

**SENATE BILL REPORT**

**SB 5790**

**AS REPORTED BY COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE,  
MARCH 5, 1991**

**Brief Description:** Concerning automobile liability insurance.

**SPONSORS:** Senators von Reichbauer, Pelz, Moore, Vognild, Rasmussen, McCaslin, Johnson and West.

**SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE**

**Majority Report:** That Substitute Senate Bill No. 5790 be substituted therefor, and the substitute bill do pass.

Signed by Senators von Reichbauer, Chairman; Johnson, Vice Chairman; McCaslin, Moore, Owen, Pelz, Rasmussen, Sellar, Vognild, and West.

**Staff:** Meg Jones (786-7416)

**Hearing Dates:** March 1, 1991; March 5, 1991

**BACKGROUND:**

Washington's financial responsibility laws require insurance or bond to lawfully operate a motor vehicle. Mandatory auto insurance laws passed in 1989 require not only insurance coverage but also that motorists provide proof of that insurance by carrying an insurance identification card.

As applied by the judicial system, the current laws are disparately enforced, resulting in the assessment of either fines of \$250, penalties for a traffic infraction of \$47 or both, in addition to other court costs and assessments. Some motorists charged under this law pay up to \$475 in some jurisdictions, while others pay as little as \$47.

Concern has been expressed that the current laws should be clarified to make the penalty uniform while continuing to require proof of insurance as an incentive to prevent uninsured motorists using Washington's roadways.

**SUMMARY:**

A motorist must provide written proof of financial responsibility for motor vehicle operation when asked to present it by a law enforcement officer. This applies to operators of vehicles registered in other states as well.

Failure to provide proof of motor vehicle insurance is a traffic infraction, the penalty for which will be set by the Supreme Court.

If a person is cited and provides proof in writing to the court that the person was in compliance when cited, the citation is dismissed without other cost or assessment. This proof may be submitted by mail.

**EFFECT OF SUBSTITUTE:**

The \$250 fine is eliminated and instead, driving without proof of insurance is a traffic infraction, the penalty for which will be set by the Supreme Court on its traffic infraction bail schedule. If a driver cited for violation of this law has insurance at the time cited, he or she may mail written proof of insurance to the court, and the charges will be dismissed without cost or assessment.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**TESTIMONY FOR:**

The current fine and penalty language in the law creates the potential for assessing between \$47 and \$495, depending on the way courts administer this provision. This is inequitable. In addition, motorists still were required to pay costs and assessments, which does not fulfill the apparent intent behind the current provision for dismissal if proof of insurance is submitted.

**TESTIMONY AGAINST:**

Mandatory automobile insurance is inequitable and unfair. It penalizes persons with low incomes by requiring them to buy insurance when they cannot afford basic necessities of life.

**TESTIFIED:** Yvonne Pettus, Office of the Administrator for the Courts (pro); The Honorable Clifford Stiltz, District and Municipal Court Judges (pro); Patrick Cooper, Washington Association of Prosecuting Attorneys (pro); Jean Leonard, State Farm Insurance (con)