

**ESSB 5326 - S AMD 479**

By Senator Lovick

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 46.30  
4 RCW to read as follows:

5 (1) The department must establish an accessible common carrier-  
6 based system for online verification of liability insurance or other  
7 financial responsibility required under RCW 46.30.020. The  
8 verification system must:

9 (a) Be accessible, upon request, only to authorized personnel of  
10 the department or any other entities authorized by the department,  
11 the courts, law enforcement, and insurers on a limited basis as  
12 required to comply with this section, and be interfaced, wherever  
13 appropriate, with existing state data systems;

14 (b) Send requests to insurers for verification of liability  
15 insurance or other financial responsibility through web services  
16 established by the insurers, the internet, or a similar proprietary  
17 or common carrier electronic system as required by the department in  
18 rule; and

19 (c) Include information that enables the department to make  
20 requests for proof of financial responsibility to insurers by using  
21 multiple data elements for greater matching accuracy, including NAIC  
22 company code, vehicle identification number, policy number, or as  
23 described by the department in rule.

24 (2) The department must secure system data against unauthorized  
25 access, and maintain a historical record of the system data for a  
26 period of six to 12 months from the date of any request and response.

27 (3) (a) The department must have its verification system respond  
28 to each request within a time period established by the department in  
29 rule. An insurer's data system must respond to each request within a  
30 time period established by the department in rule. The department may  
31 offer insurers that write fewer policies than the industry average in

1 Washington state an alternative method for reporting insurance policy  
2 data instead of establishing web services.

3 (b) An insurer must cooperate with the department in establishing  
4 and maintaining the verification system and provide access to  
5 liability insurance or other financial responsibility status  
6 information as provided by the department in rule.

7 (4) The department may contract with a private service provider  
8 or providers who have successfully implemented similar verification  
9 systems in other states to assist in establishing and maintaining the  
10 verification system. The department must consult with representatives  
11 of the insurance industry and private service providers to determine  
12 the objectives, details, and deadlines related to the verification  
13 system. The department must publish for comment, then issue, a  
14 detailed guide of its verification system. The department and its  
15 private service provider, if any, must each maintain a contact person  
16 for insurers during the establishment, implementation, and operation  
17 of the verification system.

18 (5)(a) Except as provided in (b) of this subsection, every  
19 insurer licensed to issue motor vehicle liability insurance in  
20 Washington must comply with this section for verification of evidence  
21 of liability insurance or other financial responsibility for every  
22 vehicle insured by the insurer in Washington as required by  
23 department in rule. Every insurer must maintain a historical record  
24 of verification system data for a maximum period of six months from  
25 the date of any request and response. An insurer may use the services  
26 of a third-party vendor for facilitating compliance with this  
27 section.

28 (b) This section does not apply to vehicles insured under a  
29 commercial motor vehicle liability insurance policy; however,  
30 insurers of such vehicles may participate on a voluntary basis. If  
31 participating in the verification system, insurers must provide  
32 commercial motor vehicle operators with evidence reflecting that the  
33 vehicle is insured under a commercial motor vehicle liability  
34 insurance policy including, but not limited to, an insurance  
35 identification card consistent with RCW 46.30.030.

36 (6) An insurer is immune from civil and administrative liability  
37 for good faith efforts to comply with this section.

38 (7) Within the first 12 months after the effective date of this  
39 section, the department may test or pilot the verification system  
40 without taking any enforcement action under RCW 46.16A.130(2)(b). By

1 January 1, 2027, the verification system must be installed and fully  
2 operational.

3 (8) For the purposes of this section, "NAIC" means national  
4 association of insurance commissioners.

5 **Sec. 2.** RCW 46.16A.130 and 2010 c 161 s 429 are each amended to  
6 read as follows:

7 (1) The department shall notify motor vehicle owners of the  
8 liability insurance requirements described in RCW 46.30.020 through  
9 46.30.040 at the time of issuance of an original motor vehicle  
10 registration and when the department sends a motor vehicle  
11 registration renewal notice.

