

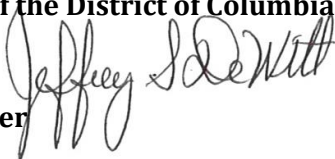
Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** September 18, 2019

**SUBJECT:** Fiscal Impact Statement – Uninsured Motorist Fund Reciprocity  
Amendment Act of 2019

**REFERENCE:** Draft Bill as shared with the Office of Revenue Analysis on September  
6, 2019

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**Conclusion**

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

**Background**

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

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

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

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

The Honorable Phil Mendelson

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

### **Financial Plan Impact**

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