

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE


D.C. LAW 6-96

"Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985".

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. 6-249, Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985, on first and second readings, November 5, 1985 and November 19, 1985, respectively. Following the signature of the Mayor on November 22, 1985, this legislation was assigned Act No. 6-104, published in the December 13, 1985, edition of the D.C. Register, (Vol. 32 page 7245) and transmitted to Congress on November 26, 1985 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

Pursuant to the Initiative, Referendum, and Recall Charter Amendments Act of 1977, D.C. Law 2-46 (1978), D.C. Code, Section 1-281 through 1-295 (1981), a petition was filed on February 18, 1986, with the District of Columbia Board of Elections and Ethics seeking a referendum election regarding D.C. Act 6-104. Accordingly, Congressional action on D.C. Act 6-104, the Compulsory/No-Fault Motor Vehicle insurance Act of 1982 Amendments Act of 1985, was suspended.

On February 27, 1986, the District of Columbia Board of Elections and Ethics certified that the petition did not meet the minimum ward and city wide signature requirements. Therefore, this act was returned to Congress on March 3, 1986 so that the Congress could complete its review. Notice is hereby given that the thirty-day Congressional Review Period has expired and this enactment may be cited as D.C. Law 6-96, effective March 4, 1986.


DAVID A. CLARKE
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

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

January 21,22,23,24,27,28,29,30,31

February 3,4,5,6,7

March 3

NOTICE

D.C. ACT 6-104

"Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985".

Pursuant to the Initiative, Referendum, and Recall Charter Amendments Act of 1977, D.C. Law 2-46 (1978), D.C. Code, Section 1-281 through 1-295 (1981), a petition was filed on February 18, 1986, with the District of Columbia Board of Elections and Ethics seeking a referendum election regarding D.C. Act 6-104. Accordingly D.C. Act 6-104, the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985, has been suspended from taking effect.

Pursuant to D.C. Code Section 1-1320, no further action (including congressional review) is taken on this act until after the referendum election is held unless counting and validation procedures cause an invalidation of the petition for failure to meet the signature and ward distribution requirements. If the referendum is invalidated or rejected, this act will be returned to Congress so that the Congress may complete its review.

If the referendum is approved by the electorate, this act will be null and void.



DAVID A. CLARKE
Chairman of the Council

EFFECTIVE DATE MAR 04 1986

D.C. ACT 6 - 104

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

NOV 22 1985

To amend the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 to make personal injury protection benefits optional, to retain and strengthen compulsory insurance requirements, to add civil sanctions, to add underinsured motor vehicle coverage, to establish the Uninsured Motorist Fund; and for other purposes.

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 Amendments Act of 1985".

Sec. 2. The Compulsory/No-Fault Motor Vehicle Insurance Act of 1982, effective September 18, 1982 (D.C. Law 4-155; D.C. Code, sec. 35-2101 et seq.), is amended as follows:

(a) Section 3 (D.C. Code, sec. 35-2102) is amended as follows:

D.C. Code, sec. 35-21 (1986 supp

(1) Paragraph (1)(C) is amended to read as follows:

"(C) Any other vehicle covered by the insurance coverages required by section 7."

(2) Paragraph (10) is amended to read as follows:

"(10) The term 'insured' means a named insured or any other person insured in an insurance policy, with the exception of those persons specifically excluded by endorsement on the insurance policy."

(3) Paragraph (11) is amended to read as follows:

"(11) The term 'insurer' means any person, company, or professional association licensed in the District of Columbia that provides motor vehicle liability protection or any self-insurer."

(4) Paragraph (17) is amended by striking the phrase "a motorcycle".

(5) Paragraph (24) is amended to read as follows:

"(24) The term 'personal injury protection' means the benefits provided pursuant to section 5."

(6) A new paragraph (32a) is inserted to read as follows:

"(32a) The term 'underinsured motor vehicle' means an insured motor vehicle where the limits on third party personal liability or property damage coverage under the insurance required by section 7 are insufficient to pay the loss up to the limit of uninsured motor vehicle coverage as requested by the insured."