12 (2)(a) Beginning January 1, 2027, the department must verify if a  
13 vehicle owner has liability insurance or other financial  
14 responsibility required under RCW 46.30.020 at the time of  
15 registration renewal for vehicles subject to license fees under RCW  
16 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), (k), (n), (o), (p),  
17 and (q) through any of the following methods:

18 (i) The online, common carrier-based motor vehicle insurance  
19 verification system established under section 1 of this act;

20 (ii) In-person presentation of the vehicle owner's insurance  
21 identification card, or other proof of financial responsibility, with  
22 a vehicle licensing agent; or

23 (iii) Physical or electronic receipt of a copy of proof of  
24 financial responsibility accompanying a vehicle registration renewal.

25 (b) If the online verification system provides that a vehicle  
26 owner does not have liability insurance or other financial  
27 responsibility or the vehicle owner fails to provide proof of  
28 financial responsibility under (a) of this subsection, the department  
29 may not issue a vehicle registration renewal until the department  
30 receives verification or proof that the vehicle owner has liability  
31 insurance or other financial responsibility required under RCW  
32 46.30.020.

33 (c) The department must adopt any rules necessary to implement  
34 this subsection (2). When adopting such rules, the department must  
35 consider equity and environmental justice principles and impacts to  
36 overburdened communities.

37 **Sec. 3.** RCW 46.30.020 and 2019 c 60 s 1 are each amended to read  
38 as follows:

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

11 (b) A person who drives a motor vehicle that is required to be  
12 registered in another state that requires drivers and owners of  
13 vehicles in that state to maintain insurance or financial  
14 responsibility shall, when requested by a law enforcement officer,  
15 provide evidence of financial responsibility or insurance as is  
16 required by the laws of the state in which the vehicle is registered.

17 (c) When asked to do so by a law enforcement officer, failure to  
18 display proof of financial responsibility for motor vehicle operation  
19 as specified under RCW 46.30.030 creates a presumption that the  
20 person does not have motor vehicle insurance.

21 (d) Failure to provide proof of motor vehicle insurance is a  
22 traffic infraction and is subject to penalties as set by the supreme  
23 court under RCW 46.63.110 or community restitution. Enforcement of  
24 the infraction of failing to provide proof of motor vehicle insurance  
25 may be accomplished only as a secondary action when a driver of a  
26 motor vehicle has been detained for a suspected violation of a  
27 separate traffic infraction or an equivalent local ordinance.

28 (e) For the purposes of this section, when a person uses a  
29 portable electronic device to display proof of financial security to  
30 a law enforcement officer, the officer may only view the proof of  
31 financial security and is otherwise prohibited from viewing any other  
32 content on the portable electronic device.

33 (f) Whenever a person presents a portable electronic device  
34 pursuant to this section, that person assumes all liability for any  
35 damage to the portable electronic device.

36 (2) If a person cited for a violation of subsection (1) of this  
37 section appears in person before the court or a violations bureau and  
38 provides written evidence that at the time the person was cited, he  
39 or she was in compliance with the financial responsibility  
40 requirements of subsection (1) of this section, the citation shall be

1 dismissed and the court or violations bureau may assess court  
2 administrative costs of (~~twenty-five dollars~~) \$25 at the time of  
3 dismissal. In lieu of personal appearance, a person cited for a  
4 violation of subsection (1) of this section may, before the date  
5 scheduled for the person's appearance before the court or violations  
6 bureau, submit by mail to the court or violations bureau written  
7 evidence that at the time the person was cited, he or she was in  
8 compliance with the financial responsibility requirements of  
9 subsection (1) of this section, in which case the citation shall be  
10 dismissed without cost, except that the court or violations bureau  
11 may assess court administrative costs of (~~twenty-five dollars~~) \$25  
12 at the time of dismissal.

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

14 (a) The operation of a motor vehicle registered under RCW  
15 46.18.220 or 46.18.255, governed by RCW 46.16A.170, or registered  
16 with the Washington utilities and transportation commission as common  
17 or contract carriers; or

18 (b) The operation of a motor-driven cycle as defined in RCW  
19 46.04.332, a moped as defined in RCW 46.04.304, or a wheeled all-  
20 terrain vehicle as defined in RCW 46.09.310.

