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HOUSE BILL 1641

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State of Washington

57th Legislature

2001 Regular Session

By Representatives Santos, Bush, Kenney, Keiser, McDermott and Conway

Read first time 01/31/2001. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to assisting low-income persons to obtain  
2 affordable automobile liability insurance; and adding a new section to  
3 chapter 48.22 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.22 RCW  
6 to read as follows:

7 (1) The legislature finds that low-income persons have difficulty  
8 affording the mandatory liability insurance required under chapter  
9 46.30 RCW. Some of these persons do not have automobile liability  
10 insurance solely because the premium is significantly higher, sometimes  
11 double, and therefore unaffordable to them, because they previously  
12 have not had automobile insurance, or have not had automobile insurance  
13 in the previous year or two. The legislature intends to enable and  
14 encourage these persons to obtain automobile insurance and develop a  
15 history of having automobile insurance so that the premium is and  
16 continues to be affordable. The legislature intends to accomplish this  
17 by equitably apportioning, among insurers required to participate in  
18 the assigned risk plan, coverage for up to two years for low-income

1 persons without insurance as if they had a history of having automobile  
2 insurance.

3 (2)(a) The commissioner shall create a plan under RCW 48.22.020 to  
4 provide the minimum mandatory automobile liability coverages required  
5 under chapter 46.30 RCW to low-income persons who have not had  
6 automobile insurance during the prior year at the premium level that  
7 would apply if the person had prior continuous automobile insurance  
8 coverage. The policy shall have a term of one year, renewable for one  
9 additional year. The plan shall provide a premium financing  
10 arrangement that allows the premium to be paid in monthly installments.

11 (b) For purposes of this section, "low-income person" means a  
12 person in a household with a gross annual household income that does  
13 not exceed one hundred fifty percent of the federal poverty level.

14 (c) The policy shall cover the person named in the policy, and to  
15 the same extent that insurance is provided to the named insured, any  
16 other person using the automobile with permission, express or implied.

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