

COUNCIL OF THE DISTRICT OF COLUMBIA

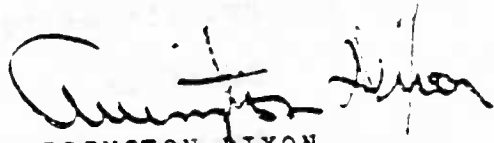
NOTICE

D.C. LAW 4-155

"Compulsory/No-Fault Motor Vehicle Insurance Act of 1982".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 4-140 on first, amended first, second amended first and second readings, May 11, 1982, May 25, 1982, June 8, 1982 and June 22, 1982, respectively. This legislation was deemed approved without the signature of the Mayor on July 22, 1982, pursuant to Section 404(e) of "the Act", and was assigned Act No. 4-226, published in the August 13, 1982, edition of the D.C. Register, (Vol. 29 page 3491) and transmitted to Congress on July 22, 1982 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 4-155, effective September 18, 1982.


ARRINGTON DIXON
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

July 22, 23, 26, 27, 28, 29, 30

August 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20

D.C. LAW 4-155

AN ACT

Enrolled Original

2861 81 DES. 18 1982
LAW
OFFICE
SEP 18 1982

D.C. ACT 4-226

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JUL 22 1982

To establish a motor vehicle insurance system for the District of Columbia which provides, at reasonable and affordable rates, adequate protection for its citizens against the risks of bodily injury and property damage resulting from motor vehicle accidents in the District of Columbia, and for other purposes.

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CODIFICATION
D.C. Code,
title 35,
new chapter 21
(1981 ed.)

Sec. 13. Temporary Motor Vehicle
Insurance Review Commission.

Enrolled Original

Sec. 14. Amendments and Repealers.

Sec. 15. Penalties.

Sec. 16. Severability.

Sec. 17. Effective Dates.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,
That this act may be cited as the "Compulsory/No-Fault
Motor Vehicle Insurance Act of 1982".

Sec. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.

The Council of the District of Columbia finds
that:

D.C. Code,
sec. 35-2101
(1981 ed.)

(1) Motorists, motor vehicle passengers, and
pedestrians in the District are not adequately
protected, by current law and practice, from the
consequences of motor vehicle accidents.

(2) If a person suffers personal injuries
because of an accident involving a motor vehicle in the
District, he or she is unlikely to recover the amount
of his or her actual losses because:

(A) Approximately 50% of the victims do
not satisfy the prerequisites to compensation under the
present law;

(B) Approximately 40% of the operators
in the District do not maintain any motor vehicle
insurance or have other financial resources sufficient

to pay losses;

(C) The average motor vehicle insurance policy in the District will pay only up to \$10,000 for the personal injuries of any 1 victim, a sum that is insufficient to compensate adequately a victim with serious injuries; and

(D) Satisfaction of the prerequisites to compensation under the present law is time-consuming and expensive to policyholders because a victim must establish that the accident was the fault of another person; that the person injured was free from contributory fault; and that the injuries suffered were the natural and probable consequences of the accident.

(3) Far greater protection to victims of motor vehicle accidents is available at a lower price than that afforded for coverage currently available.

(4) The purchase of this better insurance protection should be compulsory because of the great potential of a motor vehicle to cause personal injury.

(b) PURPOSE.

It is the purpose of this act to provide adequate protection for victims who are injured in the District or who are injured while riding in motor vehicles registered or operated in the District.

Sec. 3. DEFINITIONS.

As used in this act:

(1) The term "accident" means an untoward and unforeseen occurrence arising out of the maintenance or

(A) A motor vehicle;

(B) A vehicle operated or designed for operation upon a highway by power other than muscular power with respect only to any pedestrian or any occupant of that vehicle other than the owner or operator of that vehicle; or

(C) Any other vehicle covered by personal injury protection insurance.

(2) The term "Administrative Fund" means the fund established by section 9(e).

(3) The term "beneficiary" means a person who is named in a policy of personal injury protection insurance as a person who is entitled to the benefits of personal injury protection insurance.

(4) The term "Department" means the District of Columbia Department of Transportation, established by Reorganization Plan No. 2 of 1975.

(5) The term "Director" means the director of the Department or the Director's designee.

(6) The term "District" means the District of Columbia.

(7) The term "highway" means the entire width between the boundary lines of every publicly maintained way, when any part thereof is open to the use of the public for purposes of vehicular or pedestrian travel.

(8) The term "individual" means a natural person.

(9) The term "injury" means bodily harm to an individual that is sustained in an accident, and any illness, disease, or death resulting from that bodily harm.

(10) The term "insured" means a named insured and any other individual who:

(A) Is the spouse or other relative of a named insured or who is less than 18 years old and in the custody of a named insured or a relative of a named insured;

(B) Is not a named insured under any other contract of insurance providing required insurance; and

(C) Usually makes his or her home within the same family unit as a named insured even if he or she temporarily resides elsewhere.

(11) The term "insurer" means:

(A) A person who may provide insurance in the District pursuant to applicable law;

(B) Any self-insurer; and

(C) Any program pursuant to section

7(a).

(12) The term "license" means a license or permit to operate a motor vehicle issued under the laws of the District.

The term "license" includes a driver's license; a temporary or learner's permit; the privilege of any person to drive a motor vehicle whether or not such

person holds a valid license issued by the District government; the privilege conferred upon a nonresident by the laws of the District pertaining to the operation by a nonresident of a motor vehicle; or any other license issued under authority delegated to the Director.

(13) The term "loss" means economic detriment incurred as a result of an accident resulting in injury, consisting of and limited to medical and rehabilitation expenses, work loss inclusive of replacement services loss, and death benefits.

The term "loss" does not include noneconomic loss.

(14) The term "maintenance or use" with respect to a motor vehicle means any activity involving or related to the operation of or transportation by a motor vehicle, including occupying, entering into, alighting from, repairing, or servicing.

The term "maintenance or use" does not include conduct within the course of a business of repairing, servicing, or otherwise maintaining motor vehicles unless the conduct is off the business premises or unless it is conduct in the course of loading or unloading a motor vehicle.

(15) The term "Mayor" means the Mayor of the District of Columbia or the Mayor's designee.

(16) The term "motorcycle" means any motor vehicle having either a tandem arrangement of 2 wheels

or a tricyclic arrangement of 3 wheels and having a seat or saddle for the use of the operator.

The term "motorcycle" does not include a tractor.

(17) The term "motor vehicle" means any device propelled by an internal combustion engine, electricity, or steam.

The term "motor vehicle" does not include a motorcycle, traction engines used exclusively for drawing vehicles in fields, road rollers, and vehicles propelled only upon rails and tracks.

(18) The term "named insured" means the person identified in the declaration of the insurance policy.

(19) The term "noneconomic loss" means pain, suffering, inconvenience, physical or mental impairment, and other nonpecuniary damage recoverable under the tort law applicable to injury arising out of the maintenance or use of a motor vehicle.

(20) The term "operator" means a person who drives or is in actual physical control of a motor vehicle or who is exercising control over or steering a motor vehicle being pushed or towed by a motor vehicle.

(21) The term "owner" means any person, corporation, firm, agency, association, organization, or federal, state, or local government agency or other authority or other entity having the property or title to a vehicle or bicycle used or operated in the District; any registrant of a vehicle used or operated

in the District; or any person, corporation, firm, agency, association, organization, or federal, state, or local government agency or authority or other entity in the business of renting or leasing vehicles or bicycles to be used or operated in the District.

(22) The term "passenger vehicle" means any vehicle other than one registered as a commercial vehicle or for livery, rental, sightseeing, or taxi purposes.

(23) The term "person" means any natural person, firm, copartnership, association, government, government agency, or instrumentality.

(24) The term "personal injury protection" means the benefits provided by section 5(c), (d), and (e).

