

HOUSE BILL REPORT

HB 1804

As Reported by House Committee On:
Business & Financial Services

Title: An act relating to financial responsibility insurance requirements with respect to motorcycles, motor-driven cycles, and mopeds.

Brief Description: Addressing financial responsibility insurance requirements with respect to motorcycles, motor-driven cycles, and mopeds.

Sponsors: Representatives Kirby and Ormsby.

Brief History:

Committee Activity:

Business & Financial Services: 2/14/17, 2/15/17 [DPS].

Brief Summary of Substitute Bill

- Requires all motorcycle operators over the age of 18 to obtain a motor vehicle liability policy and be covered under a medical insurance policy, unless the operator wears a helmet.

HOUSE COMMITTEE ON BUSINESS & FINANCIAL SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Kirby, Chair; Vick, Ranking Minority Member; J. Walsh, Assistant Ranking Minority Member; Barkis, Blake, Jenkin and McCabe.

Minority Report: Do not pass. Signed by 2 members: Representatives Reeves, Vice Chair; Bergquist.

Minority Report: Without recommendation. Signed by 2 members: Representatives Santos and Stanford.

Staff: Robbi Kesler (786-7153).

Background:

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.

Insurance Requirement.

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. The policy or bond 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.

In lieu of the liability insurance or bond, a person may be self-insured or be covered by a certificate of deposit. 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. To be covered by a certificate of deposit, the DOL will issue a certificate of deposit to the person named 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.

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.

The insurance requirement does not apply to drivers of motorcycles, motor-driven cycles, or mopeds.

Helmet Requirement.

All persons riding a motorcycle, motor-driven cycle, or moped in Washington are required to wear a motorcycle helmet.

Summary of Substitute Bill:

Persons over the age of 18 operating a motorcycle, motor-driven cycle, or moped in Washington are not required to wear a helmet if the operator is covered under a motor vehicle liability policy, self-insured, or covered by a certificate of deposit or liability bond according to the terms required under current law and is covered by a medical insurance policy that meets the minimum essential coverage requirement found in federal law.

Substitute Bill Compared to Original Bill:

The substitute bill adds a requirement that the operator of a motorcycle, motor-driven cycle, or moped be covered under a medical insurance policy that meets the minimum essential coverage requirement found in federal law.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) Motorcyclists should be allowed to have a choice about wearing a helmet. Most motorcyclists already have liability insurance. A helmet is not always able to improve outcomes in an accident. Motorcyclists who ride without helmets may ride more safely. Driver education is more important for safety than helmet laws. Helmets are uncomfortable and cause pain for some motorcyclists.

(Opposed) This is a safety concern. Helmets protect people and help keep the highway moving. Driver safety impacts insurance companies. Liability insurance only covers damage to others; it does not address coverage for a motorcyclist's own injuries.

Persons Testifying: (In support) Brian Lange, James Blowers, Glenyce Jackson, and Rachel Ahola, A Brotherhood Against Totalitarian Enactments of Washington.

(Opposed) Monica Alexander, Washington State Patrol; and Mel Sorensen, Property Casualty Insurers Association of America, Allstate, and American Family Insurance.

Persons Signed In To Testify But Not Testifying: None.