

CHAPTER 13 — MANDATORY INSURANCE

THE BASICS

State law requires all motor vehicle operators and owners to have a form of liability insurance. Liability insurance covers the policyholder's legal liability resulting from injuries to other persons or damage to their property. This is called **Financial Responsibility**.

Motor vehicle owners are required to show proof of insurance when registering a vehicle or renewing their license plates. There are several ways you can provide proof of insurance. They are listed below:

- A copy of your original, current insurance identification card given to you by your insurance company
- A copy of your motor vehicle liability insurance policy or insurance binder (a temporary policy)
- A paid insurance receipt showing the policy information
- A certificate of self-insurance issued by the department
- An ID card issued by the department when a surety bond, real estate bond, or security is filed with the department

Most drivers obtain liability insurance through an insurance company or agent, but there are other forms of liability insurance:

- **Self-insurance:** To be self-insured, you must have more than 25 vehicles and be able to show you can and will pay for damage caused by your vehicles. A certificate of self-insurance will be issued to you by the Department of Revenue.
- **Surety bond, Real Estate bond, Certificate of Deposit, Other Negotiable Securities:** To insure through a bond, deposit, or security, you must file the bond, certificate, or security in the amount of \$60,000 (or \$120,000 if a real estate bond) with the Department of Revenue. The department will issue you a certificate of self-insurance as proof of insurance.
- **Cash:** A deposit of \$60,000 cash may be deposited with the State Treasurer. A certificate of self-insurance will be issued to you by the department.

Minimum Coverage Requirements

Liability insurance covers your legal liability when injuries or property damage happen to others as a result of your actions. The minimum level of coverage required by state law is shown below:

- \$25,000 per person for bodily injury
- \$50,000 per accident for bodily injury
- \$10,000 per accident for property damage

The law also requires you to have uninsured motorist coverage of \$25,000 for bodily injury per person and \$50,000 for bodily injury per accident.

Maintaining Your Insurance

When you register a vehicle with the department, you must sign a form stating that you have insurance and will keep insurance on your vehicle.

You must keep proof of insurance in your vehicle. If a law enforcement officer asks you for proof and you cannot show it, you will receive a ticket.

At any time, the department may require you to show proof of insurance. If you are in an accident and did not show proof of insurance at the time, the department will require you to prove you have insurance.

Failure to Keep Insurance

Insurance is important. There are a number of consequences if you fail to keep your insurance — not only can it cost you a lot of money if you are in an accident, but you may lose your driver license and license plates.

If the department learns you have not kept your insurance, you will receive a notice of suspension in the mail. Your driver license and license plates may be taken away or suspended for not having insurance. In order to get your license and license plates back, there are certain requirements you must meet.

Number of Suspensions	What Happens to You
1 suspension	Your driver license and/or license plates will be suspended until you: – Pay a \$20 fee. – File proof of insurance. You are required to do this for 3 years.
2 suspensions (within 2 years of each other)	Your driver license and/or license plates will be suspended for 90 days. You must also: – Pay a \$200 fee. – File proof of insurance for 3 years.
3 (or more) suspensions	Your driver license and/or license plates will be suspended for one year. You must also: – Pay a \$400 fee. – File proof of insurance for 3 years.

The most common way to file proof of insurance is through an SR-22 insurance filing. Contact your insurance company or agent to file the SR-22 form. If you fail to keep insurance for three years, your driver license and/or vehicle license plates will be suspended again.

Failure to Pay for Damages Caused in an Accident

If you are at fault in an accident and do not pay for the damages you caused, your driver license and/or vehicle license plates will be suspended for one year. You may be reinstated during that one-year period if you do the following:

- Pay a \$20 fee.
- Send proof to the Department of Revenue Driver License Bureau that you have settled the damages.

ACCIDENTS AND CRASHES

An accident is when you injure yourself, injure someone else, or cause damage to property while driving your vehicle. Driving responsibly and defensively can reduce your chances of being in an accident, but nothing can totally prevent it. Even if you have an accident with a parked vehicle, do not leave. Leaving the scene of an accident is a crime. If you are in an accident, you should:

- **STOP!** Move your vehicle off the road if possible, especially if it may cause other accidents.
- Help anyone who is hurt. Try to make the injured person comfortable, but do not move him or her. Call an ambulance.
- Call the police.
- Use flares, reflectors, or flashlights to warn other traffic if the accident has happened at night or in bad weather.
- Exchange the following information with everyone involved:
 - Name
 - Address
 - Driver license number, vehicle identification number (VIN), and license plate number
 - Name of your insurance company and policy number
- Stay until a law enforcement officer says you may leave the accident scene.
- Contact your insurance company as soon as possible, even if the accident wasn't your fault.

Filing an Accident Report

Under certain circumstances, you are required to file an accident report with the department. State law requires the accident report to be filed within 30 days. Even if the accident happened in a parking lot, or a settlement is made, you must report an accident to the Driver License Bureau if:

1. The accident happened in Missouri;
2. The accident happened less than one year ago;
3. Someone involved in the accident did not have liability insurance coverage; AND
4. There is damage to one or more person's property in excess of \$500, or there was personal injury or death.

In other circumstances, you may not be required to report the accident, but you may want to report it anyway. If the accident did not cause more than \$500 in property damage, personal injury, or death, you may still file an accident report if there was an uninsured motorist involved. The department will only be able to take action against the uninsured motorist for not maintaining insurance.

You may obtain an accident report from the department's web site at **www.dor.mo.gov/mvdl**, from your insurance company or agent, or from any license office.

After you fill out the accident report, you may mail or fax it to the department:

Missouri Driver License Bureau
301 West High Street — Room 470
Post Office Box 200
Jefferson City, Missouri 65105-0200
FAX: (573) 526-7365