(25) The term "registration certificate" means a certificate or its duplicate issued by the Director to a registrant, containing any or all of the information that appeared on his or her application for registration, the number of the owner's identification tags issued to the registrant for use on the vehicle described on the card and other information as the Director may determine, or a registration certificate or its duplicate, issued by the Director to a new car dealer, or used car dealer, containing any or all of the information that appeared on his or her application for dealer's identification tags, the number of the dealer's identification tags issued to the new car

dealer or used car dealer for use as provided by 18 DCMR and any other information the Director may require.

(26) The term "self-insurer" means any person having received a certificate of self-insurance issued by the Mayor pursuant to section 79 of the Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954 (68 Stat. 123; D.C. Code, sec. 40-478).

(27) The term "stacking" means a legal procedure wherein the limits of liability applicable to a single motor vehicle liability policy of insurance are added to the limits of liability of all motor vehicles which may be insured by 1 motor vehicle liability policy of insurance involved in 1 accident.

(28) The term "State" means any state, territory, or possession of the United States or any possession or territory of Canada.

The term "State" includes the District of Columbia.

(29) The term "Superintendent" means the Superintendent of Insurance, established by Reorganization Order No. 43, dated June 23, 1953, or the Superintendent's designee.

(30) The term "survivor" means an individual identified in the wrongful death statute of the District, as one entitled to receive benefits by reason of the death of a victim.

(31) The term "taxicab" means any public vehicle for hire having a seating capacity of less than passengers, exclusive of the driver, except ambulances, funeral cars, vehicles used exclusively for sightseeing purposes, or vehicles for which the rate is fixed solely by the hour.

(32) The term "trailer" means a vehicle with or without motor power intended to be used for carrying property or persons and drawn or intended to be drawn by a motor vehicle, whether such vehicle without motor power carries the weight of the property or persons wholly on its own structure or whether a part of such weight rests upon or is carried by a motor vehicle.

(33) The term "vehicle" means a motor vehicle; a trailer; or an appliance moved over a highway on wheels or traction tread including draft animals and beasts of burden.

(34) The terms "victim" and "motor vehicle accident victim" mean an individual who sustains injury as a result of an accident.

Sec. 4. REQUIRED INSURANCE.

(a) RESIDENTS OF THE DISTRICT.

Each owner of a motor vehicle required to be registered or obtain a reciprocity sticker in the District shall maintain insurance for payment of the benefits required by this act for personal injury protection, property damage liability protection, third party liability coverage for accidents occurring

D.C. Code,
sec. 35-21
(1981 ed.)

outside of the District, and uninsured motorist protection. This insurance shall be in effect continuously during the motor vehicle's period of registration or reciprocity.

(b) NONRESIDENTS OF THE DISTRICT OWNING OR OPERATING MOTOR VEHICLES IN THE DISTRICT.

(1) A person who is not a resident of the District who owns a motor vehicle shall not operate the motor vehicle, or permit the motor vehicle to be operated in the District, unless insurance for payment of the benefits required by this act for personal injury protection, property damage liability protection, and uninsured motorist protection is provided and maintained during the time that the motor vehicle is present in the District.

(2) The Director shall require adequate proof of insurance as required by this section for nonresident owners or operators prior to the return of motor vehicles immobilized by the Department to the nonresident owners or operators.

(c) FORM.

(1) Any policy of motor vehicle insurance which is represented or sold as providing, pursuant to this act or pursuant to the coverage required by the Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954 (68 Stat. 120; D.C. Code, sec. 40-401 et seq.), security covering a motor vehicle or required insurance shall be deemed to

provide insurance for payment of the benefits required by this act.

(2) The insurance required by this section may be provided under a valid policy of insurance issued by an insurer authorized to transact business in the District or by any other method approved by the Superintendent.

(d) ADMINISTRATION OF REQUIREMENT.

(1)(A) Every person applying to register a motor vehicle in the District or applying for a reciprocity sticker for a motor vehicle in the District shall certify to the Director, on a form supplied by the Director, that the insurance required by this act is in effect with respect to that motor vehicle.

(B) The Director may request an insurer to verify any information provided pursuant to subparagraph (A). The insurer shall accurately respond to the Director's request within 10 business days.

(C) The Director may request that the person who has certified to the Director pursuant to subparagraph (A) submit proof, within 15 business days, that the required insurance is in effect.

(2)(A) The Director shall suspend or revoke the license, reciprocity sticker, or registration certificate issued to the owner or operator of a motor vehicle who has been convicted of a violation of this act, or who knowingly operates or knowingly permits the operation of an uninsured motor vehicle, or who falsely

certifies to the Director that a motor vehicle is an insured motor vehicle, or who knowingly provides the Director with false or inaccurate information as requested by the Director pursuant to this act.

(i) Whenever a license, reciprocity sticker, or registration certificate has been revoked or suspended under the provisions of this subsection the reasons therefor shall be set forth in the order of revocation or suspension. The order shall take effect 5 days after service or notice on the person whose license, reciprocity sticker, or registration certificate is revoked or suspended unless the person shall have filed with the Director, within the 5-day period, written application for a hearing:

PROVIDED, That application to the Director for a hearing shall not operate as a stay of the order of the Director when the order has been issued revoking or suspending a reciprocity sticker or registration certificate. The hearing by the Director shall only cover the issues of whether a policy motor vehicle of insurance has been issued to the person and had been in effect on the day the order of revocation or suspension was issued and whether the person provided the Director with false or inaccurate information.

(ii) If, following the hearing provided for in this subsection, the Director shall sustain the order of revocation or suspension, the order shall become effective immediately.

(iii) Where the registration certificate, license, or reciprocity sticker shall be issued to the person for 6 months after the effective date of the order of revocation:

PROVIDED, That no new registration certificate or reciprocity sticker shall be issued to the person until the motor vehicle is an insured motor vehicle.

(iv) If a person's registration certificate has been suspended or revoked as provided for in this subsection, the registration certificate shall not be transferred and the motor vehicle with respect to which the registration certificate was issued shall not be registered in any other name until the Director is satisfied that the transfer of the registration certificate is in good faith and not for the purpose or with the effect of defeating the purposes of this act.

(v) Nothing in this section shall affect the rights of any conditional vendor, chattel mortgagee or lessor of the motor vehicle.

(vi) The Director shall suspend or revoke the registration certificate of any motor vehicle transferred in violation of the provisions of this section.

(vii) Decisions of the Director shall be subject to review by the Mayor. Orders and decisions of the board of review shall be appealable pursuant to section 110 of the District of Columbia

Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code, sec. 1-1510). For the purposes of this sub-subparagraph, the phrase "review by the Mayor" shall mean a review by any board of review established by the Mayor pursuant to this act to review the order or act of any agent of the Mayor.

(B) A motor vehicle with respect to which the registration certificate or reciprocity sticker is suspended under this paragraph may be immobilized by the Department or the Metropolitan Police Department until the insurance required by this section is in effect.

(C) The registration certificate or reciprocity sticker and the tags of any motor vehicle, the registration or reciprocity of which is suspended under this paragraph, shall be recovered whenever possible.

(3)(A) The Director shall require all insurers authorized to sell motor vehicle insurance in the District to furnish to the Department notice of motor vehicle insurance cancellations within 30 days after the effective date of cancellation.

(B) The insurers shall provide information and cooperate in prosecutions under section 15.

(C) The insurers shall cooperate with, assist, and advise the Director with respect to the detection of persons who have applied for or obtained

registration certificate or reciprocity stickers for
 for vehicles in the District without first obtaining
 the insurance, or who cancel or otherwise terminate
 insurance subsequent to the issuance of a registration
 certificate or reciprocity stickers.

(4)(A) The reasonable costs incurred by the
 District government in administering and enforcing the
 requirements of this section and section 15, shall be
 paid from the Administration Fund.

(B) Payments from the Administration
 Fund shall be made for the benefit of the
 Superintendent and for the benefit of the Department
 but no payments shall be made for costs incurred by
 either the Department or the Superintendent prior to
 the effective date of this act or which would probably
 have been incurred if this act had not been enacted.

