, the term:

162 (1) 'Commercial vehicle policy' means a policy of motor vehicle liability insurance
 163 insuring a motor vehicle that is rated or insured as a business use or commercial use
 164 vehicle or is licensed by the state as a commercial vehicle.

165 (2) 'Fleet policy' means a commercial vehicle policy that insures two or more vehicles
 166 that are not identified individually by vehicle identification number on the policy or a
 167 commercial policy that is subject to adjustment by audit for vehicle changes at the end
 168 of the policy period.

169 (3) 'Lapse' means one or more days upon which the records of the department do not
 170 reflect that a motor vehicle was covered by a policy of minimum motor vehicle insurance
 171 coverage.

172 (4) 'Minimum motor vehicle insurance coverage' means minimum coverage as specified
 173 in Chapter 34 of Title 33.

174 (5) 'Proof of minimum insurance coverage' means the receipt from an insurer by the
 175 department of notice of such insurance coverage by electronic transmission or other
 176 means approved by the department.

177 (6) 'Terminate' or 'termination' means actual cessation of insurance coverage after the
 178 date upon which coverage will not be restored for any reason, including without
 179 limitation cancellation, nonrenewal, and nonpayment of premium and without regard to
 180 whether such cessation was preceded by any extension or grace period allowed by the
 181 insurer.

182 (b)(1)(A) For purposes of aiding in the enforcement of the requirement of minimum
 183 motor vehicle liability insurance, any insurer issuing or renewing in this state any
 184 policy of motor vehicle liability insurance required by Chapter 34 of Title 33 other than
 185 a fleet policy shall within 30 days after the date the insurance agent binds the coverage
 186 or on the date such coverage was renewed, whichever is applicable, provide notice of
 187 such insurance coverage by electronic transmission to the department; except that once
 188 coverage data has been electronically transmitted to the department, there shall be no
 189 requirement to report on subsequent renewals of that coverage. Insurance coverage
 190 information included in such notice of issue or renewal shall be limited exclusively to
 191 name of insurer; vehicle identification number; the make and year of the insured motor
 192 vehicle; and policy effective date. The department shall not require the policy limits
 193 to be disclosed for purposes of this subparagraph. For the purposes of this Code
 194 section, the vehicle identification number shall be the vehicle identification number as
 195 that number is shown in the records of the department. For the purposes of this Code
 196 section, the Commissioner of Insurance shall furnish such notices to the department
 197 upon issuance of a certificate of self-insurance.

198 (B) In cases in which the minimum motor vehicle insurance coverage required by
199 Chapter 34 of Title 33 terminates, the insurer shall by electronic transmission notify the
200 department of such coverage termination on or before the date coverage ends or, if
201 termination is at the request of the insured, then on the date such request is processed
202 by the insurer. Insurance coverage termination information included in such notice
203 shall include vehicle identification number and the date of coverage termination. For
204 the purposes of this Code section, the Commissioner of Insurance shall furnish such
205 notices to the department upon termination of a certificate of self-insurance.

206 (C) The commissioner shall notify the Commissioner of Insurance quarterly of any and
207 all violations of the notice requirements of this paragraph by any insurer, and the
208 Commissioner of Insurance may take appropriate action against such insurer the same
209 as is authorized by Code Section 33-2-24 for violations of Title 33; provided, however,
210 that there shall be no private cause of action against an insurer or the department for
211 civil damages for providing information, failing to provide information, or erroneously
212 providing information pursuant to this Code section. No insurer shall utilize the costs
213 of any audit or examination conducted by the Insurance Department pursuant to this
214 paragraph as a cost of business in the insurer's rate base. The department shall
215 commence the reports provided for in this Code section beginning July 1, 2010.

216 (D) The reports required of insurers and the Commissioner of Insurance shall not apply
217 to any vehicle for which the vehicle coverage is provided by a fleet policy.

