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## Transportation Committee

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### HB 2393

**Brief Description:** Addressing liability insurance requirements for motorcycles.

**Sponsors:** Representative Farrell.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Requires all motorcycles to be insured under a motor vehicle liability policy, self-insured, or covered by a certificate of deposit or liability bond according to the terms required for each under current law.</li></ul>
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**Hearing Date:** 1/20/16

**Staff:** Jennifer Harris (786-7143).

**Background:**

Insurance or Equivalent Requirements.

No person may operate a motor vehicle required to be registered in the state unless the person is insured under a motor vehicle liability policy, self-insured, covered by a certificate of deposit, or covered by a liability bond. A motor vehicle liability policy or bond must be issued by an insurance or surety company authorized to do business in the state and must provide a minimum coverage level of \$25,000 for bodily injury or death of a single person in any one accident, \$50,000 for bodily injury or death of two or more people in any one accident, and \$10,000 for injury to or destruction of property of others in any one accident.

To be self-insured, a person must have more than 25 vehicles registered in that person's name and the Department of Licensing (DOL) must find that the person possesses the ability to pay a judgment obtained against him or her. The DOL will issue a certificate of deposit to the person named in it once that person has deposited \$60,000 in cash or securities that may legally be purchased by savings banks or for trust funds for a market value of \$60,000.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Proof of insurance or the equivalent for motor vehicle operation must be provided at the request of a law enforcement officer. When asked to do so by a law enforcement officer, failure to display this proof for motor vehicle operation is a traffic infraction and is subject to a fine of \$250. If a person cited for this violation provides written evidence either in person or by mail that, at the time the person was cited, he or she was in compliance with this requirement, the citation will be dismissed and the court may assess administrative costs of \$25 at the time of dismissal.

The above requirements do not apply to motorcycles, motor-driven cycles (motorcycles or scooters with a motor that produces no greater than five brake horsepower), mopeds (produce no greater than two brake horse power and not capable of exceeding a speed of 30 miles per hour), wheeled all-terrain vehicles, motor vehicles registered with collector vehicle license plates (must be at least 30 years old and operated primarily as a collector vehicle), motor vehicles registered with honorary consult special license plates (for honorary consuls or official representatives of foreign governments that are United States citizens), state or publicly owned vehicles, and common carriers and contract carriers registered with the Washington Utilities and Transportation Commission.

#### Financial Responsibility Requirements.

The driver and owner of any motor vehicle required to be registered in the state that does not meet the insurance or equivalent requirements noted above must meet certain financial responsibility requirements if involved in an accident that resulted in bodily injury or death of any person or damage to the property of any one person equal to or greater than a minimum amount set by administrative rule, currently \$1,000 (which may only be adjusted for inflation). The DOL determines the amount of security sufficient to satisfy any judgment(s) for damages resulting from the accident that may be covered against each driver or owner based on reports or other information submitted.

If a person required to deposit security fails to do so within 60 days after the DOL has sent the person notice, the DOL must suspend the driver's license of each driver involved in the accident and of the owner of each vehicle subject to registration that was involved in the accident.

#### Motorcycle Definition.

A "motorcycle" is defined as a motor vehicle designed to travel on no more than three wheels on which the driver: (a) rides on a seat or saddle and the motor vehicle is designed to be steered with a handlebar, or (b) rides on a seat in a partially or completely enclosed seating area that is equipped with safety belts and the motor vehicle is designed to be steered with a steering wheel. The following are excluded from this definition: farm tractors, power wheelchairs, electric personal assistive mobility devices, motorized foot scooters, electric-assisted bicycles, and mopeds.

#### **Summary of Bill:**

Motorcycles required to be registered in the state must meet the insurance or equivalent requirements for registered motor vehicles under current law.

**Appropriation:** None.

**Fiscal Note:** Requested on January 16, 2016.

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