Sec. 5. BENEFITS UNDER REQUIRED INSURANCE.

(a) IN GENERAL.

An applicable insurer shall provide all of the
 benefits set forth in this act, for personal injury
 protection, property damage liability protection, and
 uninsured motorist protection, for each person covered
 by insurance for any injury sustained or any property
 damage liability incurred by that person as a result of
 an accident in the District or arising out of the
 maintenance or use of a motor vehicle registered in the
 District or in any state.

D.C. Code,
 sec. 35-2104
 (1981 ed.)

(b) PAYMENT WITHOUT REGARD TO FAULT.

The benefits set forth in this section with respect to personal injury protection shall be provided without regard to, and irrespective of, negligence, freedom from negligence, fault, or freedom from fault on the part of any person.

(c) MEDICAL AND REHABILITATION EXPENSES.

(1) Personal injury protection benefits shall be paid for each victim for that victim's medical and rehabilitation expenses consisting of all reasonable charges incurred for reasonably necessary products, services, and accommodations for the victim's care, recovery, or rehabilitation.

(2) Except when the victim requires special or intensive care, the medical and rehabilitation expenses paid by personal injury protection insurance shall not include charges for a hospital room which are in excess of a reasonable and necessary charge for semiprivate accommodations.

(3) Nothing in this section shall prohibit payment as medical and rehabilitation expenses of any non-medical remedial treatment rendered in accordance with a recognized religious method of healing.

(4) No payment shall be made under this subsection unless the provider of the product, service, or accommodation involved is licensed or approved and complies with any applicable laws or regulations pertinent thereto.

(5) The benefits payable pursuant to this

subsection for any 1 victim, shall not exceed \$100,000.

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(d) WORK LOSS.

(1) Personal injury protection benefits shall be paid pursuant to this subsection to each victim for that victim's work loss occurring during his or her life consisting of:

(A) Loss of income, not to exceed \$2,000 per month, for work which a victim would have performed after the date of the accident if he or she had not been injured in the accident (not including any expected reduction in the amount payable by that victim for purposes of federal and District income taxation, which amount shall be presumed to be 20% of the amount otherwise payable unless the victim can show a different income taxation effect); and

(B) Replacement services loss, not to exceed \$50 per day for expenses which a victim reasonably incurred in obtaining ordinary and necessary services in lieu of those that the victim would have performed for personal or family benefit (but not for income) during the first 3 years after the date of the accident if he or she had not been injured in the accident.

(2) The benefits payable for work loss for any 1 victim, resulting from any 1 accident, shall not exceed \$24,000.

(3) Benefits payable for work loss do not include any loss incurred after the date of a victim's

death, if the victim dies for any reason.

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(e) FUNERAL BENEFITS.

Personal injury protection benefits shall be paid to the survivors of each victim as funeral and funeral-related benefits. The benefits payable pursuant to this subsection for funeral and funeral-related benefits for any 1 victim shall be actual costs up to \$2,000.

Sec. 6. LAWSUIT RESTRICTION TO FINANCE BENEFITS UNDER REQUIRED INSURANCE.

(a) RESTRICTION.

Except as provided in subsection (b), no person may maintain a civil action based on liability against any other person, with respect to an injury as to which personal injury protection benefits are payable under this act.

D.C. Code,
sec. 35-210
(1981 ed.)

(b) EXCEPTIONS TO RESTRICTION.

The provisions of subsection (a) do not apply if:

(1) A person may be liable for damages for any medical and rehabilitation expenses of a victim and any work loss of a victim in excess of the personal injury protection benefits available therefor under this act;

(2) A person may be liable to the survivors of a victim for loss and noneconomic loss sustained as the result of death arising out of the maintenance or use of a motor vehicle and recoverable under applicable law;

(3) A person may be liable for any loss and noneconomic loss arising out of the maintenance or use of a motor vehicle with intent to injure himself or herself or any other person;

(4) A person may be liable for noneconomic loss, in accordance with otherwise applicable law, caused a victim and arising from the maintenance or use of a motor vehicle if the victim suffered an injury directly resulting in substantial permanent scarring or disfigurement; substantial and medically demonstrable permanent impairment which has significantly affected the ability of the victim to perform his or her professional activities or usual and customary daily activities; or a medically demonstrable impairment that prevents the victim from performing all or substantially all of the material acts and duties which constitute his or her usual and customary daily activities for more than 180 continuous days;

(5) A person may be liable for any loss or noneconomic loss, in accordance with otherwise applicable law, if, at the time of the accident, that person is an owner of a motor vehicle involved in that accident and required insurance was not in effect with respect to that motor vehicle; or

(6) A person may be liable for any noneconomic loss if medical expenses of a victim or his or her survivors exceeds \$5,000, inclusive of diagnostic x-ray costs. This amount shall be adjusted

annually to reflect changes in cost of living index, pursuant to rules issued by the Superintendent.

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Sec. 7. AVAILABILITY OF REQUIRED AND OPTIONAL INSURANCE AND BENEFITS.

(a) GENERAL PROVISIONS.

D.C. Code,
sec. 35-210
(1981 ed.)

(1)(A) After consultation with insurers authorized to sell motor vehicle insurance in the District, the Superintendent shall from time to time approve, with any reasonable modifications, a reasonable plan or plans to assure the availability, to all owners of motor vehicles, of the insurance required to be maintained and of the insurance required to be offered by this act. The plan shall provide for suitable apportionment, by the manager or committee designated to operate the plan, among insurers of applicants for any the insurance who are unable to obtain insurance reasonably through ordinary methods.

(B) When a plan has been approved by the Superintendent, all insurers authorized to sell motor vehicle insurance in the District shall subscribe thereto, cooperate therewith, and participate therein.

(C) Any applicant for a policy, any named beneficiary or insured under a policy issued pursuant to the plan, and any insurer may appeal to the Superintendent from any decision of the manager or committee designated to operate the plan.

(2) Each insurer selling personal injury protection insurance in the District shall offer to

provide to each of its named insureds personal injury liability insurance coverage in minimum amounts of \$10,000 per person injured in any 1 accident, and subject to the per person amount, \$20,000 for all persons injured in any 1 accident. The insured may require the issuance of personal injury liability insurance coverage in accordance with a schedule of optional higher amounts.

(3) An insurer authorized to sell motor vehicle insurance in the District shall not refuse to sell or offer to sell personal injury protection insurance, and any liability policies described in this section, to the owner of any motorcycle.

(4) The Superintendent shall establish and maintain a program designed to assure that purchasers of any insurance described in this section are adequately informed with respect to the availability and comparative cost thereof, and to assure that all policies of such insurance are understandable to policyholders.

(5) No insurer authorized to sell motor vehicle insurance in the District shall increase the rates charged an insured for personal injury protection on account of an accident unless it is first determined that the accident was caused by the fault of the insured.

(b) PROPERTY DAMAGE INSURANCE.

Each insurer selling or offering to sell personal

injury protection insurance in the District shall include with that insurance property damage insurance. Property damage insurance shall provide that any liability to an insured to pay for property damage to any vehicle or other property not owned or controlled by the insured, in accordance with applicable law, shall be paid by the applicable insurer up to an amount requested by the named insured. The minimum amount of property damage liability insurance coverage that a named insured shall purchase is \$5,000 for property damage in any 1 accident.

(c) OUT-OF-STATE LIABILITY COVERAGE.

Each insurer selling or offering to sell personal injury protection in the District shall include with that insurance out-of-state liability coverage. Out-of-state liability coverage shall provide that any liability to an insured to pay for personal injury, arising from an accident outside of the District, in accordance with applicable law, shall be paid by the applicable insurer up to the amount established in the policy. The minimum amount of out-of-state personal injury liability insurance coverage that a named insured shall purchase shall be \$10,000 per person injured in any 1 accident, and subject to the per person amount, \$20,000 for all persons injured in any 1 accident.

