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MEMORANDUM

TO: Commission Members

FROM: Lynnise Roehrich-Patrick
Executive Director

DATE: 29 January 2015

SUBJECT: Panels on Uninsured Motorist Identification and Enforcement, House Bill 2457

House Bill 2457 by Representative Lundberg (Senate Bill 2517 by Ketron), which would have created the Uninsured Motorist Enforcement Act, was referred to the Commission by the House Transportation Subcommittee of the 108th General Assembly. The bill (attachment A) was intended to reduce Tennessee's high uninsured motorist rate. As discussed at the last Commission meeting, the insurance industry estimates that Tennessee has the 6th highest uninsured motorist rate (20.1%) in the nation (see attachment B).

The bill would have created a system for identifying the state's uninsured drivers supported by a third-party contractor. The bill would also have made proof of compliance with the state's financial responsibility law a requirement for vehicle registration and provided for termination of registration if insurance coverage were cancelled or terminated.

Staff and others interviewed about the bill identified several aspects of the bill that warrant further discussion:

- lack of a funding mechanism,
- possible need for additional staff and funding for the department of revenue and for county clerks,
- potential costs to insurance companies, and
- requiring that the system be operated by a third party vendor.

The panelists listed on the next page will discuss the bill, uninsured vehicle verification, and related enforcement systems.

- **Government Agency Panel**

- Richard Roberts, Commissioner of Revenue; and Barbara Sampson, Assistant Commissioner for Policy and Legislation, Department of Revenue
- Roger Hutto, General Counsel, Department of Safety & Homeland Security
- Michael Humphreys , Assistant Commissioner for Department of Commerce and Insurance; and Tony Greer, Chief Counsel for Department of Commerce and Insurance
- Kellie Jackson, County Clerk, Montgomery County, Representing the County Clerks Association

- **Insurance Industry and Verification Systems Panel**

- Bart Blackstock, Executive Vice President, Insure-Rite, Inc.
- Matthew Hudnall, Senior Associate Director, Center for Advanced Public Safety (CAPS), University of Alabama
- Alex Hageli, Director of personal lines policy for the Property Casualty Insurers Association of America (PCI)
- Benjamin Sanders, Executive Director of Government Affairs, Farm Bureau Insurance of Tennessee