(b) Section 4 (D.C. Code, sec. 35-2103) is amended as follows:

D.C. Code,
sec. 35-210
(1986 supp.)

(1) Subsection (a) is amended by striking the first sentence and inserting the following sentence in its place:

"Each owner of a motor vehicle which is required to be registered or for which a reciprocity sticker is required in the District shall maintain insurance required by section 7."

(2) Subsection (b)(1) is amended by striking the

phrase "for payment of the benefits required by this act for personal injury protection, property damage liability protection, and uninsured motorist protection" and inserting the phrase "required by section 7" in its place.

(3) Subsection (d)(3)(A) is amended by adding at the end a sentence to read as follow:

"Upon receipt of a notice of cancellation concerning a motor vehicle insurance policy on a vehicle registered in the District, the Director shall notify the person in whose name the vehicle is registered that the Director will revoke or cancel the registration of the vehicle pursuant to law."

(c) Section 5 (D.C. Code, sec. 35-2104) is amended as follows:

D.C. Code,
sec. 35-210
(1986 supp.

(1) The title is amended to read as follows:

"PERSONAL INJURY PROTECTION."

(2) Subsection (a) is amended to read as follows:

"(a) IN GENERAL.

"(1) In addition to insurance required to be provided by an insurer under section 7, each insurer shall offer to each person required to have insurance under this act optional personal injury protection insurance as set forth in this section. Personal injury protection shall provide coverage for victims for injuries arising from accidents resulting from the operation or use of a motor vehicle by the insured or use of the insured motor vehicle within or outside the District. It shall provide benefits for medical and rehabilitation expenses, work loss, and funeral benefits as set forth in this section. Personal

injury protection benefits are applicable only to a victim who is an insured or an occupant of the insured's vehicle or of a vehicle which the insured is driving.

"(2) An insured may obtain, solely at his or her option, any 1 or any combination of the 3 coverages for the benefits set forth in this section.

"(3) A self-insurer shall state on the application for self insurance whether the self-insurer is providing personal injury protection benefits as part of the motor vehicle insurance provided for the vehicles owned by the self-insurer."

(3) Subsection (c)(5) is amended to read as follows:

"(5) The maximum benefits payable pursuant to this subsection for any victim shall not be less than \$50,000. Insurers providing personal injury protection coverage shall provide insurance package optionals with medical and rehabilitation coverage of \$50,000 and \$100,000 for each victim."

(4) Subsection (d) is amended as follows:

(A) Paragraph (1)(A) is amended by striking the phrase ", not to exceed \$2,000 per month,";

(B) Paragraph (1)(B) is amended by striking the phrase ", not to exceed \$50 per day"; and

(C) Paragraph (2) is amended to read as follows:

"(2) The maximum benefits payable for work loss for the victim for any 1 accident shall not be less than

\$12,000. Insurers shall provide insurance options with work loss coverages of at least \$12,000 and \$24,000."

(5) Subsection (e) is amended by striking the amount "\$2,000" and inserting the amount "\$4,000" in its place.

(d) Section 6 (D.C. Code, sec. 35-2105) is amended to read as follows:

D.C. Code,
sec. 35-2105
(1986 supp.)

"Sec. 6. LAWSUIT RESTRICTION AND OPPORTUNITY FOR ARBITRATION UNDER OPTIONAL INSURANCE.

"(a) A victim shall notify the personal injury protection insurer within 60 days of an accident of the victim's election to receive personal injury protection benefits.

"(b) A victim who elects to receive personal injury protection benefits may maintain a civil action based on liability of another person only if:

"(1) The injury directly results in substantial permanent scarring or disfigurement, substantial and medically demonstratable 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 that constitute his or her usual and customary daily activities for more than 180 continuous days; or

"(2) The medical and rehabilitation expenses of a victim or work loss of a victim exceeds the amount of

personal injury protection benefits available.

