

# SENATE BILL REPORT

## SB 6195

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As Passed Senate, February 17, 2004

**Title:** An act relating to insurer inquiries to consumer reporting agencies.

**Brief Description:** Requiring consumer reporting agencies to only use actual claims in underwriting decisions.

**Sponsors:** Senator Benton.

**Brief History:**

**Committee Activity:** Financial Services, Insurance & Housing: 1/12/04, 1/20/04 [DP].  
Passed Senate: 2/17/04, 49-0.

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### SENATE COMMITTEE ON FINANCIAL SERVICES, INSURANCE & HOUSING

**Majority Report:** Do pass.

Signed by Senators Benton, Chair; Winsley, Vice Chair; Berkey, Keiser, Murray, Prentice and Roach.

**Staff:** Joanne Conrad (786-7472)

**Background:** Consumer reporting agencies compile databases of information on consumers and their financially relevant activities. The Comprehensive Loss Underwriting Exchange (CLUE) provides claims history information, relied upon by insurers when making underwriting decisions.

Some consumers report that mere inquiries to their insurer regarding coverage and policy terms and conditions are added to their CLUE files, with adverse consequences.

**Summary of Bill:** Consumer reporting agencies may not include mere inquiries to an insurer in a consumer's CLUE report.

The applicability of state Fair Credit Reporting Act rights of file inspection and correction to CLUE reports is clarified.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This would help provide more certainty in real estate transactions. Buyers need to rely upon obtaining insurance.

**Testimony Against:** None.

**Testified:** Bob Mitchell, WA Association of Realtors (pro).