## SENATE BILL 5392

State of Washington61st Legislature2009 Regular SessionBy Senators Kastama, Haugen, and Shin

Read first time 01/21/09. Referred to Committee on Transportation.

1 AN ACT Relating to proof of financial responsibility or motor 2 vehicle liability insurance; amending RCW 46.16.212, 46.16.210, and 3 46.30.040; adding new sections to chapter 46.29 RCW; and prescribing 4 penalties.

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

6 **Sec. 1.** RCW 46.16.212 and 1989 c 353 s 10 are each amended to read 7 as follows:

8 (1) The department of licensing shall notify the public of the 9 requirements of RCW 46.30.020 through 46.30.040 at the time of new 10 vehicle registration and when the department sends a registration 11 renewal notice.

12 (2) When the department sends a vehicle license renewal notice to 13 a registered owner who has previously failed to respond to a random 14 sampling program request under section 3 of this act, it shall also 15 provide notice of the requirement for proof of meeting the financial 16 responsibility requirements and payment of the fifty-dollar penalty 17 imposed under section 3 of this act in order to renew the license.

18(3) The department shall not renew a vehicle license due for19renewal January 1, 2010, or after for a registered owner who has

previously failed to respond to a random sampling program request under section 3 of this act, unless the applicant provides proof of meeting the financial responsibility requirements for operating a motor vehicle as provided in RCW 46.30.020 and pays the fifty-dollar penalty imposed under section 3 of this act.

6 Sec. 2. RCW 46.16.210 and 2001 c 206 s 1 are each amended to read 7 as follows:

8 (1) Upon receipt of the application and proper fee for original 9 vehicle license, the director shall make a recheck of the application 10 and in the event that there is any error in the application it may be 11 returned to the county auditor or other agent to effectively secure the 12 correction of such error, who shall return the same corrected to the 13 director.

(2) Application for the renewal of a vehicle license shall be made 14 to the director or his agents, including county auditors, by the 15 16 registered owner on a form prescribed by the director. The application 17 must be accompanied by the payment of such license fees and excise tax as may be required by law. Such application shall be handled in the 18 same manner and the fees transmitted to the state treasurer in the same 19 20 manner as in the case of an original application. Any such application 21 which upon validation becomes a renewal certificate need not have 22 entered upon it the name of the lien holder, if any, of the vehicle 23 concerned.

(3) Persons expecting to be out of the state during the normal
renewal period of a vehicle license may secure renewal of such vehicle
license and have license plates or tabs preissued by making application
to the director or his agents upon forms prescribed by the director.
The application must be accompanied by such license fees, and excise
tax as may be required by law.

(4) Every applicant for renewal of a vehicle license due for 30 renewal January 1, 2010, or after, who has previously failed to respond 31 to a random sampling program request under section 3 of this act, shall 32 provide current proof of financial responsibility to operate a vehicle 33 34 as required in RCW 46.30.020 and pay the fifty-dollar penalty imposed 35 under section 3 of this act. The department may adopt rules regarding valid proof of financial responsibility for persons renewing a vehicle 36 license and establish conditions under which the penalty imposed under 37

section 3 of this act will not be assessed when a failure to respond to a random sampling request is beyond the control of the applicant. Conditions for not assessing the penalty may include, but are not limited to, delays caused by extended hospitalization or illness of the applicant.

6 (5) Application for the annual renewal of a vehicle license number 7 plate to the director or the director's agents shall not be required 8 for those vehicles owned, rented, or leased by the state of Washington, 9 or by any county, city, town, school district, or other political 10 subdivision of the state of Washington or a governing body of an Indian 11 tribe located within this state and recognized as a governmental entity 12 by the United States department of the interior.

13 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 46.29 RCW 14 to read as follows:

(1) The department shall establish a random sampling program to determine if registered vehicle owners meet the financial responsibility requirements to operate a vehicle as required in RCW 46.30.020.

19 (2) The department shall select no more than three percent of 20 registered vehicles per year in monthly increments and send the 21 registered owner of each vehicle selected a form requesting that the 22 owner provide proof of financial responsibility to operate a vehicle as 23 required in RCW 46.30.020 for a randomly selected date in the past 24 year.

(3) If the registered owner fails to provide proof of financial responsibility to operate a vehicle as required in RCW 46.30.020, as requested by the department, within forty-five days of the date shown on the request, the registered owner shall be assessed a penalty of fifty dollars to be collected before the registered owner may renew the vehicle registration.

(4) The department shall administer and collect the fifty-dollar penalty. The department shall deduct an amount equal to the administration and collection expenses. The department shall deposit any remaining proceeds under this subsection to the financial responsibility education account created in section 4 of this act for use in public information campaigns to educate the public regarding the

p. 3

financial responsibility requirements under this chapter and chapter
 46.30 RCW.

3 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 46.29 RCW
4 to read as follows:

5 The financial responsibility education account is created in the custody of the state treasurer. After the deduction of administration б 7 and collection expenses incurred by the department, all receipts from the fifty-dollar penalty imposed under section 3 of this act must be 8 deposited into the account. Expenditures from the account may be used 9 10 only for public information campaigns to educate the public regarding 11 the financial responsibility requirements under this chapter and 12 chapter 46.30 RCW. Only the director of the department of licensing or the director's designee may authorize expenditures from the account. 13 14 The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditure. 15

16 **Sec. 5.** RCW 46.30.040 and 1991 sp.s. c 25 s 2 are each amended to 17 read as follows:

Any person who knowingly provides false evidence of financial responsibility to a law enforcement officer ((<del>or</del>)), to a court, <u>or to</u> the department of licensing on an application for renewal of a vehicle <u>license</u>, including an expired or canceled insurance policy, bond, or certificate of deposit is guilty of a misdemeanor.

--- END ---