"(c) Nothing in subsection (b) of this section shall prevent the survivors of a victim whose death arises out of the maintenance or use of a motor vehicle from maintaining a civil action based on the liability of another person for the loss and noneconomic loss resulting from the victim's death regardless of whether the victim had previous to his or her death elected to receive personal injury protection benefits.

"(d) The insurer must notify any identifiable victim in writing of the 60-day election period.

"(e) The 60-day election period may be extended upon the mutual written agreement of the victim and the insurer.

"(f) If a victim is incapacitated or in some other way unable to make the election, it may be made by the next closest relative, or if there is no relative, an individual taking responsibility for the victim's affairs.

"(g) If the covered victim fails to make an election within the 60-day period, the mandatory liability insurance coverage applies.

"(h) Any person having a claim under the mandatory insurance required in section 7 or the optional insurance offered pursuant to section 5 may request that the claim be resolved by arbitration before the Board of Consumer Claims Arbitration for the District of Columbia, established by section 4 of the Automobile Consumer Protection Act of 1984, effective March 14, 1985 (D.C. Law 5-162; D.C. Code, sec. 40-1303). If the other party or parties to the action

consent, the Board may hear and decide the matter.

Arbitration of these claims shall be binding."

(e) Section 7 (D.C. Code, sec. 35-2106) is amended as follows:

D.C. Code,
sec. 35-2106
(1986 supp.)

(1) Subsection (a) is amended as follows:

(A) Paragraph (1) is amended by adding a new subparagraph (D) to read as follows:

"(D) Each insurer selling motor vehicle insurance in the District shall be required to offer insurance which shall provide at least all minimum benefits required by this act with respect to: (i) property damage liability; (ii) third party personal liability; and (iii) uninsured motorist protection. In addition, each insurer shall offer optional personal injury protection insurance required by section 5 and underinsured motor vehicle coverage as required by this section. Taxicab insurers and self-insurers shall be exempt from the requirement to offer optional personal injury protection insurance. Taxicab insurers and self-insurers shall also be exempt from the requirements of section 5 that they offer uninsured motorist protection and underinsured motor vehicle coverage."

(B) Paragraph (2) is amended to read as follows:

"(2) Each insurer selling motor vehicle insurance in the District shall make the insurance policy understandable to policyholders and shall inform consumers of the comparative cost and availability of coverages required under this act. Each insurance company shall

provide this information to policyholders prior to renewal.

The information shall include:

"(A) A listing of each type of coverage provided;

"(B) The dollar amount premium for each type of coverage; and

"(C) An explanation of the mandatory insurance and required options created under this act."

(C) Paragraphs (3) and (4) are repealed.

(D) Paragraph (5) is amended by striking the phrase "for personal injury protection".

(2) Subsection (b) is amended as follows:

(A) By striking the first sentence; and

(B) By striking the amount "\$5,000" and inserting the amount "\$10,000" in its place.

(3) Subsection (c) is amended to read as follows:

"(c) THIRD PARTY PERSONAL LIABILITY.

"Third party personal liability coverage shall provide that any liability of an insured to pay for injury arising from an accident within or outside the District of Columbia, in accordance with applicable law, shall be paid by the insurer up to the amount established in the policy. The minimum amount of third party personal liability coverage that an insured shall purchase shall be \$25,000 per person injured in any 1 accident and \$50,000 for all persons injured in any 1 accident."