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

24 **Sec. 4.** RCW 46.63.110 and 2023 c 388 s 2 are each amended to  
25 read as follows:

26 (1)(a) A person found to have committed a traffic infraction  
27 shall be assessed a monetary penalty. No penalty may exceed \$250 for  
28 each offense unless authorized by this chapter or title.

29 (b) The court may waive or remit any monetary penalty, fee, cost,  
30 assessment, or other monetary obligation associated with a traffic  
31 infraction unless the specific monetary obligation in question is  
32 prohibited from being waived or remitted by state law.

33 (2) The monetary penalty for a violation of (a) RCW 46.55.105(2)  
34 is \$250 for each offense; (b) RCW 46.61.210(1) is \$500 for each  
35 offense. No penalty assessed under this subsection (2) may be  
36 reduced.

37 (3) The supreme court shall prescribe by rule a schedule of  
38 monetary penalties for designated traffic infractions. This rule  
39 shall also specify the conditions under which local courts may

1 exercise discretion in assessing fines and penalties for traffic  
2 infractions. The legislature respectfully requests the supreme court  
3 to adjust this schedule every two years for inflation.

4 (4) There shall be a penalty of \$25 for failure to respond to a  
5 notice of traffic infraction except where the infraction relates to  
6 parking as defined by local law, ordinance, regulation, or resolution  
7 or failure to pay a monetary penalty imposed pursuant to this  
8 chapter. A local legislative body may set a monetary penalty not to  
9 exceed \$25 for failure to respond to a notice of traffic infraction  
10 relating to parking as defined by local law, ordinance, regulation,  
11 or resolution. The local court, whether a municipal, police, or  
12 district court, shall impose the monetary penalty set by the local  
13 legislative body.

14 (5) Monetary penalties provided for in chapter 46.70 RCW which  
15 are civil in nature and penalties which may be assessed for  
16 violations of chapter 46.44 RCW relating to size, weight, and load of  
17 motor vehicles are not subject to the limitation on the amount of  
18 monetary penalties which may be imposed pursuant to this chapter.

19 (6) Whenever a monetary penalty, fee, cost, assessment, or other  
20 monetary obligation is imposed by a court under this chapter, it is  
21 immediately payable and is enforceable as a civil judgment under  
22 Title 6 RCW. If the court determines that a person is not able to pay  
23 a monetary obligation in full, the court shall enter into a payment  
24 plan with the person in accordance with RCW 46.63.190 and standards  
25 that may be set out in court rule.

26 (7) In addition to any other penalties imposed under this section  
27 and not subject to the limitation of subsection (1) of this section,  
28 a person found to have committed a traffic infraction shall be  
29 assessed:

30 (a) A fee of \$5 per infraction. Under no circumstances shall this  
31 fee be reduced or waived. Revenue from this fee shall be forwarded to  
32 the state treasurer for deposit in the emergency medical services and  
33 trauma care system trust account under RCW 70.168.040;

34 (b) A fee of \$10 per infraction. Under no circumstances shall  
35 this fee be reduced or waived. Revenue from this fee shall be  
36 forwarded to the state treasurer for deposit in the general fund; and

37 (c) A fee of \$5 per infraction. Under no circumstances shall this  
38 fee be reduced or waived. Revenue from this fee shall be forwarded to  
39 the state treasurer for deposit in the traumatic brain injury account  
40 established in RCW 74.31.060.

1 (8) (a) In addition to any other penalties imposed under this  
2 section and not subject to the limitation of subsection (1) of this  
3 section, a person found to have committed a traffic infraction other  
4 than of RCW 46.61.527 or 46.61.212 shall be assessed an additional  
5 penalty of \$24. The court may not reduce, waive, or suspend the  
6 additional penalty unless the court finds the offender to be  
7 indigent. If a court authorized community restitution program for  
8 offenders is available in the jurisdiction, the court shall allow  
9 offenders to offset all or a part of the penalty due under this  
10 subsection (8) by participation in the court authorized community  
11 restitution program.

