

When ICBC Does Not Issue or Renew a Drivers Licence due to “Motor Vehicle Indebtedness”

Drivers who have been refused issue or renewal of their licence, or have had their active licence cancelled by the Insurance Corporation of British Columbia (ICBC) because they owe ICBC money or have unpaid fines may appeal the decision under section 118.7 of the Motor Vehicle Act.

Reasons ICBC may refuse to issue a drivers licence

Under the Motor Vehicle Act (MVA), ICBC can refuse to issue a licence without a hearing, for a number of reasons (MVA, sec. 26(1)). A common reason for this refusal is that the driver owes money to ICBC — “motor vehicle indebtedness”.

Examples of “motor vehicle indebtedness” include when you have fallen behind in your Autoplan payments or you have not paid your Driver Penalty Point Premiums. Generally, most —if not all—unpaid debts owed to ICBC that relate to your vehicle or your licence are reason enough for ICBC to refuse to issue your licence.

ICBC can also refuse to issue your licence if you have not paid the interest owed to them for these debts. (Car payments to a bank or vendor are not included as “motor vehicle indebtedness” because they are not debts to ICBC.)

Another common reason why ICBC may refuse to issue a licence under section 26(1) of the MVA is that the driver has unpaid fines for offences under some B.C. provincial statutes (including the MVA), or for motor vehicle related offences under the Criminal Code. For example, if you have unpaid speeding tickets, ICBC can refuse to issue or renew your licence until they are paid.

Steps you can take if your licence is not issued due to motor vehicle indebtedness

If you are unable to pay the debt or fine(s), it is suggested that you first contact the ICBC Collections Department at 1-800-665-6442 to discuss your financial situation. They can advise you about possible repayment arrangements with ICBC. For some fines, such as those issued under the Criminal Code, you may be required to go to court to make an arrangement to pay in instalments.

Appeals

If you are unable to make a satisfactory repayment arrangement with ICBC Collections, then you may appeal ICBC’s decision to not issue (or reissue) your licence. This appeal is made to the Office of the Superintendent of Motor Vehicles

(OSMV) as outlined under section 118.7 of the Motor Vehicle Act.

The **time limit for commencing an appeal** under section 118.7 is 30 business days, beginning on the day after the appellant is notified of ICBC's decision (MVA sec. 118.8).

To appeal under section 118.7 of the MVA, contact an ICBC Driver Services Centre or Government Agent's office and ask for a **"Notice of Appeal"** form. The cost of the appeal is \$50.00. If you are on social assistance, you may also ask for an "Application to Waive the Appeal Fee" form at the same time.

What happens after I submit my appeal?

After you have completed your "Notice of Appeal" and submitted it to the Superintendent of Motor Vehicles, OSMV staff will forward your appeal documents to ICBC and request ICBC to provide written reasons for refusing to issue you a driver's licence. ICBC is asked to submit their written reasons to OSMV staff within two weeks. OSMV staff will then forward a copy of ICBC's submission to you and invite your response.

How long will it take to get a decision?

After your response is received, an Adjudicator* will issue a written decision. OSMV deals with these appeals as quickly as possible. However, the process may take up to 8 weeks from the time your Notice of Appeal is received in OSMV, depending on

how quickly the requested written responses are received, and how complex your file is.

**Note: Under the MVA, the Superintendent of Motor Vehicles (the Superintendent) has the responsibility for driver licensing decisions made in accordance with the MVA, including decisions regarding section 118.7 appeals. While the Superintendent personally holds ultimate decision making authority, this authority may be delegated to staff of the OSMV. The OSMV staff members who make these decisions are referred to as Adjudicators.*

What can the Superintendent do, or not do, in response to my appeal?

In section 118.7 appeals, the Superintendent has the power to issue or not issue a licence. The Superintendent will consider the submissions of the driver and ICBC, and in appropriate cases may issue a licence to coincide with a reasonable payment plan for the debt. If the debt repayment again falls into arrears, the licence may not be renewed by ICBC and could even be cancelled before the next renewal date.

Note: The Superintendent has no authority to waive or reduce the debt owed to ICBC, nor to waive or reduce an outstanding fine.

For more information:

- Contact the Appeal Registry at the Office of the Superintendent of Motor Vehicles in Victoria at (250) 356-6573.
- Visit the Office of the Superintendent of Motor Vehicles website at www.pssg.gov.bc.ca/osmv
- Visit ICBC website at: www.icbc.com