
HOUSE BILL 2621

State of Washington

55th Legislature

1998 Regular Session

By Representatives Sullivan, L. Thomas, H. Sommers, Conway, Appelwick, Benson, Wolfe, Kastama, Hatfield, Dyer, Zellinsky, D. Sommers and Robertson

Read first time . Referred to Committee on .

1 AN ACT Relating to mandatory vehicle liability insurance; amending
2 RCW 48.22.020; adding new sections to chapter 48.14 RCW; making an
3 appropriation; and providing expiration dates.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 48.22.020 and 1947 c 79 s .22.02 are each amended to
6 read as follows:

7 (1) The commissioner shall after consultation with the insurers
8 licensed to write motor vehicle liability insurance in this state,
9 approve a reasonable plan or plans for the equitable apportionment
10 among such insurers of applicants for such insurance who are in good
11 faith entitled to but are unable to procure insurance through ordinary
12 methods and, when such plan has been approved, all such insurers shall
13 subscribe thereto and shall participate therein. Any applicant for
14 such insurance, any person insured under such plan and any insurer
15 affected may appeal to the commissioner from any ruling or decision of
16 the manager or committee designated to operate such plan.

17 (2)(a) The commissioner, in consultation with insurers authorized
18 to write motor vehicle liability insurance in this state, shall
19 establish an assigned risk plan to assist low-income persons obtain the

1 mandatory minimum motor vehicle liability insurance coverage. The
2 purpose of the plan is to enable low-income persons to avoid breaking
3 the law because they cannot afford the mandatory motor vehicle
4 liability insurance but must drive to work, to take their children to
5 health care providers, and to conduct other necessary errands. The
6 commissioner shall ensure that the plan provides the minimum liability
7 requirements under chapter 46.30 RCW without cost to very low-income
8 persons and requires a contribution based on income for low-income
9 persons. The commissioner shall ensure that the plan is comprised of
10 all insurers licensed to write motor vehicle liability insurance in
11 this state.

12 (b) The commissioner shall ensure that the plan assists as many
13 low-income persons as funds allow and prioritizes assistance based on
14 income, good driving record, lack of availability of public transit,
15 transportation needs, and other criteria established by the
16 commissioner.

17 (c) The commissioner shall report each December to the insurance
18 committees of the legislature on the assigned risk plan created by this
19 subsection (2).

20 (d) This subsection expires June 30, 2003.

21 NEW SECTION. Sec. 2. A new section is added to chapter 48.14 RCW
22 to read as follows:

23 (1) Of the premium taxes collected under RCW 48.14.020, beginning
24 in 1998, the state treasurer shall deposit 98.5 percent of the amount
25 collected in the general fund and 1.5 percent in the mandatory vehicle
26 liability insurance assistance account created in section 3 of this
27 act.

28 (2) This section expires December 31, 2002.

29 NEW SECTION. Sec. 3. A new section is added to chapter 48.14 RCW
30 to read as follows:

31 (1) The mandatory vehicle liability insurance assistance account is
32 created in the state treasury. Moneys in the account may be spent only
33 after appropriation. Expenditures from the account may be used only
34 for the assigned risk plan created in RCW 48.22.020(2).

35 (2) This section expires June 30, 2003.

1 NEW SECTION. **Sec. 4.** The sum of two million six hundred thousand
2 dollars, or as much thereof as may be necessary, is appropriated for
3 the fiscal year ending June 30, 1999, from the account created under
4 section 3 of this act to the office of the insurance commissioner for
5 the purposes of the assigned risk plan created under RCW 48.22.020(2).

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