12 (b) \$12.50 of the additional penalty under (a) of this subsection  
13 shall be remitted to the state treasurer. The remaining revenue from  
14 the additional penalty must be remitted under chapters 2.08, 3.46,  
15 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this  
16 subsection to the state treasurer must be deposited as follows: \$8.50  
17 in the state general fund and \$4 in the driver licensing technology  
18 support account created under RCW 46.68.067. The moneys deposited  
19 into the driver licensing technology support account must be used to  
20 support initial and ongoing costs of the online motor vehicle  
21 insurance verification system under section 1 of this act and to  
22 support information technology systems used by the department to  
23 communicate with the judicial information system, manage driving  
24 records, and implement court orders. The balance of the revenue  
25 received by the county or city treasurer under this subsection must  
26 be deposited into the county or city current expense fund. Moneys  
27 retained by the city or county under this subsection shall constitute  
28 reimbursement for any liabilities under RCW 43.135.060.

29 (9) If a legal proceeding, such as garnishment, has commenced to  
30 collect any delinquent amount owed by the person for any penalty  
31 imposed by the court under this section, the person may request a  
32 payment plan pursuant to RCW 46.63.190.

33 (10) The monetary penalty for violating RCW 46.37.395 is: (a)  
34 \$250 for the first violation; (b) \$500 for the second violation; and  
35 (c) \$750 for each violation thereafter.

36 (11) The additional monetary penalty for a violation of RCW  
37 46.20.500 is not subject to assessments or fees provided under this  
38 section.

1 (12) The additional monetary fine for a violation of RCW  
2 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, and 46.61.205  
3 is not subject to assessments or fees provided under this section.

4 (13) The additional monetary penalties for a violation of RCW  
5 46.61.165 are not subject to assessments or fees provided under this  
6 section.

7 **Sec. 5.** RCW 46.68.067 and 2022 c 157 s 2 are each amended to  
8 read as follows:

9 The driver licensing technology support account is created in the  
10 highway safety fund under RCW 46.68.060. Moneys in the account may be  
11 spent only after appropriation. Expenditures from the account may be  
12 used only for initial and ongoing costs of the online motor vehicle  
13 insurance verification system under section 1 of this act and for  
14 supporting information technology systems used by the department to  
15 communicate with the judicial information system, manage driving  
16 records, and implement court orders.

17 NEW SECTION. **Sec. 6.** By October 1, 2028, the department of  
18 licensing, after consultation with insurers, must report to the  
19 appropriate committees of the legislature the following concerning  
20 the verification system established in section 1 of this act:

21 (1) Costs incurred by the department of licensing, participating  
22 insurers, and the public; and

23 (2) Effectiveness of the verification system in reducing the  
24 number of uninsured motor vehicles.

25 NEW SECTION. **Sec. 7.** By January 1, 2026, the department of  
26 licensing must adopt rules necessary to implement an online, common  
27 carrier-based motor vehicle insurance verification system required  
28 under this act. In adopting such rules, the department must consider  
29 guidelines and standards for such verification systems developed by  
30 the insurance industry committee on motor vehicle administration, and  
31 consider equity and environmental justice principles and impacts to  
32 overburdened communities.

33 NEW SECTION. **Sec. 8.** Sections 1 through 6 of this act take  
34 effect January 1, 2026."



**ESSB 5326 - S AMD 479**

By Senator Lovick

1        On page 1, line 1 of the title, after "insurance;" strike the  
2 remainder of the title and insert "amending RCW 46.16A.130,  
3 46.30.020, 46.63.110, and 46.68.067; adding a new section to chapter  
4 46.30 RCW; creating new sections; and providing an effective date."

EFFECT: (1) Removes licensed vehicle dealers from the list of authorized entities with access to the online insurance verification system.

(2) Ensures DOL will continue to notify motor vehicle owners of liability insurance requirements at the time of vehicle registration.

(3) Requires, rather than permits, DOL to verify if a vehicle owner has liability insurance at the time of vehicle registration renewal, but not at the time of initial vehicle registration.

(4) Updates reporting, implementation, and effective dates accordingly.

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