

ASSEMBLY BILL

No. 861

Introduced by Assembly Member Fong

February 21, 2013

An act to amend Section 16480 of the Vehicle Code, relating to motor vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 861, as introduced, Fong. Motor vehicles: proof of financial responsibility.

Existing law requires all drivers and all owners of a motor vehicle, at all times, to be able to establish financial responsibility and carry in the vehicle evidence of the form of financial responsibility in effect for the vehicle, including, but not limited to, self-insurance, a liability policy or bond, and cash deposit. The Department of Motor Vehicles is required to suspend the driving privilege of the driver or the owner of a vehicle that is involved in an accident, as specified, who fails to provide evidence of financial responsibility. Existing law provides various means of producing proof of financial responsibility and ability to respond to damages involving motor vehicle accidents, including, the written certificate of an insurance carrier that has issued a motor vehicle liability policy, a bond payable on motion of the state, or a cash deposit with the department, as specified. Existing law provides for the release of the proof of financial responsibility from the department upon the occurrence of specified events, including that the person is no longer required to maintain the proof, or the death of the person on whose behalf the proof was filed.

This bill would make technical, nonsubstantive changes to these provisions governing release of the proof of financial responsibility.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 16480 of the Vehicle Code is amended
2 to read:
3 16480. (a) The department shall upon request, or may at its
4 own discretion, cancel any bond or any certificate of insurance,
5 or the department shall direct the return to the person entitled
6 thereto of any money or securities deposited ~~pursuant to this code~~
7 as proof of financial responsibility, or the department shall waive
8 the requirement of filing proof of financial responsibility ~~in~~ upon
9 any of the following events:
10 (1) ~~When the~~ *The* person is no longer required to maintain the
11 proof under ~~the provisions of~~ this code.
12 (2) At any time after three years from the date the proof was
13 required.
14 (3) ~~Upon the~~ *The* death of the person on whose behalf the proof
15 was filed.
16 (4) The permanent incapacity of the person to operate a motor
17 vehicle if the person surrenders for cancellation his or her driver's
18 license to the department.
19 (b) The department shall not release proof filed by the bond of
20 individual sureties as set forth in Section 16434, or if given in the
21 manner prescribed by Section 16435, if any action for damages
22 upon a liability referred to in this code is then pending, or if any
23 judgment upon any ~~the~~ liability is outstanding and unsatisfied. An
24 affidavit of the applicant of the nonexistence of those facts shall
25 be prima facie evidence thereof.

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