218 (2) The department shall prescribe the form and manner of electronic transmission for
219 the purposes of insurers sending the notices required by this Code section which shall in
220 no way be construed as modifying the provisions of Code Section 33-24-45.

221 (3) Notwithstanding the provisions of paragraph (1) of this subsection, any irregularities
222 in the notice to the department required by paragraph (1) of this subsection shall not
223 invalidate an otherwise valid termination.

224 (4) The minimum liability insurance records which the department is required to
225 maintain under this Code section or any other provision are exempt from the provisions
226 of any law of this state requiring that such records be open for public inspection;
227 provided, however, that the records of any particular motor vehicle may be available for
228 inspection by any law enforcement officer for official law enforcement investigations, the
229 insurer of record, and the owner of the vehicle in the manner prescribed by the
230 commissioner.

231 (c)(1) The department shall monitor the reporting by insurers of the issuance of new and
232 renewal policies and the termination of coverage.

233 (2)(A) A match is based upon the vehicle identification number as recorded on the
234 department's motor vehicle records. When the vehicle identification number does not

235 match the department's motor vehicle records, the department shall notify the insurer
236 and the insurer shall, within 30 days from receipt of the returned error, correct the
237 vehicle identification number and resubmit the transaction.

238 (B) After receipt of the department's notice, if the insurer determines that the vehicle
239 identification number that it submitted to the department is in fact the accurate number
240 on the insured vehicle, then the insurer shall so notify the department and the owner of
241 the vehicle.

242 (C) Upon notification, the owner shall, in a manner prescribed by the commissioner,
243 make a correction of such number at the appropriate county tag office.

244 (d)(1)(A) Upon notification of coverage termination by the insurer, the department
245 shall send a notice to the owner of the motor vehicle stating that the department has
246 been informed of the fact that coverage has been terminated and provide an explanation
247 of the penalties provided for by law.

248 (B) The department shall send such notice to the address of the owner of the motor
249 vehicle shown on the records of the department.

250 (C) The mailing of such notice by the department shall be deemed notice of such
251 owner's duty to maintain the required minimum insurance coverage and the possible
252 penalties and consequences for failing to do so and shall be deemed to satisfy all notice
253 requirements of law.

254 (2) It shall be the duty of the owner of such motor vehicle to obtain minimum motor
255 vehicle insurance coverage and it shall be the duty of the owner's insurer to provide proof
256 of such coverage to the department within 30 days of the date of such notice, pursuant to
257 the requirements of subparagraph (b)(1)(A) of this Code section.

258 (3) If the vehicle is covered by a fleet policy, the owner's insurer shall not be required
259 to provide such proof electronically to the department.

260 (e)(1) When proof of minimum motor vehicle insurance coverage is provided within the
261 time period specified in this Code section, but there has been a lapse of coverage for a
262 period of more than ten days, the owner shall remit a \$25.00 lapse fee to the department.
263 Failure to remit the lapse fee to the department within 30 days of the date of such notice
264 will result in the suspension of the owner's motor vehicle registration by operation of law.
265 If any lapse fee provided for in this Code section is paid to the county tax commissioner,
266 the county shall retain \$5.00 thereof as a collection fee.

267 (2) If proof is not provided within the time period specified in this Code section that
268 minimum motor vehicle insurance coverage is in effect, the owner's motor vehicle
269 registration shall be suspended immediately by operation of law by the department.
270 When such proof is provided and the owner pays a \$25.00 lapse fee and pays a \$60.00
271 restoration fee, the suspension shall terminate; provided, however, that the commissioner

272 may waive the lapse fee and restoration fee for any owner whose vehicle registration has
273 been suspended pursuant to this paragraph who provides proof of continuous minimum
274 motor vehicle insurance coverage. If any restoration fee provided for in this Code section
275 is paid to the county tax commissioner, the county shall retain \$10.00 thereof as a
276 collection fee.

