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SENATE BILL 6525

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State of Washington

55th Legislature

1998 Regular Session

By Senators Franklin, Winsley, Fairley, Kohl, Rasmussen, Brown and Patterson

Read first time 01/20/98. Referred to Committee on Financial Institutions, Insurance & Housing.

1 AN ACT Relating to proof of financial responsibility or motor  
2 vehicle liability insurance; and amending RCW 46.30.020, 46.16.212,  
3 46.16.210, 46.30.040, and 46.30.030.

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

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

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

17 (b) A person who drives a motor vehicle that is required to be  
18 registered in another state that requires drivers and owners of  
19 vehicles in that state to maintain insurance or financial

1 responsibility shall, when requested by a law enforcement officer,  
2 provide evidence of financial responsibility or insurance as is  
3 required by the laws of the state in which the vehicle is registered.

4 (c) When asked to do so by a law enforcement officer, failure to  
5 display an insurance identification card as specified under RCW  
6 46.30.030 creates a presumption that the person does not have motor  
7 vehicle insurance.

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

11 (ii) If a person fails to provide proof of financial responsibility  
12 or motor vehicle liability insurance when requested by a law  
13 enforcement officer, the law enforcement officer may issue a notice of  
14 traffic infraction and may also impound the vehicle if the person cited  
15 is also a registered owner of the vehicle. If the vehicle is impounded  
16 the registered owner of the vehicle must pay any and all costs  
17 associated with impoundment including costs for towing, removal, and  
18 storage of the vehicle, and any other fees and fines incurred.

19 (iii) The second and subsequent times a person fails to provide  
20 proof of motor vehicle liability insurance, provided the citations have  
21 not been dismissed under subsection (2) of this section, in addition to  
22 the penalty under (d)(i) and (ii) of this subsection, the driver's  
23 license of that person shall be suspended for one year. The court  
24 shall notify the department of licensing when this subsection applies  
25 and the driver's license is to be suspended. The department of  
26 licensing shall suspend the driver's license under RCW 46.20.291(1).

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. In lieu of  
32 personal appearance, a person cited for a violation of subsection (1)  
33 of this section may, before the date scheduled for the person's  
34 appearance before the court, submit by mail to the court written  
35 evidence that at the time the person was cited, he or she was in  
36 compliance with the financial responsibility requirements of subsection  
37 (1) of this section, in which case the citation shall be dismissed  
38 without cost, except that the court may assess court administrative  
39 costs of twenty-five dollars at the time of dismissal.

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

2 (a) The operation of a motor vehicle registered under RCW  
3 46.16.305(1), governed by RCW 46.16.020, or registered with the  
4 Washington utilities and transportation commission as common or  
5 contract carriers; or

6 (b) The operation of a motorcycle as defined in RCW 46.04.330, a  
7 motor-driven cycle as defined in RCW 46.04.332, or a moped as defined  
8 in RCW 46.04.304.

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

12 **Sec. 2.** RCW 46.16.212 and 1989 c 353 s 10 are each amended to read  
13 as follows:

14 (1) The department of licensing shall notify the public of the  
15 requirements of RCW 46.30.020 through 46.30.040 at the time of new  
16 vehicle registration and when the department sends a registration  
17 renewal notice.

18 (2) The department of licensing shall not issue an original vehicle  
19 license or renew a vehicle license unless the applicant provides  
20 written proof of meeting the financial responsibility requirements for  
21 operating a motor vehicle as provided in RCW 46.30.020.

22 **Sec. 3.** RCW 46.16.210 and 1997 c 241 s 8 are each amended to read  
23 as follows:

24 (1) Upon receipt of the application and proper fee for original  
25 vehicle license, the director shall make a recheck of the application  
26 and in the event that there is any error in the application it may be  
27 returned to the county auditor or other agent to effectively secure the  
28 correction of such error, who shall return the same corrected to the  
29 director.

30 (2) Application for the renewal of a vehicle license shall be made  
31 to the director or his agents, including county auditors, by the  
32 registered owner on a form prescribed by the director. The application  
33 must be accompanied by the certificate of registration for the last  
34 registration period in which the vehicle was registered in Washington  
35 unless the applicant submits a preprinted application mailed from  
36 Olympia, and the payment of such license fees and excise tax as may be  
37 required by law. Such application shall be handled in the same manner

1 and the fees transmitted to the state treasurer in the same manner as  
2 in the case of an original application. Any such application which  
3 upon validation becomes a renewal certificate need not have entered  
4 upon it the name of the lien holder, if any, of the vehicle concerned.

5 (3) Persons expecting to be out of the state during the normal  
6 renewal period of a vehicle license may secure renewal of such vehicle  
7 license and have license plates or tabs preissued by making application  
8 to the director or his agents upon forms prescribed by the director.  
9 The application must be accompanied by the certificate of registration  
10 for the last registration period in which the vehicle was registered in  
11 Washington and be accompanied by such license fees, and excise tax as  
12 may be required by law.

13 (4) Every applicant for an original vehicle license or for the  
14 renewal of a vehicle license shall provide current proof of financial  
15 responsibility to operate a vehicle as required in RCW 46.30.020. The  
16 department may adopt rules regarding valid proof of financial  
17 responsibility for persons applying for or renewing a vehicle license.

18 (5) Application for the annual renewal of a vehicle license number  
19 plate to the director or the director's agents shall not be required  
20 for those vehicles owned, rented, or leased by the state of Washington,  
21 or by any county, city, town, school district, or other political  
22 subdivision of the state of Washington or a governing body of an Indian  
23 tribe located within this state and recognized as a governmental entity  
24 by the United States department of the interior.

25 **Sec. 4.** RCW 46.30.040 and 1991 sp.s. c 25 s 2 are each amended to  
26 read as follows:

27 Any person who knowingly provides false evidence of financial  
28 responsibility to a law enforcement officer (~~(or)~~), to a court, or to  
29 the department of licensing on an application for an original vehicle  
30 license or the renewal of a vehicle license, including an expired or  
31 canceled insurance policy, bond, or certificate of deposit is guilty of  
32 a misdemeanor.

33 **Sec. 5.** RCW 46.30.030 and 1989 c 353 s 3 are each amended to read  
34 as follows:

35 (1) Whenever an insurance company issues or renews a motor vehicle  
36 liability insurance policy, the company shall provide the policyholder  
37 with an identification card as specified by the department of

1 licensing. The insurance company shall provide the policyholder with  
2 a new identification card every three months. At the policyholder's  
3 request, the insurer shall provide the policyholder a card for each  
4 vehicle covered under the policy.

5 (2) The department of licensing shall adopt rules specifying the  
6 type, style, and content of insurance identification cards to be used  
7 for proof of compliance with RCW 46.30.020, including the method for  
8 issuance of such identification cards by persons or organizations  
9 providing proof of compliance through self-insurance, certificate of  
10 deposit, or bond. In adopting such rules the department shall consider  
11 the guidelines for insurance identification cards developed by the  
12 insurance industry committee on motor vehicle administration.

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