

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

DEPARTMENT OF REVENUE

DIVISION OF MOTOR VEHICLES

AMENDED RULES AND REGULATIONS RELATIVE TO
COMPULSORY INSURANCE OR FINANCIAL RESPONSIBILITY

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1.0 AUTHORITY

Pursuant to the provisions of Title 31, Chapter 47, Section 3 of the Rhode Island General Laws entitled “Motor and Other Vehicles”, the Rhode Island Department of Revenue hereby adopts and establishes the following Rules and Regulations regarding financial responsibility when owning and operating motor vehicles in the State of Rhode Island.

2.0 PURPOSE

- A. The purpose of these Rules and Regulations is to provide effective administration and enforcement of the provisions of Chapter 47 of Title 31 regarding the compulsory nature of financial responsibility when owning or operating motor vehicles and holding driving privilege in this state.
- B. These Rules and Regulations are promulgated to protect the interests of the public when driving upon the roadways of the state of Rhode Island. Any violation of these provisions may result in:
1. Suspension of a driver’s license;
 2. Suspension of motor vehicle registration and license plates;
 3. A fine of \$500 for the first and second offenses;
 4. A fine of \$1,000 for the third and subsequent offenses;
 5. A possible year’s imprisonment (for violation occurring a third and subsequent time).

3.0 DEFINITIONS

- A. "Assistant Director" and "Registrar" shall mean the person with the title of Administrator, Division of Motor Vehicles, or his or her designee.
- B. The words "revocation" and "suspension" used throughout Chapter 47 shall mean removal of privilege(s).
- C. The word "statement" when used relative to registration, renewal registration or driver's license shall mean all of the information required under 3.1 of this chapter as well as all information required under 31-3-3 of the general laws entitled "Motor and Other Vehicles."
- D. "Owner's policy of liability" shall mean a policy as prescribed by the Department of Business Regulation in rules and regulations published in accordance with this chapter.
- E. "Cause of action" means a lawsuit filed in any court have jurisdiction over the subject matter.

4.0 ADMINISTRATIVE POLICIES

- A. Information concerning motor vehicle violations of applicants for insurance shall be made available to insurers in accordance with Section 3 of this Chapter and 31-2-10 of the General Laws of Rhode Island.
- B. Dealers who register motor vehicles for buyers must have the buyer sign a statement which complies with Chapter 31-47-3.1(b) (1).
- C. Leasing companies which register a motor vehicle leased to any person must certify to the Division of Motor Vehicles that the lessee of the vehicle has signed a statement which complies with D of this Chapter 31-47-3.1(b)(2) and have it available in their files for possible use by the State at some later date.

D. The following rules apply to persons wishing to deposit cash or acceptable securities as a way of meeting the financial responsibility requirement.

1. The cash or other security must be physically placed in the hands of the State of Rhode Island and arrangement must be made so that the state may use the funds in case of liability assessed against the depositor.
2. No interest will be paid by the state on deposited funds.
3. Depositor will be given a receipt for the security and a certificate stating that he has complied with the law which can be used as evidence if asked for same by law enforcement.
4. In the event a person wants to substitute one form of financial security for another in accordance with 31-47, the assistant director shall allow such substitution upon reasonable notice (not less than 10 days) and approval of such substitution in accordance with statute.

E. Evidence of financial responsibility may be demonstrated in either paper or electronic format. Acceptable paper and electronic format include the Insurance Identification Card, or its electronic version, as issued by the insurance company (or its representative) insuring the vehicle and/or driver.

1. Paper Cards shall meet the following specifications:

- a. Size of the card may vary from 3 x 2-1/8 to 5-1/2 x 3/34.
- b. The card shall be a one-part form on at least 20 pound white paper stock.
- c. The following must be shown on the card:
 - (1) "Rhode Island Automobile Insurance Identification Card"
 - (2) The name of the insurance company
 - (3) The name of the policyholder

- (4) The policy number
- (5) The policy effective date and expiration date
- (6) If a vehicle is owner, a description including year, make and vehicle identification number; if the policy covers five or more vehicles, the word “Fleet” may be substituted for the vehicle description; if no vehicle is owned, the words “named operator” may be substituted for the vehicle description; if the card is for a motor vehicle dealer, the words “named operator” may be substituted for the vehicle description; if the card is for a motor vehicle dealer, the words “dealer plates” may be substituted for the vehicle description. Mechanics or other employees of any automobile repair shop, body shop, automobile dealer, service station, inspection station or parking facility driving a customer’s automobile must carry a card (or certificate of insurance) showing the employer has a policy covering employees while driving customers’ vehicles.
- (7) At the option of the insurer, other information may be included such as company logo, insured’s address, agent/broker’s office address, what to do in the event of an accident, etc.

