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**Transportation Committee**

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**HB 1454**

**Brief Description:** Requiring proof of insurance for vehicle registration.

**Sponsors:** Representatives Ahern, O'Brien, Roach, Serben, Holmquist, Kretz, Lovick, Walsh, Campbell, Rodne, Strow, McDonald, Condotta, Hasegawa, Williams, Chase, Upthegrove, Crouse, Haler, Pettigrew, Buri, Newhouse, P. Sullivan, Morrell, Moeller, Kristiansen, Tom and Sells.

**Brief Summary of Bill**

- Requires proof of insurance or other proof of financial responsibility in order to renew a vehicle license.
- Requires notification to the Department of Licensing if the insurance or other means of financial responsibility is cancelled or not renewed.
- Requires cancellation of vehicle license if new insurance or other means of financial responsibility is not obtained within 30 days.

**Hearing Date:** 3/3/05

**Staff:** David Munnecke (786-7315).

**Background:**

Persons operating vehicles in the state of Washington are required to carry proof that they are covered by a motor vehicle liability insurance policy, self-insurance, a certificate of deposit, or a liability bond. Insurance companies that issue or renew motor vehicle liability insurance policies must provide the policyholder with an insurance identification card.

Each year the owner of a motor vehicle is required to renew the vehicle license and pay the applicable fees and taxes. Currently, there is no requirement that a vehicle owner offer proof of insurance at the time the vehicle registration is issued or renewed.

Failure to provide proof of insurance when requested to do so by a law enforcement officer creates a presumption that the person does not have insurance. Failure to provide proof of insurance is a traffic infraction.

**Summary of Bill:**

The owner of a vehicle wishing to renew the license of the vehicle must provide proof of motor vehicle liability insurance, a certificate of self-insurance, or proof of coverage under a liability bond.

Whenever the motor vehicle liability insurance policy, self-insurance certificate, or liability bond presented at the time of renewal is not renewed or cancelled, the registered owner of the vehicle must immediately notify the Department of Licensing (DOL). Failure to do so is a misdemeanor.

Upon receiving notification of the non-renewal or cancellation, DOL will notify the registered owner that the registration of the vehicle will be cancelled within 30 days unless proof is provided that replacement insurance or other means of financial responsibility has been obtained. If that proof is not timely provided, DOL will cancel the registration and not refund any part of the registration fee.

**Appropriation:** None.

**Fiscal Note:** Requested on March 3, 2005.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.