(d) BENEFITS.

Except as otherwise provided in subsection (e),

personal injury protection benefits are payable by the applicable insurer or the assigned claims plan for any victim if the accident involved occurs in the District or in any state if the victim was, at the time of the accident, a beneficiary under a personal injury protection policy or the occupant of a motor vehicle owned or registered by a person who is a beneficiary.

(e) INELIGIBILITY FOR BENEFITS.

(1) No personal injury protection benefits shall be paid with respect to any victim if that victim:

(A) Is, as of the date of the accident, the owner of a motor vehicle involved in the accident resulting in that victim's injury; and

(B) Failed, as of the date of the accident, to provide and maintain insurance for payment of the benefits required by this act for personal injury protection.

(2) No victim is entitled to personal injury protection benefits if, at the time of the accident resulting in injury:

(A) That victim was using a motor vehicle which he or she had taken unlawfully, unless that victim reasonably believed at that time he or she first used the motor vehicle that he or she was entitled to take and use that vehicle; or

(B) That victim

(i) was not a resident of the

District;

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(ii) was operating or occupying a motor vehicle that was not registered in the District; and

(iii) was not a beneficiary of a policy of personal injury protection insurance or a policy of insurance deemed to provide personal injury protection benefits for accidents occurring in the District.

(f) MANDATORY UNINSURED MOTORIST PROTECTION.

(1) For the purposes of this subsection, the term "uninsured motor vehicle" means a motor vehicle which:

(A) Is a motor vehicle which is not insured by a motor vehicle liability policy applicable to the accident;

(B) Is covered by a motor vehicle liability policy of insurance but the insured denies coverage for any reason or becomes the subject of insolvency proceedings in any jurisdiction; or

(C) Is a motor vehicle which causes bodily injury or property damage and whose owner or operator cannot be identified.

(2) Each insurer selling motor vehicle insurance in the District with respect to any motor vehicle registered or principally garaged in the District shall include coverage for bodily injury or death in amounts of \$10,000 per person injured in any 1

accident, or \$20,000 for all persons injured in any 1 accident, and coverage for property damage in an amount of \$5,000 for property damage in any 1 accident for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of uninsured motor vehicles.

(3) Any payments for property damage made pursuant to this subsection shall be subject to a deductible amount of \$200.

(4) The named insured may require the issuance of coverage for bodily injury or death and property damage in accordance with a schedule of optional higher amounts up to the amount of \$100,000 per person injured in any 1 accident or \$300,000 for all persons injured in any 1 accident, and up to 25,000 for property damages for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of uninsured motor vehicles.

(5) To the extent of any payment made to any person by the insurer under the coverage required by this section and subject to the terms and conditions of the coverage, the insurer is entitled to the proceeds of any settlement or judgment resulting from the exercise of any rights of recovery of any person against any other person legally responsible for the bodily injury or death for which the payment is made, including any amount recoverable from an insurer which

is or becomes the subject of an insolvency proceeding through such proceedings or in any other lawful manner.

(6) No insurer shall attempt to recover any amount against the insured of an insurer which is or becomes the subject of insolvency proceedings.

(7) Any motor vehicle policy of insurance may include terms and conditions that preclude stacking of uninsured motor vehicle coverages.

Sec. 8. PRIORITIES FOR THE PAYMENT OF BENEFITS.

(a) The insurer responsible for the payment of personal injury protection benefits shall be determined in accordance with, and in the order of, the priorities set forth in this section. The insurer liable to pay benefits is:

D.C. Code,
sec. 35-210
(1981 ed.)

(1) The insurer providing required insurance to an employer, if the victim is an employee or relative of an employee and the injury occurs while the victim is in a motor vehicle provided or made available by that employee's employer in the course of his or her employment;

(2)(A) Except as provided in subparagraph (B), the insurer providing required insurance to the owner or operator of a motor vehicle in the business of transporting passengers for hire, if the victim is a passenger;

(B) This priority is not applicable to a victim who is a passenger on a school bus or a bus operating under a government-sponsored transportation

program, unless the victim is not entitled to benefits from any source other than the assigned claims plan;

(3) The insurer providing required insurance under which the victim is an insured;

(4) The insurer providing required insurance with respect to the motor vehicle in which, at the time of the accident, the victim is present, if the victim is not an insured under any policy;

(5) The insurer providing required insurance with respect to any motor vehicle involved in the accident, if the victim is not an insured under any policy;

(6) The assigned claims plan established pursuant to section 9.

(b) A parked and unoccupied motor vehicle is not a motor vehicle involved in an accident, for purposes of determining priorities under this section, unless that parked and unoccupied motor vehicle is parked in a manner as to create an unreasonable risk of injury.

(c) If 2 or more obligations to pay personal injury protection benefits apply equally to an injury, the insurer against which the claim is asserted first shall process and pay the claim as if wholly responsible, subject to subsequent contribution pro rata from any other insurer for the amount of benefits paid and for the cost of processing the claim.

Sec. 9. ASSIGNED CLAIMS AND ADMINISTRATION.

(a) MAINTENANCE OF BUREAU AND PLAN.

D.C. Code,
sec. 35-2108
(1981 ed.)

Insurers authorized to sell motor vehicle insurance in the District shall, subject to the approval of and regulation by the Superintendent, organize and maintain an assigned claims bureau, an assigned claims plan, and an Administration Fund as provided in subsection (e). Subject to approval and regulation by the Superintendent, the insurers shall provide for the operation of the bureau and the plan and for the assessment among the insurers of the costs of the operation on a fair and equitable basis. Each insurer selling or offering to sell personal injury protection insurance in the District shall participate in and contribute to the cost of the bureau and plan.

(b) ELIGIBILITY FOR BENEFITS THROUGH PLAN.

A victim entitled to personal injury protection benefits, and not ineligible pursuant to section 7(e), as a result of an injury arising out of the maintenance or use of a motor vehicle in the District may obtain such benefits through the assigned claims plan maintained in accordance with subsection (a) if:

- (1) No identifiable policy of personal injury protection insurance is applicable to that injury; or
- (2) The only identifiable policy of personal injury protection insurance is inadequate to provide all of the benefits established by law, because of the financial inability of 1 or more insurers to fulfill their obligations. If personal injury protection benefits are paid through the assigned claims plan for

the reasons described in this paragraph, the insurer to which the claim is assigned, or the assigned claims bureau itself, is entitled to reimbursement from the defaulting insurers for the amount of any benefits paid and for costs, to the extent of the responsibility of the defaulting insurers.

(c) PROCEDURE.

(1) A victim allegedly entitled to personal injury protection benefits through the assigned claims plan shall notify the assigned claims bureau of that claim within the time that would have been allowed, pursuant to section 12(a)(1), if an identifiable and adequate policy of personal injury protection insurance applicable to that victim's injury had been in effect on the date of the accident.

(2) Upon notification pursuant to paragraph (1), the assigned claims bureau shall assign a claim for benefits to a participating insurer in accordance with the provisions of the assigned claims plan. The assigned claims bureau shall promptly notify each claimant of the name, address, and telephone number of the insurer to which a claim is assigned or of the assigned claims bureau itself, if a claim is assigned to it. A civil action by a claimant for personal injury protection benefits against the plan, the insurer, or the assigned claims bureau shall not be commenced less than 30 days after a claimant's receipt of notification of assignment or later than the last

date on which an action could be commenced, pursuant to section 12(a)(1), against an applicable insurer obligated on a basis other than this section.

(3) Claims shall be assigned by the assigned claims bureau, in accordance with rules that provide for fair allocation of the burden of processing and paying such claims, among all of the insurers selling motor vehicle insurance in the District on a basis that is reasonably related to the volume of personal injury protection insurance which each insurer writes in the District. Persons providing required insurance through approved self-insurance shall contribute financially to the cost of the assigned claims plan and the assigned claims bureau, in accordance with rules of the Superintendent, but no claims shall be assigned for processing and payment to such a person providing required insurance through approved self-insurance.

