

SENATE BILL REPORT

HB 1480

AS REPORTED BY COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE,  
APRIL 5, 1991

**Brief Description:** Allowing reciprocal insurer to affect title to real property.

**SPONSORS:** Representatives R. Meyers, Mielke, Heavey, Broback, Zellinsky and Paris.

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

**Majority Report:** Do pass.

Signed by Senators von Reichbauer, Chairman; Johnson, Vice Chairman; McCaslin, Moore, Owen, Pelz, Rasmussen, Sellar, and West.

**Staff:** Mark Hutson (786-7488)

**Hearing Dates:** March 28, 1991; April 5, 1991

**BACKGROUND:**

A reciprocal insurer, often referred to as an exchange, is an unincorporated group of 25 or more who join together to insure each other. The group of persons execute a power of attorney agreement authorizing a person or organization to act as the attorney in fact to transact the day to day business of the group.

**SUMMARY:**

The insurance code governing reciprocal insurers is amended to authorize real estate transactions conducted by and through the reciprocal's attorney in fact.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**TESTIMONY FOR:**

The changes are necessary to clarify existing authority of reciprocal insurers to own and transfer real property.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Mike Kapphahn, Farmers Insurance Group (pro)