277 (3) In the event of a second suspension of the owner's registration under this Code
278 section, within a five-year period of a prior suspension, the department by operation of
279 law shall suspend the motor vehicle registration. When proof is provided that minimum
280 motor vehicle insurance coverage is in effect and the owner pays a \$25.00 lapse fee and
281 pays a \$60.00 restoration fee, the suspension shall terminate.

282 (4) In the event of a third or subsequent suspension of the owner's registration under this
283 Code section, within the previous five-year period from the date of the third or
284 subsequent suspension, the department by operation of law shall revoke the motor vehicle
285 registration. When proof is provided that minimum motor vehicle insurance coverage is
286 in effect and the owner pays a \$25.00 lapse fee and pays a \$160.00 restoration fee, the
287 owner may apply for registration of the motor vehicle.

288 (f)(1) The commissioner may waive the lapse fee for any owner whose vehicle
289 registration has been voluntarily canceled pursuant to Code Section 40-2-10.

290 (2) Upon being presented with a copy of official orders or other satisfactory proof of
291 ordered duty as approved by rule or regulation of the commissioner showing that an
292 owner of a motor vehicle was deployed outside the continental United States on active
293 military duty in the armed forces of the United States at the time his or her minimum
294 motor vehicle insurance coverage for such vehicle terminated, the county tag agent shall
295 wave the lapse fee and restoration fee, suspension of the owner's motor vehicle
296 registration under this Code section shall terminate, and application for registration of the
297 vehicle which otherwise satisfies requirements provided by law may be accepted without
298 delay.

299 (g) The county tax commissioner shall have the authority to waive a lapse fee if sufficient
300 proof is provided that no actual lapse in coverage occurred. Such proof shall be retained
301 by the county tax commissioner for audit purposes.

302 (h) Notwithstanding any provision of law to the contrary, a person on active military duty
303 in the armed forces of the United States whose motor vehicle is registered in this state and
304 has license plates from this state and who, as a result of his or her military duties or
305 assignment, is required to reside in another state may meet the requirements for minimum
306 motor vehicle liability coverage by purchasing such coverage in amounts equal to or
307 greater than the minimum coverages required by Georgia law and providing proof of such

308 coverage to the department. In such cases, the motor vehicle shall continue to be registered
 309 and licensed in this state as long as it otherwise meets the requirements of law."

310 **SECTION 6.**

311 Said chapter is further amended by adding a new Code section as follows:

312 "40-2-168.

313 Owners of a taxicab or limousine, prior to commencing operation in this state, shall, upon
 314 complying with the motor vehicle laws relating to registration and licensing of motor
 315 vehicles, and the payment of an annual registration fee of \$25.00, be issued a distinctive
 316 license plate by the commissioner. Such distinctive license plate shall be designed by the
 317 commissioner and displayed on the vehicle as provided in Code Section 40-2-41. The
 318 certificate of registration shall be kept in the vehicle. Revalidation decals shall be issued,
 319 upon payment of fees required by law, in the same manner as provided for general issue
 320 license plates. Such license plates shall be transferred from one vehicle to another vehicle
 321 of the same class and acquired by the same person as provided in Code Section 40-2-42.
 322 The transition period shall commence upon the effective date of this Code section and
 323 conclude no later than December 31, 2010, for all existing registrations. For all existing
 324 registrations, except during the owner's registration period as provided in Code Section
 325 40-2-21, the commissioner shall exchange and replace any current and valid registration
 326 and license plate at no charge to the owner."

327 **SECTION 7.**

328 Chapter 3 of Title 40 of the Official Code of Georgia Annotated, relating to certificates of
 329 title, security interests, and liens, is amended by revising Code Section 40-3-26, relating to
 330 delivery of the certificate of title and notice to lienholders, as follows:

331 "40-3-26.

332 (a)(1) The certificate of title shall be mailed or delivered to the holder of the first security
 333 interest or lien named in it. In the event there is no security interest holder or lienholder
 334 named in such certificate, the certificate of title shall be mailed or delivered directly to
 335 the owner.