(4) An insurer to which a claim is assigned under this subsection shall promptly commence payment of any benefits required in accordance with this act. The insurer is entitled to prompt reimbursement by the assigned claims bureau for the amount of any payments made and for the established loss adjustment cost. An insurer to which a claim is assigned under this subsection shall reserve and enforce any rights to indemnity or reimbursement against any third party, subject to accounting therefor to the assigned claims bureau.

(5) Losses paid, the cost of adjusting losses, and costs incurred in operating the assigned claims bureau shall be assessed on the same or equivalent basis as that set forth in paragraph (3), except that all insurers shall receive and pay assessments.

(6) With respect to a motor vehicle which has been exempted pursuant to section 12(e), the losses and cost that the exempt motor vehicles as a class are likely to impose on the assigned claims plan and bureau) shall be determined by the Mayor on an equitable basis. Each owner of an exempt motor vehicle as provided in this paragraph registered in the District shall pay his or her pro rata share thereof upon annual registration of that exempt motor vehicle.

(d) RATEMAKING.

Reasonable costs incurred in the handling and disposition of assigned claims, including the cost of paying assessments and of paying special assessments pursuant to subsection (c)(5), shall be taken into account in the making and regulating of motor vehicle insurance rates.

(e) ADMINISTRATION FUND.

The insurers who contribute to the maintenance of an assigned claims plan shall also contribute to a fund for the administration of this act in accordance with this subsection. The Administration Fund shall be established and maintained by the assigned claims

bureau established under subsection (a). Assessment shall be made, on a fair and equitable basis, among all insurers, in accordance with projections of the District government as to added costs required for reasonable administration and enforcement of this act. Payments to the District government from the Administration Fund shall be made semiannually by the assigned claims bureau.

Sec. 10. CONSUMER PROTECTION.

(a) GROUNDS FOR CANCELLATION OF POLICY.

No insurer shall cancel a policy except:

D.C. Code,
sec. 35-210
(1981 ed.)

(1) For refusal or failure of the insured to pay a premium due under the terms of the policy of motor vehicle insurance;

(2) Where the motor vehicle registration certificate of the insured has been suspended or revoked during the period of the policy of motor vehicle insurance; or

(3) Where the license of an insured has been suspended or revoked during the period of a policy of motor vehicle insurance, the insurance shall not provide coverage for such insured during the period of suspension or revocation.

(b) NOTICE OF CANCELLATION OF OR REFUSAL TO RENEW POLICY.

No cancellation or refusal to renew by an insurer of a policy of motor vehicle insurance shall be effective unless the insurer has delivered or mailed to

the named insured at his or her last known address, a written notice of intent to cancel or refusal to renew. The required notice shall be provided to the named insured at least 30 days prior to the effective date of cancellation, or in the case of nonrenewal, 30 days prior to the end of the policy period. The notice shall contain the following:

(1) A statement of the specific reason or reasons relied upon by the insurer as the basis of cancellation or refusal to renew.

(2) A statement advising the named insured of his or her right to request, in writing, within 15 days of receipt of the notice, that the Superintendent review the action of the insurer in cancelling or refusing to renew the policy of such insured;

(3) A statement advising the insured of the possible availability of other insurance which may be obtained through his or her agent, through another insurer, or through the District of Columbia Automobile Insurance Plan.

(c) PROOF OF MAILING NOTICE.

Proof of mailing of the notice of cancellation, or of intention not to renew, to the named insured by post office receipt secured or certified mail at the address shown in the policy or to the named insured's last known address, shall be sufficient proof of notice.

(d) CONSEQUENCES OF FAILURE TO PROVIDE REQUIRED NOTICE.

Despite failure of the named insured to make timely payment of the renewal premium, failure by the insurer to provide the notice required by this section shall result in the insurer being required:

(1) To provide coverage for any claim which would have been covered under the policy, if a claim arises within 45 days after the date within which the named insured discovers or should have discovered that his or her policy has not been renewed; and

(2) To renew the policy upon tender of payment:

PROVIDED, That tender is made within 15 days after the date the named insured discovers, or should have discovered that his or her policy has not been renewed.

(e) PROHIBITED DISCRIMINATION.

No insurer, other than a self-insurer, shall fail or refuse to issue a policy of motor vehicle insurance to an applicant, fail or refuse to renew a policy of motor vehicle insurance, or cancel a policy of motor vehicle insurance for any reason provided in the Human Rights Act of 1977, effective December 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2501 et seq.).

(f) PROHIBITED INQUIRIES CONCERNING PRIOR POLICY CANCELLATION OR NONRENEWALS.

No applicant for a policy of motor vehicle insurance as a condition precedent to obtaining a policy or renewing a policy, shall be required to disclose whether he, she, or any person reasonably

expected to operate the applicant's motor vehicle has ever had an insurance policy cancelled or nonrenewed: PROVIDED, HOWEVER, That at the time of application an applicant may be required to disclose his or her experience as an operator of a motor vehicle for a past period of not more than 3 years, and that of any person reasonably expected to operate the motor vehicle.

(g) REFUSAL TO ACCEPT BROKERAGE BUSINESS.

An insurer or agent that accepts brokerage business and rejects the business of a broker shall provide the Mayor and the broker, upon the request of the broker, the reasons in writing for such rejection.

(h) POLICIES IN EFFECT LESS THAN 30 DAYS.

The restrictions on cancellation contained in this section shall not be effective with respect to any policy which shall have been in force for 30 days or less if the policy is not a renewal policy.

(i) APPEAL PROCEDURE.

(1) If the insured disputes the validity of a purported cancellation or nonrenewal, he or she may within 15 days of receipt of the notice of intent to cancel or not to renew, send written notification to the Superintendent of the reasons the named insured believes the action by the named insurer is invalid. The insured shall, at the same time, send the insurer a copy of such notification.

(2) Unless the matter referred to in paragraph (1) has been settled, the Superintendent

shall proceed to determine whether the cancellation or nonrenewal was authorized under the terms of this section.

(3) Decisions of the Superintendent shall be treated as a contested case pursuant to section 109 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code, sec. 1-1509).

(j) IMMUNITY.

There shall be no liability on the part of and no cause of action of any nature shall arise against any employee of the District government, any insurer, its authorized representatives, its agents, its employees, or any firm, person, or corporation who, in good faith:

- (1) Furnishes to the named insured information as to reasons for cancellation or nonrenewal;
- (2) Makes any statement in any written notice of cancellation or renewal;
- (3) Makes any other communication, oral or written, specifying the reasons for cancellation or nonrenewal;
- (4) Provides information pertaining to the insured; or
- (5) Makes statements or submits evidence at any hearing conducted in connection therewith.

(k) OTHER RIGHTS.

The rights provided by this act shall be in

in addition to and shall not prejudice any other rights the named insured may have at common law or otherwise.

(1) TERMS MORE FAVORABLE; PROHIBITION OF WAIVING THE RIGHTS.

A policy may provide terms more favorable to named insureds than are required by this act, but no policy shall contain any provisions which waives any of the requirements of this act.

(m) CONSUMER'S RIGHT TO INFORMATION.

(1) A copy of the provisions of this section shall be provided, in writing, by the insurer to the named insured at the time of the initial purchase of insurance, or in the case of insurance renewal, provided, in writing, to the named insured by the insurer at the time of the first renewal after the effective date of this act.

(n) NON-DISCRIMINATION AGAINST PERSONS NOT PREVIOUSLY INSURED.

No insurer shall refuse to insure, refuse to continue to insure, limit coverage available to, or charge a disadvantageous rate to any person seeking to obtain insurance required by this act because that person had not been previously insured.

Sec. 11. SPECIAL PROVISIONS.

(a) ELECTION OF A DEDUCTIBLE.