(4) A new subsection (c-1) is inserted to read as follows:

"Underinsured motor vehicle coverage is for the protection of an insured who is legally entitled to recover damages from the owner or operator of an underinsured motor vehicle. Each insurer shall offer, except for the operation of motorcycles, optional underinsured motor vehicle coverage in amounts up to the amounts of the uninsured motorist coverage as requested by the insured. Once an insured has rejected this underinsured motor vehicle coverage the insurer does not have to reoffer it. The insurer shall not be required to obtain or maintain written rejections of the underinsured motor vehicle coverage. The benefits provided by the underinsured motor vehicle coverage shall be subject to the same provisions as denials or exclusions of coverages, insolvency, subrogation, and set-off as provided in the uninsured motorist coverage. Nothing in this section shall prohibit the inclusion of underinsured motor vehicle coverage in any uninsured motor vehicle coverage provided in compliance with this act. Insurance that includes underinsured motor vehicle coverage may include terms and conditions that preclude stacking of underinsured motor vehicle coverage."

(4) Subsections (d) and (e) are repealed.

(5) Subsection (f)(2) is amended by striking the amounts "\$10,000" and "\$20,000" and inserting the amounts "\$25,000" and \$50,000 respectively in their places.

(6) A new subsection (g) is added to read as follows:

"(g) PROHIBITIONS.

"A victim is prohibited from claiming personal injury protection benefits under this act, other than to compensate for any deductible, if the victim is eligible for compensation for the loss covered by personal injury protection from another insurer or another insurance coverage, unless the victim has exhausted benefits offered by the insurer or insurance coverage."

(f) Section 8 (D.C. Code, sec. 35-2107) is amended to read as follows:

D.C. Code,
sec. 35-2107
(1986 supp.)

"Sec. 8. PRIORITIES FOR THE PAYMENT OF PERSONAL INJURY PROTECTION BENEFITS.

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

"(1) The insurer providing personal injury protection insurance under which the victim is the named insured; or

"(2) The insurer providing personal injury protection with respect to the motor vehicle in which, at the time of the accident, the victim is present.

"(b) 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.".

(g) Section 9 (D.C. Code, sec. 35-2108) is amended to read as follows:

D.C. Code,
sec. 35-2108
(1986 supp.)

"Sec. 9. ADMINISTRATION FUND.

"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 Administration Fund Bureau and an Administration Fund. The Administration Fund shall be established and maintained by the Administration Fund Bureau. Assessment shall be made, on a fair and equitable basis, among all insurers in accordance with projections of the District government as to costs required for reasonable administration and enforcement of this act.".

(h) A new subsection 9a is inserted to read as follows:

"Sec. 9a. UNINSURED MOTORIST FUND.

New,
D.C. Code,
sec. 35-211
(1986 supp.)

"(a) A fund is established in the District, to be known as the Uninsured Motorist Fund ("Fund"), for the purpose of awarding compensation to a victim of an accident who sustains injury therefrom and would not otherwise be compensated for his or her loss. Assessment shall be made, on a fair and equitable basis, among all insurers in accordance with projections of the District government as to costs required for reasonable funding and administration of the Fund. The Fund shall be classified by the Mayor pursuant to section 6 of the District of Columbia Fund Accounting Act of 1980, effective June 14, 1980 (D.C. Law

3-70; D.C. Code, sec. 47-375). The Fund shall be administered by the Mayor.

"(1) All compensation awarded under this section shall be paid from the monies in the Fund.

"(2) Monies in the Fund shall consist of, and there shall be deposited in the District of Columbia treasury to the credit of the Fund, monies received pursuant to subsection (a) of this section.

"(b) A victim is eligible for compensation under this section subject to the following conditions:

"(1) The accident upon which the claim is based was reported to the Mayor not more than 45 days after the accident occurred, except that this requirement may be waived for good cause shown.

"(2) The victim files a claim on a form supplied by the Mayor and submits all required information and documents within 180 days after the accident, except that this requirement may be extended for good cause shown or if the victim is still undergoing medical treatment for injuries relating to the accident.

"(3) The victim has suffered loss in an amount exceeding \$100 as a result of the accident upon which the claim is based.

"(4) The victim shall be eligible if the only identifiable insurer or insurers, who would otherwise be obligated to compensate the victim, are financially unable to fulfill their obligations.

