

HOUSE BILL REPORT

HB 1461

As Reported By House Committee On:
Transportation

Title: An act relating to motor vehicle accident property damage reporting threshold amounts.

Brief Description: Increasing motor vehicle damage threshold amounts.

Sponsors: Representatives Benton, R. Fisher, Horn, Romero, Chopp, Chandler, Boldt and Robertson; by request of Department of Licensing.

Brief History:

Committee Activity:

Transportation: 2/21/95, 2/27/95 [DP].

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 24 members: Representatives K. Schmidt, Chairman; Benton, Vice Chairman; Mitchell, Vice Chairman; Skinner, Vice Chairman; R. Fisher, Ranking Minority Member; Hatfield, Assistant Ranking Minority Member; Backlund; Blanton; Brown; Chandler; Chopp; Elliot; Hankins; Horn; Johnson; Koster; Ogden; Patterson; Quall; Robertson; Romero; D. Schmidt; Scott and Tokuda.

Minority Report: Do not pass. Signed by 1 member: Representative McMahan.

Staff: Jeff Doyle (786-7322).

Background: Persons who are involved in a motor vehicle accident resulting in death or injury to another, or where the amount of damage to property exceeds \$500, are required to file an accident report within 24 hours of the accident.

If any person involved in the accident does not have the minimum liability insurance required by state law, he or she is required to post a security deposit in an amount sufficient to satisfy any judgments that could be rendered against the uninsured.

Summary of Bill: For purposes of requiring the filing of accident reports and security deposits, the threshold for property damage is raised from \$500 to \$1,000.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 1995.

Testimony For: Any minor fender bender nowadays can cost \$500, thus triggering the traffic accident report and security deposit requirements of the financial responsibility law. This alone costs the state money in investigating the accident and processing the paper. The threshold should be raised to \$1,000.

Testimony Against: Raising the damage threshold to \$1,000 will mean that 25 percent more accidents won't be reported under the financial responsibility law. Potentially, this could result in many victims of property damage caused by uninsured drivers being unable to recover their deductible because the security deposit requirements won't be in effect.

Testified: Stan Bennatts, Department of Licensing (pro); and Rob Tee, State Farm Insurance (con).