

BILL ANALYSIS

Senate Research Center

S.B. 101
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Economic Development
3-18-97
As Filed

DIGEST

Currently, all motorists, including drivers who have had their license revoked due to failure to maintain adequate insurance, can purchase a short-term insurance policy to satisfy the legal requirements of liability insurance. S.B. 101 would prohibit the Texas Department of Public Safety from reinstating driver's licenses that were originally suspended on two previous occasions for failure to maintain adequate liability insurance if the current insurance policy issued to the driver is valid for a period of less than 90 days and not paid in full.

PURPOSE

As proposed, S.B. 101 establishes guidelines for proof of financial responsibility for reinstatement of a driver's license or nonresident's operating privilege.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 601K, Transportation Code, by adding Section 601.343, as follows:

Sec. 601.343. ESTABLISHMENT OF FINANCIAL RESPONSIBILITY FOR REINSTATEMENT. Provides that this section applies only to a person who has had a driver's license or a nonresident's operating privilege suspended under this chapter more than twice. Prohibits a person from establishing, for purposes of reinstatement of the driver's license, nonresident's operating privilege, or issuance of a new driver's license, financial responsibility through a motor vehicle liability insurance policy unless the policy is valid for at least 90 days and all premiums on the policy have been paid in full.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.