An insurer offering to provide personal injury protection insurance in the District may offer, at appropriately reduced premium rates, a deductible of a

D.C. Code,
sec. 35-2110
(1981 ed.)

specified dollar amount up to the amount prescribed by the Mayor, upon the recommendation of the Superintendent. This deductible may be applicable to all or any specified type of personal injury protection benefit, except that it may not be made applicable to any medical, paramedical, ambulance, or hospital services furnished to a victim on an emergency basis during the 72 hours immediately following an accident.

(b) SUBTRACTION OF CERTAIN OTHER BENEFITS.

All benefits (less reasonably incurred collection costs) that an individual receives or may receive, with respect to an injury, from:

- (1) social security (except benefits under title XIX of the Social Security Act);
 - (2) worker's compensation;
 - (3) temporary nonoccupational disability insurance that is required by a state or the District government; and
 - (4) any government program (except the proceeds of government life insurance):
- shall be subtracted in calculating personal injury protection benefits unless the law authorizing or providing for those benefits makes them secondary to or duplicative of personal injury protection benefits.

(c) PENALTY FOR OVERDUE PAYMENT OF PERSONAL INJURY PROTECTION BENEFITS.

- (1) All personal injury protection benefits are payable as loss accrues, subject to receipt by the

applicable insurer of reasonable proof of the fact and amount of loss sustained. If personal injury protection benefits are not paid within 30 days after receipt or such proof, the payment is overdue.

(2) An overdue payment of personal injury protection benefits bears interest at the prime rate of interest generally prevailing in the District on the date upon which such payment is first overdue per annum from the date upon which such payment is first overdue.

(3) For purposes of this subsection, payment is made on the date a draft or other valid commercial instrument is placed in the United States mails in a properly addressed and posted envelope or on the date of delivery thereof, whichever is applicable.

(d) ASSIGNMENT OF CLAIMS TO FUTURE BENEFITS.

An agreement for the assignment of a right to any personal injury protection benefits payable in the future is void.

(e) PAYMENT OF ATTORNEYS FEES.

(1) An attorney may receive a reasonable fee for advising and representing a claimant in an action for personal injury protection benefits which are overdue. The fee shall be paid by the applicable insurer in addition to the amount of the personal injury protection benefits which are overdue and the penalty under subsection (c) if a court finds that the insurer did not promptly pay the amount due.

(2) An insurer may be allowed, by a court, an

award of a reasonable sum for a fee for its attorney for the legal cost of defending against a claim that is or was fraudulent in some significant respect. The award may be treated as an offset against the amount of any personal injury protection benefits then or thereafter owing by that insurer to the person making that claim.

(f) PRIMACY OF PERSONAL INJURY PROTECTION.

Except as provided in subsections (b) and (c), personal injury protection benefits and insurance shall be primary over any other applicable insurance.

Sec. 12. MISCELLANEOUS PROVISIONS.

(a) STATUTE OF LIMITATIONS.

(1) Except as otherwise provided in this subsection, a civil action for the recovery of any personal injury protection benefits payable under this act shall be commenced not later than 3 years after the date of the injury giving rise to entitlement to such benefits.

(2) If an appropriate written notice setting forth the name and address of the victim and the time, place, and nature of the injury is given to the insurer or any of its authorized agents reasonably promptly after the date of the accident resulting in the injury, a civil action may be commenced at any time within 3 years after the date such a notice is given by a person claiming to be entitled to personal injury protection benefits or by a person acting on behalf of a victim.

D.C.Code,
sec. 35-211
(1981 ed.)

If the applicable insurer makes any payment of benefits for personal injury protection with respect to a particular victim and injury, then a civil action may be commenced at any time within 3 years after the most recent payment.

(b) PHYSICAL OR MENTAL EXAMINATION OF VICTIM.

(1) If a person's physical or mental condition is material to any claim that has been made or that may be made for personal injury protection benefits, the person involved shall submit to physical or mental examination by physicians, in accordance with provisions of the policy of insurance pursuant to which a claim has been or may be made. A policy of insurance providing for payment of the benefits required for personal injury protection may include reasonable provisions for physical and mental examination of persons claiming any such benefits.

(2)(A) If requested by the person examined, a copy of every written report concerning an examination under this subsection which is made by an examining physician shall be delivered or mailed to such person without charge.

(B) At least 1 report shall set forth in detail the findings and conclusions of the examining physicians.

(C) Upon request and delivery or mailing, the party causing a person to be examined under this subsection may request the person examined

to furnish its representative with a copy of every written report available to that person concerning any examination which is relevant to that person's claim for personal injury protection benefits.

(D) An applicable insurer may request a person claiming personal injury protection benefits to submit the name and address of each physician, medical-care facility, hospital, clinic, rehabilitation center, nursing facility, or other person or institution that has diagnosed or treated the victim for or with respect to the injury claimed and any relevant past injury, as a prerequisite to the payment of benefits under this act.

(E) A person shall authorize an insurer to inspect and copy records relevant to such a claim which are prepared or maintained by any physician, hospital, clinic, rehabilitation center, nursing facility, or other person or institution.

(3) A court may make any order which is just in case a person refuses to comply with any provision of paragraph (1) or (2), except that an order shall not be entered directing the arrest of a person for disobeying an order to submit to a physical or mental examination.

(c) GOOD-FAITH MISTAKE.

(1) Payment of personal injury protection benefits by an insurer in good faith to or for the benefit of a person believed to be entitled thereto

discharges the insurer from its obligation to the extent of the amount of such payment, unless such insurer has been notified in writing prior to the payment of the claim of some other person.

(2) If there is doubt about the proper person to receive the benefits involved or the proper apportionment to be made among the persons entitled to benefits or about whether an item of medical or rehabilitation expense was reasonably necessary or whether the charge for an item is reasonable, the insurer, the claimant, or any other interested person may apply to the Superior Court of the District of Columbia for an appropriate order. If an application is made by an insurer before the benefit claimed is overdue, the provisions of section 11(c) and (e) are not applicable with respect to the amount.

(d) SUBROGATION.

(1) An insurer shall have a right of reimbursement from any other insurer, based upon a determination of fault, for any personal injury protection benefits paid or obligated to be paid by that insurer as a result of an accident that involved two or more motor vehicles, at least one of which was of a type other than a passenger motor vehicle.

(2) An insurer which has paid or become obligated to pay personal injury protection benefits in any case not covered by paragraph (1) may agree to receive a right of reimbursement from any other insurer

with respect to some or all of those benefits.

(3) Entitlement to reimbursement and the amount of any reimbursement under this subsection shall be determined by agreement between any insurers who are involved under paragraph (1) or who agree under paragraph (2). If the insurers fail to reach agreement as to entitlement or amount or both, these issues shall be determined by inter-company arbitration in accordance with any applicable agreement between the insurers involved under procedures established by the superintendent. The determination of any right of reimbursement under this subsection shall not be affected by the provisions of section 6.

(e) TAXICAB EXEMPTION.

The Mayor shall exempt, after a hearing held in accordance with section 109 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1209; D.C. Code, sec. 1-1509) taxicabs from the provisions of this act (except for the provisions of section 10) unless the Mayor finds that such action is not necessary to preserve the economic strength of the taxicab industry.

(f) RULEMAKING.

The Mayor, the Director, or the Superintendent, or each of them, may, in accordance with section 106 of the District of Columbia Administrative Procedures Act, approved October 21, 1968 (82 Stat. 1206; D.C. Code, sec. 1-1506) issue

rules to expeditiously and economically administer this act.

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Sec. 13. TEMPORARY MOTOR VEHICLE INSURANCE REVIEW COMMISSION.

(a) There is established a Temporary Motor Vehicle Insurance Review Commission ("Commission") with authority to review the impact of this act on insurance coverage and rates for motor vehicle owners in the District.

