



# TACIR

The Tennessee Advisory Commission  
on Intergovernmental Relations



226 Capitol Boulevard Bldg., Suite 508  
Nashville, Tennessee 37243-0760  
Phone: (615) 741-3012  
Fax: (615) 532-2443  
www.tn.gov/tacir

## ***MEMORANDUM***

**TO:** The Honorable Terri Lynn Weaver  
Chair, House Transportation Subcommittee

**FROM:** Senator Mark Norris, Chairman  
Lynnise Roehrich-Patrick, Executive Director

**DATE:** March 25, 2015

**SUBJECT:** House Bill 2457 of the 108<sup>th</sup> General Assembly, Uninsured Motorist Identification and Enforcement Legislation

*Mark Norris*  
*Lynnise Roehrich-Patrick*

The uninsured motorist enforcement act (House Bill 2457 by Lundberg, attachment A, and Senate Bill 2517 by Ketron) introduced in 2014 was intended to decrease Tennessee's high uninsured motorist rate, which is estimated to be the sixth highest in the nation. The bill would have made proof of compliance with the state's Financial Responsibility Law a requirement for vehicle registration and renewal and created an uninsured motorist identification database, maintained by a third-party contractor, for verifying compliance. The House Transportation Subcommittee sent the bill to the Commission for study, but the Senate Commerce and Labor Committee studied the bill itself during June 2014. As part of its study, the Commission convened two panels to discuss the bill and answer questions from members. The first panel consisted of those from the insurance industry and experts on insurance verification systems; the second consisted of state and local government officials. (See attachment B for a summary of the testimony and discussion.)

The 2014 bill was superseded by new legislation in 2015, Senate Bill 648 by Ketron and House Bill 606 by Lamberth (attachment C), which makes substantial substantive changes based on consultation by the drafters with members of the panels and others after review by the summer study committee appointed by the Senate Commerce and Labor Committee. Given the changes, the Commission offers this memorandum, which compiles and summarizes the information presented to it and to the Senate Commerce and Labor Committee, as its report on the 2014 legislation. In addition to the attachments already mentioned, this memorandum includes

- two power point presentations provided by panelists at the January meeting (attachments D and E);
- a map of the uninsured motorist rates for each state as of 2012 (attachment F);
- a table of the uninsured motorist rates, median household incomes, and poverty rates for each state as of 2012 (attachment G);
- a table showing the effect of poverty, median household income, and verification systems on uninsured vehicle rates (attachment H);
- materials from the Senate Commerce and Labor Committee's summer study on the companion bill to House Bill 2457, Senate Bill 2517 (attachments I, J, K, and L);
- the staff update on uninsured motorist verification systems presented at the November 2014 Advisory Commission meeting (attachment M).