- d. Temporary identification cards with the same specifications, except that the words “temporary” must be shown, may be utilized pending receipt of the permanent card by the policy holder.

2. Electronic Versions shall meet the following specifications:

- a. A display which shows proof of insurance on any electronic device
- b. The information displayed on the electronic device shall include the same information as set forth in Subsection E (1) (c) of this chapter.

- F. Insurance binders, policies, endorsements or certificates of insurance may be utilized as evidence of insurance. When a binder is used to prove insurance at time of registration, or renewing a registration it must be presented to the Division of Motor Vehicles.
- G. Evidence of financial responsibility may be demonstrated by a certification from the Division of Motor Vehicles showing that proper bond, cash, or securities placed are on deposit with the Division of Motor Vehicles or by certificate of self-insurance.
- H. If suspension of either registration or driver's license occurs after an individual has been involved in an accident and that individual becomes eligible for reinstatement in three months or six months following the accident; then the assistant director, at his or her discretion, may require the deposit of security in an amount sufficient to satisfy any judgments for injuries and/or damages resulting from such accident as a condition precedent to reinstatement.
- I. The fee for reinstatement of vehicle registration shall be \$250.00. If registration on more than one vehicle is suspended, the reinstatement fee shall be \$250.00 per vehicle.
- J. The fee for reinstatement of driver's license shall be \$150.00.
- K. Proof of financial responsibility following an accident must be demonstrated by using standard form SR-22. Insurance companies must review SR-22 forms and, if insurance is not in force, notify the state within 15 days after receipt of said forms.

L. Insurance companies shall submit information requested per 31-47-17 on a form acceptable to the assistant director.

M. As provided in 31-47-8.1 of the law, the administrator must sample at random owners of registered vehicles as a means of determining compliance with the provisions of 31-47.

1. The Administrator shall send to the owners of the randomly selected motor vehicles or to randomly selected motor vehicle owners an insurance verification form which must be completed out and returned within twenty (20) days of mailing date.
2. The insurance verification form shall indicate clearly the date by which the form must be returned.
3. The insurance verification form shall contain the year, make, model and vehicle identification number of the owned vehicle. It shall also show the license plate number assigned to the vehicle.
4. The vehicle owner shall supply the following insurance verification information.
 - a. Whether or not the vehicle was insured on the verification date specified: if not, the reason no insurance existed;
 - b. The name of the insurance company that insures the motor vehicle;
 - c. The policy number;
 - d. The effective date of the policy and the expiration date of the policy;
 - e. The signature of the owner.
5. If the form is not returned, OR, if the form is returned without full information, OR if, after checking with the insurance company, it is determined that the owner has registered or maintained the registration without proper financial security in force; the owner will be notified by the Administrator that he/she has 20 days to furnish proper proof of coverage in force on the verification date. After 20 days without proper proof, the owner is subject to all penalties set forth under this chapter.

5.0 HEARINGS

- A. All hearings under Rhode Island General laws, Title 31, Chapter 47 shall be conducted in accordance with Rhode Island General Laws, Title 42-35 entitled “Administrative Procedures.”
- B. Notice of hearing shall be sent to requesting person 15 days prior to hearing date by normal mailing to last known address as indicated on registration of motor vehicle or driver’s license or to any other address as requested in writing by the party seeking review.
- C. Notice shall also include a statement of reasons for suspension.
- D. APPEALS ... Any party dissatisfied with an order of assistant director after hearing may appeal that order in accordance with provisions of the Administrative Procedures.

6.0 SEVERABILITY

These Rules and Regulations are hereby declared to be severable; and, if any portion of these Rules and Regulations shall at any time be declared to be unenforceable or illegal, no other portion of such Rules shall be affected thereby.