D.C. Code
sec. 35-
(1981 ed)

(b) The Commission shall consist of 7 members as follows:

(1) The Superintendent;

(2) The Director;

(3) One person, not an employee of the District government, appointed by the Mayor;

(4) One person, not an employee of the District government, appointed by the Chairman of the Council of the District of Columbia;

(5) One person, not an employee of the District government, appointed by the Chairperson of the Committee on Public Services and Consumer Affairs of the Council of the District of Columbia;

(6) One person, not an employee of the District government, appointed by the Chairperson of the Committee on Transportation and Environmental Affairs of the Council of the District of Columbia; and

(7) One person, who shall be an attorney licensed to practice in the District and is not an

employee of the District government, may be appointed by the Chief Judge of the Superior Court of the District of Columbia.

(c) The Commission shall select a chairperson from among the members of the Commission who are not employees of the District government.

(d).The members of the Commission shall serve a term of 3 years from the date of the first meeting of the Commission. If any Commission member resigns or otherwise fails to complete his or her term, his or her successor shall be appointed in the same manner as that member, and shall complete the term of that member.

(e) Members shall serve without compensation. Members of the Commission who are not employees of the District government may be reimbursed for expenses reasonably incurred in carrying out their duties as Commissioners.

(f) An executive director and other staff members as may be authorized by the Commission, shall be hired and paid from funds authorized by this act, or which may be made available to the Commission by the Mayor.

(g) The Commission shall review and monitor the impact of this act. In particular, the Commission shall:

(1) Review premium costs paid by the owners of vehicles in the District, and compare these costs with premiums paid in states with similar

insurance laws and states with different insurance laws;

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(2) Review the history of claims filed and claims paid under this act, including the proportion of actual costs paid, the length of time in which the claims were paid, disputes over payment and how disputes were resolved, and the general satisfaction of claimants with the system;

(3) Review the history of enforcement of this act to determine how many vehicles driven in the District remain uninsured, which enforcement mechanisms work, and which ones do not or are excessively costly; and

(4) Review the impact of this act on the practice of law and medicine in the District, including the impact on the case loads of the courts.

(h) The Commission shall file a report with the Chairman of the Council of the District of Columbia not later than 3 years after the date of its first meeting. The report shall summarize the Commission's findings and shall make recommendations concerning whether the no-fault system of auto insurance shall be continued, modified, or abolished, and what improvements, if any, are needed to assure the objective that all persons in the District be adequately protected against financial loss caused by motor vehicle accidents. The Commission shall attach to the report its detailed findings, including

statistical tables and notes.

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(i) The Commission shall hold its first meeting, to be called by the Chairman of the Council of the District of Columbia, as soon as practicable after all members of the Commission have been appointed. At the meeting the Commission shall select a chairperson and shall adopt a schedule of regular meetings. The Commission shall cease to exist 3 years after the date of its first meeting.

(j) The Mayor shall make available, from appropriated funds or otherwise, funds to implement this section in an amount not to exceed \$100,000.

Sec. 14. AMENDMENTS AND REPEALERS.

(a) Section 3 of An Act To provide for regulation of certain insurance rates in the District of Columbia, and for other purposes, approved May 20, 1948 (62 Stat. 243; D.C. Code, sec. 35-1703) is amended as follows:

D.C. Code,
sec. 35-1703
(1981 ed.)

(1) Subsection (b) (D.C. Code, sec. 35-1703(b)) is amended by adding the following new sentence to the end thereof to read as follows:

"Due consideration shall be given to the net investment income (including the realized capital gains) on all cash and invested assets held against all unearned premium reserves and loss reserves of any nature.";

(2) Subsection (f) (D.C. Code, sec. 35-1703(f)) is amended to read as follows:

"(f)(1) Every classification plan fixed,

established, and promulgated by the Superintendent shall be so structured as to produce rates or premium charges which are adequate, not excessive, and not unfairly discriminatory.

"(2) Every final rate or premium charge proposed to be used by any motor vehicle insurance insurer shall not be so used unless it has first been filed with and approved by the Superintendent as being adequate, not excessive, and not unfairly discriminatory. In connection with any hearing, action, suit, proceeding, or judicial review respecting the approval or disapproval of such rates or premium charges, the burden of persuasion shall fall upon the affected insurer or insurers to establish that the challenged rates or premium charges are adequate, not excessive, and not unfairly discriminatory."; and

(3) By adding new subsections (h) and (i) at the end thereof to read as follows:

"(h) In the approval of motor vehicle insurance rates and in determining whether the final rates or premium charges for motor vehicle insurance are adequate, not excessive, and not unfairly discriminatory, the Superintendent shall mathematically take into account investment income. Every insurer writing motor vehicle insurance in the District shall file with the Superintendent in such form as he shall order, complete financial records showing the amount of profit on every line of motor vehicle insurance during

the previous year and shall also file records showing profit or losses from such investment income which records shall include investment income or profit on net realized and unrealized capital gains; provided, however, that unrealized capital gains or losses shall not be considered in the rate-making process.

"(i) The Office of the People's Counsel shall serve as advocate for consumers in rate hearings before the Superintendent and the costs associated with such advocacy shall be borne by the insurer or insurers requesting the rate hearing.";

(b) Title II of the Human Rights Act of 1977, effective December 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2511 et seq.) is amended by adding a new Part H thereto to read as follows:

New
D.C. Code,
sec. 1-2533
(1981 ed.)

"Part H - Insurance Companies

"Sec. 271. Prohibitions.

"It is unlawful discriminatory practice for an insurer authorized to sell motor vehicle insurance in the District of Columbia to do any of the following acts, wholly or partially for a discriminatory reason based on race, color, religion, national origin, sex, marital status, personal appearance, sexual orientation, family responsibilities, physical handicap, matriculation, political affiliation, lawful occupation, or location within the geographical area of the District of Columbia of any individual:

"(1) To fail or refuse to issue a policy of

motor vehicle insurance;

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"(2) To fail or refuse to renew a policy of motor vehicle insurance; or

"(3) To cancel a policy of motor vehicle insurance."; and

(c) The Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954 (68 Stat. 120; D.C. Code, sec. 40-401 et seq.) is amended as follows:

(1) Section 3 (D.C. Code, sec. 40-403) is amended as follows:

D.C. Code,
sec. 40-403
(1981 ed.)

(A) Subsection (a) (D.C. Code, sec. 40-403(a)) is amended to read as follows:

"(a) The Mayor shall administer and enforce the provisions of this Act. The Mayor may issue rules necessary to implement the provisions of this Act, including, but not limited to, the amendment and revision of section 8 of 18 DCMR. The fee for the reinstatement of a license or of a registration certificate shall be \$30."; and

(B) By adding a new subsection (e) at the end thereof to read as follows:

"(e) Nothing in this Act shall diminish or affect, or be construed to diminish or affect any rights, duties, or obligations of any person under the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982.";

(2) Section 35 (D.C. Code, sec. 40-435) is

D.C. Code,
sec. 40-435
(1981 ed.)

amended to read as follows:

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"The terms 'proof of financial responsibility for the future' or 'proof' or 'proof of financial responsibility' as used in this Act shall mean: proof that the motor vehicle subject to registration or reciprocity under the laws of the District of Columbia is an insured motor vehicle under the provisions of the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982.";

(3) Section 53 (D.C. Code, sec. 40-453) is amended to read as follows:

D.C. Code,
sec. 40-453
(1981 ed.)

"Proof of financial responsibility when required under this Act, with respect to such a vehicle or with respect to a person who is not the owner of such a vehicle may be given by filing:

"(1) A certificate of insurance, as provided in section 54 or 55; or

"(2) A certificate of self-insurance, as provided in section 79, supplemented by an agreement by the self-insurer that, with respect to accidents occurring while the certificate is in force, he will pay the same amounts that an insurer would have been obliged to pay under an owner's motor vehicle liability policy if it had issued such a policy to said self-insurer.";

(4) Section 56 (D.C. Code, sec. 40-466) is amended to read as follows:

"The Mayor shall consent to the cancellation

D.C. Code,
sec. 40-466
(1981 ed.)

of any certificate of insurance upon the substitution and acceptance of other adequate proof of financial responsibility pursuant to this Act.";

(5) Section 68 (D.C. Code, sec. 40-468) is amended to read as follows:

D.C. Code,
sec. 40-468
(1981 ed.)

