
SENATE BILL 6636

State of Washington

56th Legislature

2000 Regular Session

By Senators Costa, Prentice and Kohl-Welles

Read first time 01/21/2000. Referred to Committee on Commerce, Trade, Housing & Financial Institutions.

1 AN ACT Relating to mandatory vehicle liability insurance; amending
2 RCW 48.22.005, 48.22.020, and 46.30.020; adding new sections to chapter
3 48.14 RCW; making an appropriation; and providing expiration dates.

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

5 **Sec. 1.** RCW 48.22.005 and 1993 c 242 s 1 are each amended to read
6 as follows:

7 Unless the context clearly requires otherwise, the definitions in
8 this section apply throughout this chapter.

9 (1) "Automobile" means a passenger car as defined in RCW 46.04.382
10 registered or principally garaged in this state other than:

11 (a) A farm-type tractor or other self-propelled equipment designed
12 for use principally off public roads;

13 (b) A vehicle operated on rails or crawler-treads;

14 (c) A vehicle located for use as a residence;

15 (d) A motor home as defined in RCW 46.04.305; or

16 (e) A moped as defined in RCW 46.04.304.

17 (2) "Automobile liability insurance policy" means a policy insuring
18 against loss resulting from liability imposed by law for bodily injury,

1 death, or property damage suffered by any person and arising out of the
2 ownership, maintenance, or use of an insured automobile.

3 (3) "Bodily injury" means bodily injury, sickness, or disease,
4 including death at any time resulting from the injury, sickness, or
5 disease.

6 ~~((+3))~~ (4) "Income continuation benefits" means payments of at
7 least eighty-five percent of the insured's loss of income from work,
8 because of bodily injury sustained by him or her in the accident, less
9 income earned during the benefit payment period. The benefit payment
10 period begins fourteen days after the date of the accident and ends at
11 the earliest of the following:

12 (a) The date on which the insured is reasonably able to perform the
13 duties of his or her usual occupation;

14 (b) The expiration of not more than fifty-two weeks from the
15 fourteenth day; or

16 (c) The date of the insured's death.

17 ~~((+4))~~ (5) "Insured automobile" means an automobile described on
18 the declarations page of the policy.

19 ~~((+5))~~ (6) "Insured" means:

20 (a) The named insured or a person who is a resident of the named
21 insured's household and is either related to the named insured by
22 blood, marriage, or adoption, or is the named insured's ward, foster
23 child, or stepchild; or

24 (b) A person who sustains bodily injury caused by accident while:
25 (i) Occupying or using the insured automobile with the permission of
26 the named insured; or (ii) a pedestrian accidentally struck by the
27 insured automobile.

28 ~~((+6))~~ (7) "Loss of services benefits" means reimbursement for
29 payment to others, not members of the insured's household, for expenses
30 reasonably incurred for services in lieu of those the insured would
31 usually have performed for his or her household without compensation,
32 provided the services are actually rendered, and ending the earliest of
33 the following:

34 (a) The date on which the insured person is reasonably able to
35 perform those services;

36 (b) The expiration of fifty-two weeks; or

37 (c) The date of the insured's death.

38 ~~((+7))~~ (8) "Low-income" means a person at or below two hundred
39 percent but above one hundred percent of the federal poverty level as

1 established by the United States department of health and human
2 services.

3 (9) "Medical and hospital benefits" means payments for all
4 reasonable and necessary expenses incurred by or on behalf of the
5 insured for injuries sustained as a result of an automobile accident
6 for health care services provided by persons licensed under Title 18
7 RCW, including pharmaceuticals, prosthetic devices and eye glasses, and
8 necessary ambulance, hospital, and professional nursing service.

9 ~~((8))~~ "Automobile liability insurance policy" means a policy
10 insuring against loss resulting from liability imposed by law for
11 bodily injury, death, or property damage suffered by any person and
12 arising out of the ownership, maintenance, or use of an insured
13 automobile.

14 ~~(9))~~ (10) "Named insured" means the individual named in the
15 declarations of the policy and includes his or her spouse if a resident
16 of the same household.

17 ~~((10))~~ (11) "Occupying" means in or upon or entering into or
18 alighting from.

19 ~~((11))~~ (12) "Pedestrian" means a natural person not occupying a
20 motor vehicle as defined in RCW 46.04.320.

21 ~~((12))~~ (13) "Personal injury protection" means the benefits
22 described in this section and RCW 48.22.085 through 48.22.100.

23 (14) "Very low-income" means a person at or below one hundred
24 percent of the federal poverty level as established by the United
25 States department of health and human services.