"(c) The victim shall not be eligible if the victim is

at fault, is an insured, owns a registered motor vehicle, or operated a motor vehicle in the accident upon which the claim is based.

"(d) Claims shall be processed and maintained in the order of their filing.

"(e) The amounts of compensation awarded shall be equal to the amount of the victim's loss, decreased by all amounts received by or available to the victim from collateral sources. No compensation shall be awarded pursuant to this section in an amount exceeding \$100,000 in medical and rehabilitative expenses, \$24,000 in wage loss, and \$4,000 in funeral expenses. No final award of compensation shall be made unless the Fund contains sufficient monies to pay the award.

"(f) In addition to the amount of compensation awarded to a successful claimant, a reasonable fee may be awarded for any professional assistance required in connection with any claim under this section. The fee may not exceed 10% of the amount of the claimant's award or \$1,000, whichever is less.

"(g)(1) Nothing in this section shall deprive the claimant or the claimant's successors in interest of the right to recover damages from the negligent party.

"(2) The District of Columbia shall be subrogated to the claimant's right against the negligent party to the extent of any compensation awarded under this section. The District of Columbia may initiate a suit against the negligent party for damages. The District of Columbia shall

be notified by the plaintiff of the institution of any suit against the negligent party for damages. The District of Columbia shall have a lien on any recovery made from such a suit. All monies recovered through subrogation shall be deposited in the District of Columbia treasury to the credit of the Uninsured Motorist Fund.

"(h) Any agreement by a person to waive, release, or commute his or her rights under this section is void. Compensation awarded under this section is exempt from execution, attachment, or other remedy for recovery or collection of debt, except for expenses resulting from injury or death which is the basis for the claim.

"(i) Any person who knowingly submits false information in support of a claim under this section or knowingly suppresses relevant information concerning a claim under this section shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than \$2,000 or imprisoned for not more than 1 year, or both. A person convicted of an offense under this subsection shall forfeit any compensation under this section and shall reimburse and repay to the District of Columbia any compensation received pursuant to this section.

"(j)(1) The Mayor shall administer the provisions of this section, and shall issue rules necessary to carry out the provisions and purposes of this section.

"(2) The Mayor shall report annually to the Council of the District of Columbia on the status and activities of the Uninsured Motorist Fund. The report shall

include, but is not limited to, the following information: total number of claims filed, the number of claims approved and the amount of each award, the number of claims denied, the number of cases in which the claimant used professional assistance, the cumulative total of professional fees paid, the number of cases pending, and the future liability of the Uninsured Motorist Fund."

(i) Section 10 (D.C. Code, sec. 35-2109) is amended as follows:

D.C. Code,
sec. 35-2109
(1986 supp.)

(1) Subsection (b) is amended as follows:

(A) By inserting after the first sentence a new sentence to read as follows:

"A copy of the notice shall be mailed simultaneously to the Director and to the Superintendent."; and

(B) By adding a new paragraph (4) to read as follows:

"(4) A statement that the motor vehicle registration of the vehicle will be cancelled or revoked for failure to maintain required insurance."

(2) Subsection (i) is amended to read as follows:

"(i) APPEAL PROCEDURE.

"(1) If the insured disputes the validity of a purported cancellation or nonrenewal, the insured 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 insured believes the action by the insurer is invalid. The Superintendent shall,

upon receipt, immediately send the insurer a copy of the notification.

"(2) Unless the matter referred to in paragraph (1) has been settled, the Superintendent shall determine, within 45 days calendar days, whether the cancellation or nonrenewal was authorized under the terms of this section and shall notify immediately the insured and the insurer in writing of the decision.