"The Mayor shall upon request consent to the immediate cancellation of any certificate of insurance, or the Mayor shall waive the requirements of filing proof, in any of the following events:

"(1) In the event of the death of the person on whose behalf such proof was filed or the permanent incapacity of such person to operate a motor vehicle;
or

"(2) In the event the person who has given proof surrenders his license and registration to the Mayor.";

(6) Section 70 (D.C. Code, sec. 40-470) is amended by striking immediately following the phrase "or whose policy of insurance" the phrase "or bond"; and

D.C. Code,
sec. 40-470
(1981 ed.)

(7) Section 79(b) (D.C. Code, sec. 40-478(b)) is amended to read as follows:

"(b) The Mayor may, in his discretion, upon the application of such a person, issue a certificate of self-insurance when he is satisfied that such person is possessed and will continue to be possessed of ability to pay judgments obtained against such person. Such certificate may be issued authorizing a person to act

D.C. Code,
sec. 40-478
(1981 ed.)

as a self-insurer for either property damage or bodily injury, or both, and shall provide for the payment of benefits to the extent required by the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982.";

Enrolled Order

(d) The Regulation Prohibiting Arbitrary Cancellation of Insurance Policies in the District of Columbia, enacted March 13, 19871 (Reg. 71-13; 17 DCR 614) is amended by redesignating the existing section 12 as section 13 and by adding a new section 12 to read as follows:

D.C. Municipal
Regulations
(DCMR)

"Sec. 12. Nothing in the regulation shall apply to any motor vehicle insurance policy, owner's policy, or operator's policy in the District of Columbia."; and

(e) Sections 9 through 33, 57 through 58, 60 through 64, 71, 72, and 78 of the Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954 (68 Stat. 123; D.C. Code, secs. 40-409-433, -457-458, -460-464, -471-472, & -477) are repealed.

D.C. Code,
secs. 40-409
through -433,
-458, -460 th
-464, -471 th
-472, & -477
(1981 ed.)
repealed

Sec. 15. PENALTIES.

A person is guilty of an offense if that person:

(1) Makes any false material statement with respect to his or her compliance with the obligation to maintain required insurance;

(2) Is the owner of a motor vehicle that is required to be registered or obtain a reciprocity sticker in the District and required insurance is not

D.C. Code,
sec. 35-2113
(1981 ed.)

in effect with respect to that motor vehicle;

(3) Is the owner of a motor vehicle who knowingly operates or permits that motor vehicle to be operated in the District without required insurance being in effect with respect to that motor vehicle;

(4) Is the operator of a motor vehicle owned by another person who operates that motor vehicle in the District knowing or having reason to believe that required insurance is not in effect with respect to that motor vehicle;

(5) Operates a motor vehicle as to which the certificate of registration or reciprocity sticker has been suspended pursuant to section 4(d)(2);

(6) Fails or refuses to return or give a registration certificate, or reciprocity sticker, tags, or a license to the Department, an authorized agent thereof, or to a law enforcement officer;

(7) Refuses to present proof that required insurance is in effect with respect to a motor vehicle operated by that person upon demand by a law enforcement officer; or

(8) Violates any provision of this act.

Upon conviction for the first offense, a person shall be subject to a fine of not less than \$100 or more than \$300, or shall be imprisoned for not more than 30 days, or both. Upon conviction for the second and each subsequent offense, a person shall be subject to a fine of not less than \$300 or more than \$500, or

shall be imprisoned for not more than 90 days, or both.

Sec. 16. SEVERABILITY.

If any provision of this act or the application thereof to any person or circumstances is held to be unconstitutional or beyond the statutory authority of the Council of the District of Columbia, or otherwise invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

D.C. Code,
sec. 35-21
(1981 ed.)

Sec. 17. EFFECTIVE DATES.

(a) EFFECTIVE DATE.

This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-233(c)(1)).

(b) DATE OF APPLICABILITY.

The provisions of this act apply to accidents involving motor vehicles, and to the registration or operation of motor vehicles in the District after the date which is the last day for registration of motor vehicles in the District during that registration

D.C. Code,
sec. 35-2115
(1981 ed.)

period which next follows the effective date of this
acc.

Enrolled Origin

Chairman
Council of the District of Columbia

DEEMED APPROVED WITHOUT MAYORAL
SIGNATURE UPON EXPIRATION OF THE
TEN-DAY MAYORAL REVIEW PERIOD.

NOT SIGNED

Mayor
District of Columbia
APPROVED: July 22, 1982



COUNCIL OF THE DISTRICT OF COLUMBIA
Council Period Four
Second Session

DOCKET NO: B 4-140

Item on Consent Calendar

ACTION: Adopted First Reading, 5-11-82

VOICE VOTE: _____

Absent: _____

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHM. DIXON		X			KANE			X		SHACKLETON	X			
WINTER	X				MASON			X		SPAULDING	X			
CLARKE	X				MOORE, JR.	X				WILSON	X			
CRAWFORD	X				RAY	X								
JARVIS	X				ROLARK	X								

X - Indicates Vote A.B. - Absent N.V. - Not Voting

CERTIFICATION OF RECORD

William B. Cunningham 7/6/82
Secretary to the Council Date

Item on Consent Calendar

ACTION: Adopted Amended First Reading, 5-25-82

VOICE VOTE: Unanimous

Absent: all present

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHM. DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE, JR.					WILSON				
CRAWFORD					RAY									
JARVIS					ROLARK									

X - Indicates Vote A.B. - Absent N.V. - Not Voting

CERTIFICATION OF RECORD

William B. Cunningham 7/6/82
Secretary to the Council Date

Item on Consent Calendar

ACTION: Adopted Second Amended First Reading, 6-8-82

VOICE VOTE: _____

Absent: _____

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHM. DIXON	X				KANE	X				SHACKLETON	X			
WINTER	X				MASON	X				SPAULDING	X			
CLARKE	X				MOORE, JR.			X		WILSON	X			
CRAWFORD	X				RAY			X						
JARVIS	X				ROLARK	X								

X - Indicates Vote A.B. - Absent N.V. - Not Voting

CERTIFICATION OF RECORD

William B. Cunningham 7/6/82
Secretary to the Council Date



COUNCIL OF THE DISTRICT OF COLUMBIA
Council Period Four
Second Session

DOCKET NO: B 4-140

Item on Consent Calendar

ACTION: Adopted Final Reading, 6-22-82

VOICE VOTE: _____

Absent: _____

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHM. DIXON	X				KANE	X				SHACKLETON	X			
WINTER	X				MASON	X				SPAULDING	X			
CLARKE	X				MOORE, JR.			X		WILSON				X
CRAWFORD	X				RAY			X						
JARVIS		X			ROLARK			X						

X - Indicates Vote A.B. - Absent N.V. - Not Voting

CERTIFICATION OF RECORD

William B. Cunningham
Secretary to the Council

7/6/82
Date

Item on Consent Calendar

ACTION: _____

VOICE VOTE: _____

Absent: _____

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHM. DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE, JR.					WILSON				
CRAWFORD					RAY									
JARVIS					ROLARK									

X - Indicates Vote A.B. - Absent N.V. - Not Voting

CERTIFICATION OF RECORD

Secretary to the Council

_____ Date

Item on Consent Calendar

ACTION: _____

VOICE VOTE: _____

Absent: _____

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHM. DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE, JR.					WILSON				
CRAWFORD					RAY									
JARVIS					ROLARK									

X - Indicates Vote A.B. - Absent N.V. - Not Voting

CERTIFICATION OF RECORD

Secretary to the Council

_____ Date