

Department of Finance and Administration

Legislative Impact Statement

Bill: SB851

Bill Subtitle: TO INCREASE THE REQUIRED AMOUNT OF MOTOR VEHICLE LIABILITY INSURANCE FOR PUBLIC TRANSIT AUTHORITIES TRANSPORTING THE GENERAL PUBLIC.

Basic Change :

Senators D. Johnson, J. Woods, J. Hutchinson

Current law provides governmental immunity to a Public Transit Authority from suit in tort. The bill adds an exception to that immunity, to provide that the immunity does not apply to an authority's motor vehicle liability insurance coverage. The bill requires an authority that transports members of the public for compensation to have minimum amounts of liability insurance of not less than \$500,000 for bodily injury or death of one (1) person in any one (1) accident; not less than \$1,000,000 for bodily injury or death of two (2) or more persons in any one (1) accident; and not less than \$500,000 for property damage in any one (1) accident. Also added is a requirement for uninsured motorist liability coverage of not less than \$500,000 for bodily injury or death of one (1) person in any one (1) accident, and not less than \$1,000,000 for bodily injury or death of two (2) or more persons in any one (1) accident.

Current minimum liability insurance required for motor vehicle registration, is not less than \$25,000 for injury or death of one (1) person in any one (1) accident; \$50,000 for bodily injury or death of two (2) or more persons in any one (1) accident; and \$25,000 for property damage in any one (1) accident.

Revenue Impact :

None

Taxpayer Impact :

Owners of transit authorities, who have less coverage than the amounts stated in the bill would be required to increase the motor vehicle liability on their vehicles.

Resources Required :

None

Time Required :

Adequate time is provided.

Procedural Changes :

Revise the Motor Vehicle Procedures Manual to instruct Revenue Offices to require the required amounts of liability insurance when registering motor vehicles owned by Transit Authorities.

Other Comments :

None

Legal Analysis :

SB 851 requires public transit authorities to carry vehicle liability insurance coverage. Current law provides complete immunity from suit in tort to public transit authorities. This bill continues the immunity, except to the extent of any motor vehicle liability insurance coverage.

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Bill Subtitle: TO INCREASE THE REQUIRED AMOUNT OF MOTOR VEHICLE LIABILITY INSURANCE FOR PUBLIC TRANSIT AUTHORITIES TRANSPORTING THE GENERAL PUBLIC.

This bill imposes a requirement for coverage on any authority that transports members of the general public for compensation. The amount of the required motor vehicle liability insurance coverage is not less than \$500,000 for bodily injury of one person and not less than \$1,000,000 for two or more persons. Property coverage is required in an amount not less than \$500,000 in any one accident. Uninsured motorist liability is required in an amount not less than \$500,00 for bodily injury or death of one person in one accident and not less than \$ 1 million for two or more persons in one accident.

The bill does not have an emergency clause or effective date.