26 **Sec. 2.** RCW 48.22.020 and 1947 c 79 s .22.02 are each amended to
27 read as follows:

28 (1) The commissioner shall after consultation with the insurers
29 licensed to write motor vehicle liability insurance in this state,
30 approve a reasonable plan or plans for the equitable apportionment
31 among such insurers of applicants for such insurance who are in good
32 faith entitled to but are unable to procure insurance through ordinary
33 methods and, when such plan has been approved, all such insurers shall
34 subscribe thereto and shall participate therein. Any applicant for
35 such insurance, any person insured under such plan and any insurer
36 affected may appeal to the commissioner from any ruling or decision of
37 the manager or committee designated to operate such plan.

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

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

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

23 (d) This subsection expires June 30, 2005.

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

26 (1) Of the premium taxes collected under RCW 48.14.020, beginning
27 in 2000, the state treasurer shall deposit 98.5 percent of the amount
28 collected in the general fund and 1.5 percent in the mandatory vehicle
29 liability insurance assistance account created in section 4 of this
30 act.

31 (2) This section expires December 31, 2004.

32 NEW SECTION. Sec. 4. A new section is added to chapter 48.14 RCW
33 to read as follows:

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

1 (2) This section expires June 30, 2005.

2 **Sec. 5.** RCW 46.30.020 and 1991 sp.s. c 25 s 1 are each amended to
3 read as follows:

4 (1)(a) No person may operate a motor vehicle subject to
5 registration under chapter 46.16 RCW in this state unless the person is
6 insured under a motor vehicle liability policy with liability limits of
7 at least the amounts provided in RCW 46.29.090, is self-insured as
8 provided in RCW 46.29.630, is covered by a certificate of deposit in
9 conformance with RCW 46.29.550, or is covered by a liability bond of at
10 least the amounts provided in RCW 46.29.090. Written proof of
11 financial responsibility for motor vehicle operation must be provided
12 on the request of a law enforcement officer in the format specified
13 under RCW 46.30.030.

14 (b) A person who drives a motor vehicle that is required to be
15 registered in another state that requires drivers and owners of
16 vehicles in that state to maintain insurance or financial
17 responsibility shall, when requested by a law enforcement officer,
18 provide evidence of financial responsibility or insurance as is
19 required by the laws of the state in which the vehicle is registered.

20 (c) When asked to do so by a law enforcement officer, failure to
21 display an insurance identification card as specified under RCW
22 46.30.030 creates a presumption that the person does not have motor
23 vehicle insurance.

24 (d) Failure to provide proof of motor vehicle insurance is a
25 traffic infraction and is subject to penalties as set by the supreme
26 court under RCW 46.63.110 or community service.

27 (2) If a person cited for a violation of subsection (1) of this
28 section appears in person before the court and provides written
29 evidence that at the time the person was cited, he or she was in
30 compliance with the financial responsibility requirements of subsection
31 (1) of this section, the citation shall be dismissed. If a person
32 cited for a violation of subsection (1) of this section appears in
33 person before the court and within thirty days provides written
34 evidence of having obtained motor vehicle insurance in conformance with
35 subsection (1) of this section, the citation may be dismissed. In lieu
36 of personal appearance, a person cited for a violation of subsection
37 (1) of this section may, before the date scheduled for the person's
38 appearance before the court, submit by mail to the court written

1 evidence that at the time the person was cited, he or she was in
2 compliance with the financial responsibility requirements of subsection
3 (1) of this section, in which case the citation shall be dismissed
4 without cost, except that the court may assess court administrative
5 costs of twenty-five dollars at the time of dismissal.

6 (3) The provisions of this chapter shall not govern:

7 (a) The operation of a motor vehicle registered under RCW
8 46.16.305(1), governed by RCW 46.16.020, or registered with the
9 Washington utilities and transportation commission as common or
10 contract carriers; or

11 (b) The operation of a motorcycle as defined in RCW 46.04.330, a
12 motor-driven cycle as defined in RCW 46.04.332, or a moped as defined
13 in RCW 46.04.304.

14 (4) RCW 46.29.490 shall not be deemed to govern all motor vehicle
15 liability policies required by this chapter but only those certified
16 for the purposes stated in chapter 46.29 RCW.

17 NEW SECTION. **Sec. 6.** The sum of one million three hundred
18 thousand dollars, or as much thereof as may be necessary, is
19 appropriated for the fiscal year ending June 30, 2001, from the account
20 created under section 4 of this act to the office of the insurance
21 commissioner for the purposes of the assigned risk plan created under
22 RCW 48.22.020(2).

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