

OFFICE OF THE SECRETARY

MURIEL BOWSER MAYOR OCT 23 2019

The Honorable Phil Mendelson, Chairman Council of the District of Columbia 1350 Pennsylvania Avenue, NW, Suite 504 Washington, DC 20004

Dear Chairman Mendelson:

Today, I am transmitting the "Uninsured Motorist Reciprocity Amendment Act of 2019" ("Bill"). The purpose of this Bill is to amend the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 (D.C. Law 6-96; D.C. Official Code § 31-2401 *et al.*) to require victims eligible for claims of compensation from the District's Uninsured Motorist Fund to be residents of the District, except if the victims are residents of other States or foreign countries that afford reciprocal benefits to District residents.

The District of Columbia Uninsured Motorist Fund is a fund for pedestrians or passengers injured by an uninsured vehicle driver who has no identifiable source of recovery. Both District residents and non-District residents are eligible to receive benefits from the District's fund; however, in some other jurisdictions, District residents are not able to receive compensation from the comparable fund in that jurisdiction. This legislation would prohibit non-District resident access to the Uninsured Motorist Fund for individuals who reside in jurisdictions that do not have reciprocal access for District residents.

Accordingly, I urge the Council to act favorably and expeditiously on the proposed Bill.

Singerely,

William Bowser

Enclosures

1 Chairman Phil Mendelson 2 at the request of the Mayor 3 4 5 6 A BILL 7 8 9 10 11 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA 12 13 14 15 To amend the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 to require 16 17 victims eligible for claims of compensation from the District's Uninsured 18 Motorist Fund to be residents of the District, except if the victims are residents of 19 other States or foreign countries that afford reciprocal benefits to District 20 residents. 21 22 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, 23 That this Act may be cited as the "Uninsured Motorist Fund Reciprocity Amendment Act 24 of 2019". 25 26 Sec. 2. Section 9a(b) of the Compulsory/No-Fault Motor Vehicle Insurance Act of 27 1982, effective March 4, 1986 (D.C. Law 4-155; D.C. Official Code § 31-2408.01(b)), is 28 amended by adding a new paragraph (5) to read as follows: 29 "(5) The victim is a resident of the District, or a resident of a State or 30 foreign country that affords recourse to residents of the District that is substantially 31 similar to that provided under this act.". 32 Sec. 3. Fiscal impact statement. 33 The Council adopts the fiscal impact statement of the Chief Financial Officer as 34 the fiscal impact statement required by section 4a of the General Legislative Procedures 35 Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-

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301.47a).

37 Sec. 4. Effective date.

This Act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-206(c)(1)), and publication in the District of Columbia Register.

Government of the District of Columbia Office of the Chief Financial Officer



Jeffrey S. DeWitt Chief Financial Officer

MEMORANDUM

TO:

The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM:

Jeffrey S. DeWitt

Chief Financial Officer

DATE:

September 18, 2019

SUBJECT:

Fiscal Impact Statement - Uninsured Motorist Fund Reciprocity

Amendment Act of 2019

REFERENCE:

Draft Bill as shared with the Office of Revenue Analysis on September

6,2019

Conclusion

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill.

Background

The Department of Insurance Securities and Banking (DISB) manages the DC Uninsured Motorist Fund (Fund)¹ to provide financial support to individuals injured in a motor vehicle incident where the responsible party is uninsured or otherwise unable to financially meet her or his commitment to the victim. To be eligible, a victim must notify DISB within forty-five days of the incident, file a claim within one hundred eighty days, and have suffered a financial loss of more than \$100 (including medical costs, loss of employment income, or funeral expenses).

The bill enhances the eligibility requirement for a victim to receive compensation from the Fund by requiring the victim to be a District resident and establishing a reciprocity provision for residents of another jurisdiction that also provides compensation for incidents involving uninsured motorists.²

¹ Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985, effective March 4, 1986 (D.C. Law 6-96; D.C. Official Code § 31-2408.01).

² The bill requires that the compensation programs in these jurisdictions also be available to District residents involved in incidents in the respective jurisdictions.

The Honorable Phil Mendelson FIS: "Uninsured Motorist Fund Reciprocity Amendment Act of 2019," Draft Bill as shared with the Office of Revenue Analysis on September 6, 2019

Financial Plan Impact

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The bill restricts the population of individuals who could apply for financial support following an incident with an uninsured motorist to District residents and residents of jurisdictions that would provide similar support to District residents. The District makes available \$50,000 annually for potential compensation, but DISB did not pay out any claims in fiscal years 2017 and 2018 or fiscal year 2019 year-to-date.

GOVERNMENT OF THE DISTRICT OF COLUMBIA Office of the Attorney General

ATTORNEY GENERAL KARL A. RACINE



Legal Counsel Division

MEMORANDUM

TO:

Alana Intrieri

Executive Director

Office of Policy & Legislative Affairs

FROM:

Brian K. Flowers

Deputy Attorney General Legal Counsel Division

DATE:

October 4, 2019

SUBJECT:

Legal Sufficiency Review of Draft Legislation, "Uninsured Motorist Fund

Reciprocity Amendment Act of 2019"

(AE-19-572)

This is to Certify that this Office has reviewed the above-referenced draft legislation found it to be legally sufficient. If you have any questions in this regard, please do not hesitate to call me at 724-5524.

Brian K. Flowers