"(3) If the Superintendent determines that a policy was improperly cancelled or not renewed, the policy in question shall be considered to be in effect and to have been in effect from the period of notification of cancellation or nonrenewal. If the Superintendent determines that a policy was properly cancelled or not renewed, the policy in question shall be considered to be cancelled or not renewed as of the cancellation or nonrenewal date given in the notice sent by the insurer pursuant to this section or as of the date of determination by the Superintendent, whichever is later. The insured shall pay any portion of the required premium or cost to the insurer for the insurance coverage in effect and provided by the insurer for which the insured has not paid.

"(4) Decisions of the Superintendent shall be appealable pursuant to the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code, sec. 1-1501 et seq.)."

(3) Subsection (j) is amended by adding a sentence at the end to read as follows:

"An insurer may request the disclosure for a period exceeding 3 years for the sole purpose of providing a discount on the premium or cost of the motor vehicle insurance at the request of the insured."

(4) A new subsection (o) is added to read as follows:

"(o) Each insurer shall, at the time of renewal or denial of a motor vehicle insurance policy, provide to an applicant a statement which provides the following information:

"(1) The cost of the minimum package of insurance required by this act; and

"(2) In the case of a denial, specific reasons for the denial."

(j) Section 11 (D.C. Code, sec. 35-2110) is amended as follows:

D.C. Code,
sec. 35-2110
(1986 supp.)

(1) Subsection (b) is amended as follows:

(A) Paragraphs (1) and (4) are repealed;

(B) Paragraph (2) is amended by adding the word "and" at the end; and

(C) Paragraph (3) is amended by striking the phrase "; and" and inserting a colon in its place.

(2) Subsection (f) is repealed.

(k) Section 12 (D.C. Code, sec. 35-2111) is amended as follows:

D.C. Code,
sec. 35-2111
(1986 supp.)

(1) Subsection (b) is amended by adding a new paragraph (4) to read as follows:

"(4) Nothing contained in this subsection shall

preclude a victim from obtaining treatment by the victim's own physician."

(2) Subsection (e) is amended to read as follows:

"(e)(1) Taxicabs shall be waived from the mandatory minimum insurance requirements of section 7 (except for the provisions of section 10) for 2 years from the effective date of the Compulsory No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985. The Mayor shall gradually increase minimum liability insurance requirements for taxicabs during the waiver period, after hearings 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).

"(2) The rate of increase will be determined by the Mayor based upon evidence submitted to the Mayor on the reasonableness of the insurance rate and liability limit increase in relation to the need to preserve the economic viability of the taxi industry.

"(3) The Mayor shall impose the liability limits and rate increases on an annual basis.

"(4) Two years from the effective date of the Compulsory No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985, the owners and operators of taxis shall be required to obtain mandatory insurance as set forth in section 7.

"(5) Nothing in this section shall preclude the owner or operator of a taxi from carrying insurance greater than the required minimum or from carrying at his or her

option personal injury protection benefits.".

(1) Section 13 (D.C. Code, sec. 35-2112) is amended as follows:

D.C. Code,
sec. 35-2112
(1986 supp.)

(1) The first sentence of subsection (d) is amended to read as follows:

"The members of the Commission shall serve a term which shall expire 3 years from the effective date of the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985.".

(2) Subsection (h) is amended to read as follows:

"(h) The Commission shall file a report with the Mayor and the Council of the District of Columbia not later than 3 years after the effective date of the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985. The report shall summarize the Commission's findings on the District's system of auto insurance prior to and after the effective date of the Compulsory/No Fault Motor Vehicle Insurance Act of 1982 Amendment Act of 1985 to determine whether the system shall be continued, modified, or abolished, and to determine 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, but not limited to, statistical tables and notes.".

(3) The last sentence of subsection (i) is amended to read as follows:

"The Commission shall cease to exist 3 years after the

effective date of the Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985."

(m) Section 15 (D.C. Code, sec. 35-2113) is amended as follows:

D.C. Code,
sec. 35-2113
(1986 supp.)