336 (2) The commissioner may enter into agreements with any such security interest holder
 337 or lienholder to provide a means of delivery by secure electronic measures of a notice of
 338 the recording of such security interest or lien. Such security interest or lien shall remain
 339 on the official records of the department until such time as the security interest or lien is
 340 released by secure electronic measures or affidavit of lien or security interest release;
 341 after which release, or at the request of the lienholder or security interest holder, the
 342 certificate of title may be printed and mailed or delivered to the next lienholder or

343 security interest holder or as otherwise provided by paragraph (1) of this subsection
 344 without payment of any fee provided by Code Section 40-3-38.

345 (3) If the certificate of title has not been electronically delivered as provided for in
 346 paragraph (2) of this subsection, in lieu of delivering a certificate of title, the
 347 commissioner may deliver to any security interest holder or lienholder a confirmation
 348 form stating the certificate of title is available for printing:

349 (A) When such confirmation is presented to the commissioner's duly authorized county
 350 tag agent or to the commissioner requesting delivery of the title in accordance with this
 351 Code section;

352 (B) When the security interest or lien is satisfied and the confirmation form is delivered
 353 to the owner stating the security interest or lien is satisfied and released. The owner
 354 may then present the confirmation letter to the commissioner's duly authorized county
 355 tag agent or the commissioner for printing in accordance with this Code section; or

356 (C) When the security interest holder or lienholder delivers the confirmation form to
 357 the commissioner's duly authorized county tag agent or the commissioner stating the
 358 security interest or lien is satisfied and released and provides an alternate delivery
 359 address to include any subsequent security interest holder, lienholder, vehicle dealer,
 360 or other business with an interest in such vehicle.

361 (4) In the event the confirmation form is lost or stolen, the security interest holder or
 362 lienholder shall file an affidavit stating the circumstances under which the confirmation
 363 form was lost or stolen. Upon receipt, the commissioner shall deliver a certificate of title
 364 in accordance with this Code section.

365 (b) If the certificate of title is mailed to a security interest holder or lienholder, such person
 366 shall notify by mail all other lien or security interest holders that such person has received
 367 the certificate of title. The notice shall inform the security interest holder or lienholder of
 368 the contents and information reflected on such certificate of title. Such mailing or delivery
 369 shall be within five days, exclusive of holidays, after the receipt of the certificate by the
 370 holder of any security interest or lien.

371 (c) The security interest holder or lienholder may retain custody of the certificate of title
 372 until such security interest holder's or lienholder's claim has been satisfied. The security
 373 interest holder or lienholder having custody of a certificate of title must deliver the
 374 certificate of title to the next lienholder or security interest holder within ten days after such
 375 custodial security interest holder's or lienholder's lien or security interest has been satisfied
 376 and, if there is no other security interest holder or lienholder, such custodial security
 377 interest holder or lienholder must deliver the certificate of title to the owner.

378 (d) If a lien or security interest has been electronically recorded, the release of such lien
 379 or security interest will require the lienholder to notify the commissioner and the owner of

380 the vehicle, on a form prescribed by the commissioner, or by electronic means approved
 381 by the commissioner, of the release of the lien or security interest. Such notice will inform
 382 the owner that such owner may request a title free of lien, upon verification of such owner's
 383 current mailing address, from the commissioner as provided in Code Section 40-3-56."

384 **SECTION 8.**

385 Chapter 5 of Title 40 of the Official Code of Georgia Annotated, relating to drivers' licenses,
 386 is amended by repealing and reserving Code Section 40-5-71, relating to notice of insurance
 387 issuance, renewal, or termination; lapse fee; suspension of license following insurance
 388 termination; and restricted driving permits.

389 **SECTION 9.**

390 Said chapter is further amended by revising subsections (a) and (c) of Code Section 40-5-72,
 391 relating to forwarding of license, tag, and tag registration to the department, as follows:

392 "(a) It is the duty of any person who has his or her driver's license and, where applicable,
 393 license tag and tag registration suspended under the provisions of Code Section 40-5-70
 394 or ~~40-5-71~~ 40-2-137 immediately upon suspension and demand of the department to
 395 forward such items to the department."

