

AN ACT

RELATING TO MOTOR VEHICLE INSURANCE; PROVIDING FOR NOTICE OF
MOTOR VEHICLE INSURANCE CANCELLATION OR TERMINATION;
PROVIDING FOR SUSPENSION OF MOTOR VEHICLE REGISTRATION;
AMENDING A SECTION OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 66-5-205.1 NMSA 1978 (being Laws
1989, Chapter 214, Section 1, as amended) is amended to read:

"66-5-205.1. UNINSURED MOTORIST CITATION--REQUIREMENTS
TO BE FOLLOWED AT TIME OF ACCIDENT--SUBSEQUENT PROCEDURES--
INSURER NOTIFICATION REQUIREMENTS--SUSPENSION PROCEDURES.--

A. When a law enforcement officer issues a driver
who is involved in an accident a citation for failure to
comply with the provisions of the Mandatory Financial
Responsibility Act, the law enforcement officer shall at the
same time:

(1) issue to the driver cited a temporary
operation sticker, valid for thirty days after the date the
sticker is issued, and forward by mail or delivery to the
department a duplicate of the issued sticker; and

(2) remove the license plate from the
vehicle and send it with the duplicate of the sticker to the
department or, if it cannot be removed, permanently deface
the plate.

B. The department shall return or replace, in its discretion, a license plate removed under the provisions of Paragraph (2) of Subsection A of this section or replace a license plate defaced under that paragraph when the person cited for failure to comply with the provisions of the Mandatory Financial Responsibility Act furnishes proof of compliance to the department and pays to the division a reinstatement fee of twenty-five dollars (\$25.00). If a person to whom the temporary operation sticker is issued furnishes to the department, within fifteen days after the issuance of the sticker, evidence of financial responsibility in compliance with the Mandatory Financial Responsibility Act and in effect on the date and at the time of the issuance of the sticker, the department shall replace or return the license plate and waive the twenty-five dollar (\$25.00) reinstatement fee.

C. The secretary shall adopt and promulgate rules prescribing the form and use of the sticker required to be issued under Subsection A of this section.

D. The secretary shall adopt and promulgate rules requiring insurance carriers who terminate or cancel any motor vehicle insurance policy to report monthly each cancellation or termination to the department. Information pertaining to each motor vehicle shall be made a part of that vehicle file for one year.

E. Within ten days of notification by the insurance carrier of a termination or cancellation of a motor vehicle insurance policy, the department shall demand satisfactory evidence from the owner of the motor vehicle that he meets the requirements of the Mandatory Financial Responsibility Act. Failure to provide evidence of financial responsibility within twenty days after the department has mailed its demand for proof:

(1) constitutes reasonable grounds to believe that a person is operating a motor vehicle in violation of the provisions of Section 66-5-205 NMSA 1978; and

(2) requires the department to suspend the person's registration as provided in Section 66-5-236 NMSA 1978.

F. The department shall notify the superintendent of insurance if an insurance carrier fails to provide notification of cancellations or terminations as required by Subsection D of this section." _____