

SAFETY RESPONSIBILITY:
MOTOR VEHICLE SAFETY RESPONSIBILITY:

A judgment-creditor need not proceed against the surety bond, given by the judgment-debtor as proof of financial responsibility

before the Director can suspend the license and registration of said judgment-debtor for failure to satisfy the judgment. A judgment is deemed satisfied when the amounts and conditions of payment have been met in Section 303.120, RSMo 1959.

October 17, 1963

OPINION NO. 296

Honorable Earl R. Blackwell
State Senator, 22nd District
Hillsboro, Missouri



Dear Senator Blackwell:

This is in answer to your recent letter requesting an official opinion from this office. In your letter you seek our interpretation of certain sections found within the Missouri Motor Vehicle Safety Responsibility Law, Chapter 303, RSMo 1959. (All statutory references herein shall be to the Revised Statutes of Missouri, 1959, unless otherwise designated.) Without directly quoting your letter, we believe you have presented the following problem for our consideration:

B, while driving an automobile owned by him, was involved in an accident which resulted in damages to A. A sued B for his damages arising out of this accident. B had previously given the Director of Revenue a surety bond as proof of financial responsibility [proof of ability to respond in damages for liability on account of accidents occurring after the effective date of the bond, Section 303.020(10)] pursuant to Section 303.230, and thus, was not required to deposit security with the Director to satisfy any judgment which might arise out of this accident, Sections 303.030; 303.060. A eventually obtained a judgment for more than twice the amount of the bond.

Honorable Earl R. Blackwell

Question: Must A proceed against B's surety bond before the Director can suspend B's drivers license and motor vehicle registration under Section 303.100?

The answer to this question is "No". Section 303.230 allows a judgment-creditor the right to bring an action in the name of the state against the company or persons executing the judgment-debtor's bond. This procedure can be followed only if the judgment is not satisfied within sixty days after it becomes final. However, the right to sue granted to the judgment-creditor is separate and distinct from the duties imposed upon the Director.

If any person fails to satisfy a final judgment within sixty days, then the clerk of the court in which such judgment is rendered, is required to forward a certified copy of said judgment to the Director, Section 303.090. Upon receipt of the certified copy of the judgment, Section 303.100 says that the Director "*** shall forthwith suspend the license and registration and any non-resident's operating privilege of any person against whom such judgment was rendered***." Section 303.100 makes only two exceptions or qualifications to such a suspension. One is when the judgment-debtor obtains from the court rendering such judgment, permission to pay the judgment in installments. The other is when the judgment-creditor consents in writing that the judgment-debtor be allowed his license and registration and the judgment-debtor furnishes proof of financial responsibility.

A surety bond given as proof of financial responsibility under Section 303.230, "***shall be conditioned for payments in amounts and under the same circumstances as would be required in a motor vehicle liability policy***." Section 303.190 says that a motor vehicle liability policy needed as satisfactory evidence of financial responsibility, is subject to the following limits:

"***Five thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, ten thousand dollars because of bodily injury to or death of two or more persons in any one accident, and two thousand dollars because of injury to or destruction of property of others in any one accident."

Honorable Earl R. Blackwell

Thus, the above amounts and payment conditions are those required for a surety bond. If the principal or surety pays the judgment-creditor under these conditions and for these amounts, then, for the purpose of the Safety Responsibility Law, such judgment is deemed satisfied, Section 303.120. That section specifically provides that for the purpose of the law in question, judgments shall be deemed satisfied (1) when five thousand dollars has been credited upon a judgment or judgments rendered in excess of that amount because of injury to or death of one person as the result of any one accident, or (2) when, subject to such limit for one person, ten thousand dollars has been credited upon any judgment or judgments in excess of that amount because of injury to or death of two or more persons as the result of any one accident, or (3) when two thousand dollars has been credited upon any judgment or judgments rendered in excess of that amount because of injury to or destruction of property of others as the result of any one accident. If the judgment is "satisfied" as provided in Section 303.120, then the Director is not authorized to suspend the judgment-debtor's license and registration under Section 303.100. Therefore, the fact that A obtained a judgment for more than twice the amount of B's surety bond has no relation to the problem herein discussed.

CONCLUSION

A judgment-creditor need not proceed against the surety bond, given by the judgment-debtor as proof of financial responsibility under Section 303.230, RSMo 1959, before the Director of Revenue can suspend the license and registration of said judgment-debtor for failure to satisfy the judgment. A judgment is deemed satisfied when the amounts and conditions of payment have been met in Section 303.120, RSMo 1959.

The foregoing opinion, which I hereby approve, was prepared by my assistant Eugene G. Bushmann.

Very truly yours,

THOMAS F. EAGLETON
Attorney General

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