396 "(c) Unless otherwise provided in this Code section, notice of the effective date of
 397 suspension shall occur when the driver receives actual knowledge or legal notice of the
 398 suspension, whichever occurs first. For the purposes of making any determination relating
 399 to the return of a suspended motor vehicle driver's license and, where applicable, license
 400 tag and tag registration, a period of suspension under Code Section 40-5-70 or ~~40-5-71~~
 401 40-2-137 or this Code section shall begin upon the date of conviction adjudicated by the
 402 court having jurisdiction."

403 **SECTION 10.**

404 Chapter 6 of Title 40 of the Official Code of Georgia Annotated, relating to the uniform rules
 405 of the road, is amended by revising subsections (a) and (e) of Code Section 40-6-10, relating
 406 to insurance requirements for operation of a motor vehicle, as follows:

407 "(a)(1) ~~Until December 31, 2003, the~~ The owner or operator of a motor vehicle for which
 408 minimum motor vehicle liability insurance coverage is required under Chapter 34 of Title
 409 33 shall keep proof or evidence of required minimum insurance coverage in the vehicle
 410 at all times during the operation of the vehicle. The owner of a motor vehicle shall
 411 provide to any operator of such vehicle proof or evidence of required minimum insurance
 412 coverage for the purposes of compliance with this subsection.

413 (2) The following shall be acceptable proof of insurance on a temporary basis:

414 (A) If the policy providing such coverage was applied for within the last 30 days, a
 415 current written binder for such coverage for a period not exceeding 30 days from the
 416 date such binder was issued shall be considered satisfactory proof or evidence of
 417 required minimum insurance coverage;

418 (B) If the vehicle is operated under a rental agreement, a duly executed vehicle rental
 419 agreement shall be considered satisfactory proof or evidence of required minimum
 420 insurance coverage; and

421 (C) If the owner acquired ownership of the vehicle within the past 30 days, if the type
 422 of proof described in subparagraph (A) of this paragraph is not applicable but the
 423 vehicle is currently effectively provided with required minimum insurance coverage
 424 under the terms of a policy providing required minimum insurance coverage for another
 425 motor vehicle, then a copy of the insurer's declaration of coverage under the policy
 426 providing such required minimum insurance coverage for such other vehicle shall be
 427 considered satisfactory proof or evidence of required minimum insurance coverage for
 428 the vehicle, but only if accompanied by proof or evidence that the owner acquired
 429 ownership of the vehicle within the past 30 days.

430 (2.1) If the vehicle is insured under a fleet policy as defined in Code Section 40-2-137
 431 providing the required minimum insurance coverage or if the vehicle is engaged in
 432 interstate commerce and registered under the provisions of Article 3A of Chapter 2 of this
 433 title, the insurance information card issued by the insurer shall be considered satisfactory
 434 proof of required minimum insurance coverage for the vehicle.

435 (2.2) If the vehicle is insured under a certificate of self-insurance issued by the
 436 Commissioner of Insurance providing the required minimum insurance coverage under
 437 which the vehicle owner did not report the vehicle identification number to the
 438 Commissioner of Insurance, the insurance information card issued by the Commissioner
 439 of Insurance shall be considered satisfactory proof of required minimum insurance
 440 coverage for the vehicle, but only if accompanied by a copy of the certificate issued by
 441 the Commissioner of Insurance.

442 (3) ~~On and after July 1, 2005, the~~ The requirement under this Code section that proof or
 443 evidence of minimum liability insurance be maintained in a motor vehicle at all times
 444 during the operation of the vehicle shall not apply to the owner or operator of any vehicle
 445 for which the records or data base of the Department of Revenue indicates that required
 446 minimum insurance coverage is currently effective.

