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**SUBSTITUTE SENATE BILL 5632**

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**State of Washington**

**60th Legislature**

**2007 Regular Session**

**By** Senate Committee on Transportation (originally sponsored by Senators Kastama, Eide, Delvin, Berkey and Tom)

READ FIRST TIME 02/21/07.

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; creating a new  
4 section; and prescribing 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 for  
19 renewal January 1, 2008, or after for a registered owner who has

1 previously failed to respond to a random sampling program request under  
2 section 3 of this act, unless the applicant provides proof of meeting  
3 the financial responsibility requirements for operating a motor vehicle  
4 as provided in RCW 46.30.020 and pays the fifty-dollar penalty imposed  
5 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.

14 (2) Application for the renewal of a vehicle license shall be made  
15 to the director or his agents, including county auditors, by the  
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  
18 as may be required by law. Such application shall be handled in the  
19 same manner and the fees transmitted to the state treasurer in the same  
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.

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

30 (4) Every applicant for renewal of a vehicle license due for  
31 renewal January 1, 2008, or after, who has previously failed to respond  
32 to a random sampling program request under section 3 of this act, shall  
33 provide current proof of financial responsibility to operate a vehicle  
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  
36 valid proof of financial responsibility for persons renewing a vehicle  
37 license and establish conditions under which the penalty imposed under

1 section 3 of this act will not be assessed when a failure to respond to  
2 a random sampling request is beyond the control of the applicant.  
3 Conditions for not assessing the penalty may include, but are not  
4 limited to, delays caused by extended hospitalization or illness of the  
5 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 NEW SECTION. Sec. 3. A new section is added to chapter 46.29 RCW  
14 to read as follows:

15 (1) The department shall establish a random sampling program to  
16 determine if registered vehicle owners meet the financial  
17 responsibility requirements to operate a vehicle as required in RCW  
18 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.

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

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

1 financial responsibility requirements under this chapter and chapter  
2 46.30 RCW.

3 NEW SECTION. **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  
6 custody of the state treasurer. After the deduction of administration  
7 and collection expenses incurred by the department, all receipts from  
8 the fifty-dollar penalty imposed under section 3 of this act must be  
9 deposited into the account. Expenditures from the account may be used  
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  
13 the director's designee may authorize expenditures from the account.  
14 The account is subject to the allotment procedures under chapter 43.88  
15 RCW, but an appropriation is not required for expenditure.

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

18 Any person who knowingly provides false evidence of financial  
19 responsibility to a law enforcement officer (~~(or)~~) to a court, or to  
20 the department of licensing on an application for renewal of a vehicle  
21 license, including an expired or canceled insurance policy, bond, or  
22 certificate of deposit is guilty of a misdemeanor.

23 NEW SECTION. **Sec. 6.** If specific funding for the purposes of this  
24 act, referencing this act by bill or chapter number, is not provided by  
25 June 30, 2007, in the omnibus transportation appropriations act, this  
26 act is null and void.

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