(1) Subsection (b) is amended to read as follows:

"(b)(1) A person who commits an offense under subsection (a)(3), (4), or (7) of this section shall be subject both to the regulatory scheme established in section 4(d)(2) and to a civil fine of not less than \$100 or more than \$300, or a license suspension for up to 30 days, or both, for the first offense, and not less than \$300 or more than \$500, or a license suspension for up to 60 days, or both, for the second and each subsequent offense pursuant to sections 104(b) and 105 of the District of Columbia Traffic Adjudication Act of 1978, effective September 12, 1978 (D.C. Law 2-104; D.C. Code, sec. 40-604(b) & -605).

"(2)(A) In addition to being subject to the regulatory scheme established in section 4(d)(2), for a person who commits an offense under subsection (a)(2) of this section a civil fine of \$500 for the first violation and \$1000 for the second and subsequent violations, with applicable penalties and fees, may be imposed pursuant to the District of Columbia Traffic Adjudication Act of 1978, effective September 12, 1985 (D.C. Law 2-104; D.C. Code, sec. 40-601 et seq.).

"(B) A person shall not be subject to a fine pursuant to this paragraph if the person believed, in good faith, that the person contracted for the required insurance

coverage with a company which subsequently went out of business or otherwise failed to comply with this law."

(2) Subsection (c) is amended to read as follows:

"(c) In addition to the penalties provided in subsection (b)(1) of this section, a person who commits an offense under subsection (a)(1), (5), (6), or (8) of this section shall upon conviction also be subject to imprisonment for not more than 30 days for the first offense, and imprisonment for not more than 90 days for the second and subsequent offenses."

Sec. 3. Section 3(f)(2) of An Act To provide for regulation of certain insurance rates in the District of Columbia, and for other purposes, effective September 18, 1982 (D.C. Law 4-155; D.C. Code, sec. 35-1703(f)(2)), is amended as follows:

D.C. Code,
sec. 35-1703
(1986 supp.)

"(2) Every final rate or premium charge proposed to be used by any motor vehicle insurance insurer shall be filed with and approved by the Superintendent as being adequate, not excessive, and not unfairly discriminatory. If after 90 days the Superintendent has not made a final determination on the final rate or premium rate change proposal, the insurer may begin charging the proposed rate. The rate shall remain in effect unless and until, in accordance with the provisions of this act, changed by the company or rating organization making it or disapproved by the Superintendent. If the rate is disapproved by the Superintendent or changed by the rating organization or company, the Superintendent may order the insurer to provide

a refund to its insured in the amount equal to the difference the insured paid for insurance and the rate approved by the Superintendent or changed by the rating organization or company plus any interest ordered by the Superintendent. In connection with any hearing, action, suit, proceeding, or judicial review respecting the approval or disapproval of the 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."

Sec. 4. The Automobile Consumer Protection Act of 1984, effective March 14, 1985 (D.C. Law 5-162; D.C. Code, sec. 40-1301 et seq.), is amended as follows:

(a) Section 2(2) (D.C. Code, sec. 40-1301(2)) is amended by adding at the end a sentence to read as follows: "The term 'consumer' includes any natural person who purchases insurance coverage in the District of Columbia."

D.C. Code,
sec. 40-130
(1986 supp.

(b) Section 4(g) (D.C. Code, sec. 40-1303(g)) is amended to read as follows:

D.C. Code,
sec. 40-130
(1986 supp.