447 (4) Except as otherwise provided in paragraph (7) of this subsection, any person who
 448 fails to comply with the requirements of this subsection shall be guilty of a misdemeanor

449 and, upon conviction thereof, shall be subject to a fine of not less than \$200.00 nor more
450 than \$1,000.00 or imprisonment for not more than 12 months, or both.

451 (5) Every law enforcement officer in this state shall determine if the operator of a motor
452 vehicle subject to the provisions of this Code section has the required minimum insurance
453 coverage every time the law enforcement officer stops the vehicle or requests the
454 presentation of the driver's license of the operator of the vehicle.

455 (6) If a law enforcement officer of this state determines that the owner or operator of a
456 motor vehicle subject to the provisions of this Code section does not have proof or
457 evidence of required minimum insurance coverage, the arresting officer shall issue a
458 uniform traffic citation for operating a motor vehicle without proof of insurance. If the
459 court or arresting officer determines that the operator is not the owner, then a uniform
460 traffic citation may be issued to the owner for authorizing the operation of a motor
461 vehicle without proof of insurance.

462 (7) If the person receiving a citation under this subsection shows to the court having
463 jurisdiction of the case that required minimum insurance coverage was in effect at the
464 time the citation was issued, the court may impose a fine not to exceed \$25.00. The court
465 shall not in this case forward a record of the disposition of the case to the department and
466 the driver's license of such person shall not be suspended.

467 (8)(A) ~~For purposes of this Code section up to and including December 31, 2003, a~~
468 ~~valid insurance card shall be sufficient proof of insurance for any vehicle.~~

469 ~~(B)~~ For purposes of this Code section ~~on and after January 1, 2004,~~ a valid insurance
470 card shall be sufficient proof of insurance only for any vehicle covered under a fleet
471 policy as defined in Code Section ~~40-5-71~~ 40-2-137. The insurance card for a fleet
472 policy shall contain at least the name of the insurer, policy number, policy issue or
473 effective date, policy expiration date, and the name of the insured and may, but shall
474 not be required to, include the year, make, model, and vehicle identification number of
475 the vehicle insured. If the operator of any vehicle covered under a fleet policy as
476 defined in Code Section ~~40-5-71~~ 40-2-137 presents a valid insurance card for a fleet
477 policy to any law enforcement officer or agency, and the officer or agency does not
478 recognize the insurance card as valid proof of insurance and impounds or tows such
479 vehicle for lack of proof of insurance, the law enforcement agency or political
480 subdivision shall be liable for and limited to the fees of the wrongful impoundment or
481 towing of the vehicle, which in no way waives or diminishes any sovereign immunity
482 of such governmental entity.

483 ~~(C)~~(B) For any vehicle covered under a policy of motor vehicle liability insurance that
484 is not a fleet policy as defined in Code Section ~~40-5-71~~ 40-2-137, the insurer shall issue
485 a policy information card which shall contain at least the name of the insurer, policy

486 number, policy issue or effective date, policy expiration date, name of the insured, and
487 year, make, model, and vehicle identification number of each vehicle insured; ~~and on~~
488 ~~and after January 1, 2004~~, the owner or operator of the motor vehicle shall keep such
489 policy information card in the vehicle at all times during operation of the vehicle for
490 purposes of Code Section 40-6-273.1, but any such policy information card shall not
491 be sufficient proof of insurance for any purposes of this Code section except as
492 otherwise provided in this Code section."

493 ~~"(e) The minimum liability insurance data base of the department shall be operational for~~
494 ~~the purposes of testing, evaluation, verification of data, and validation of accuracy not later~~
495 ~~than November 1, 2002, and shall be fully operational not later than January 1, 2004."~~

496 **SECTION 11.**

497 This Act shall become effective upon its approval by the Governor or upon its becoming law
498 without such approval, except for Sections 2, 2.1, 3, and 4, which shall become effective
499 January 1, 2011.

500 **SECTION 12.**

501 All laws and parts of laws in conflict with this Act are repealed.