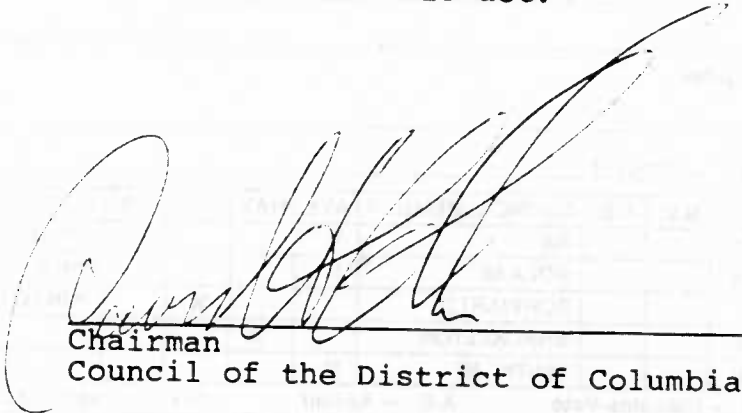
"(g) The Board, in accordance with the rules and regulations issued pursuant to subsection (f), shall provide arbitration for claims filed by consumers against manufacturers, their agents, or dealers pursuant to sections 3 and 6; for claims voluntarily filed by consumers against the provider of any consumer goods or services, who agrees to arbitration, pursuant to rules and regulations issued by the Mayor; and for claims filed pursuant to section 6 of the

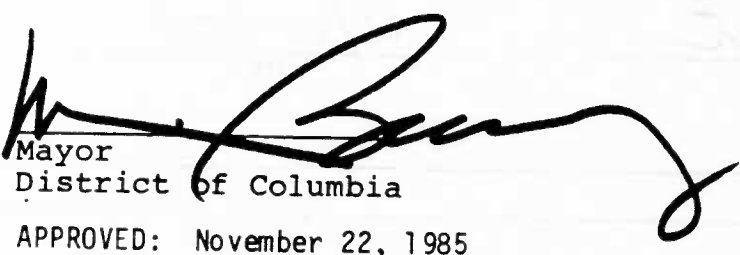
Compulsory/No-Fault Motor Vehicle Insurance Act of 1982, effective September 18, 1982 (D.C. Law 4-155; D.C. Code, sec. 35-2105), by parties agreeing to arbitration pursuant to rules and regulations issued by the Mayor."

Sec. 5. (a) Except as provided in subsection (b), 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 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) The provisions of this act shall not apply until 90 days after the effective date of this act.

Note,
D.C. Code,
secs. 35-17
-2102, -210
-2104, -210
-2106, -210
-2108, -210
-2110, -211
-2112, -211
&-2114
(1986 supp.


Chairman
Council of the District of Columbia


Mayor
District of Columbia
APPROVED: November 22, 1985



COUNCIL OF THE DISTRICT OF COLUMBIA
Council Period Six — First Session

RECORD OF OFFICIAL COUNCIL VOTE

DOCKET NO: B 6-249

Item on Consent Calendar

ACTION & DATE: Adopted First Reading, 11-5-85

VOICE VOTE: _____

Recorded vote on request

Absent: _____

ROLL CALL VOTE: — RESULT (8 / 5 / 0 / 0)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE		X			RAY	X				SPAULDING	X			
CRAWFORD		X			ROLARK	X				WILSON	X			
JARVIS	X				SCHWARTZ	X				WINTER	X			
KANE		X			SHACKLETON		X							
MASON		X			SMITH, JR.	X								

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Rosemary Smith
 Secretary to the Council

11/21/85
 Date

Item on Consent Calendar

ACTION & DATE: Adopted Final Reading, 11-19-85

VOICE VOTE: _____

Recorded vote on request

Absent: _____

ROLL CALL VOTE: — RESULT (7 / 5 / 1 / 0)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE		X			RAY	X				SPAULDING	X			
CRAWFORD		X			ROLARK	X				WILSON	X			
JARVIS	X				SCHWARTZ			X		WINTER	X			
KANE		X			SHACKLETON		X							
MASON		X			SMITH, JR.	X								

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Rosemary Smith
 Secretary to the Council

11/21/85
 Date

Item on Consent Calendar

ACTION & DATE: _____

VOICE VOTE: _____

Recorded vote on request

Absent: _____

ROLL CALL VOTE: — RESULT (/ / /)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					RAY					SPAULDING				
CRAWFORD					ROLARK					WILSON				
JARVIS					SCHWARTZ					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

 Secretary to the Council

 Date