Brief Description: Exempting certain religious publications and subscribers from insurance provisions.

SPONSORS: Senators Sutherland, Oke, Prentice and Erwin

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 5682 be substituted therefor, and the substitute bill do pass.
     Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Amondson, Barr, Cantu, Fraser, Newhouse, Prince, and Vognild.

Minority Report: Do not pass.
     Signed by Senator Wojahn.

Staff: Blaine Gibson (786-7457)

Hearing Dates: March 1, 1993; March 2, 1993

BACKGROUND:

An insurer is defined as every person engaged in the business of making contracts of insurance. Questions have arisen as to whether an organization that acts as a clearinghouse for information matching subscribers with financial need with those able to pay is an insurer despite the absence of a contract requiring payment.

SUMMARY:

The original bill was not considered.

EFFECT OF PROPOSED SUBSTITUTE:

A publication, organization, or its subscribers are not an insurer under state law if it acts as an organizational clearinghouse matching subscribers in need with those able to pay so long as there is no contract or obligation to pay, and the publishing organization is nonprofit. The advertisement or subscription form must plainly disclose that no contract of insurance exists. The organization or publication must be registered with the Secretary of State under the Charitable Solicitations Act.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

The Christian Brotherhood Newsletter is not an insurer because there is no insurance contract and contributions are voluntary.

TESTIMONY AGAINST:

The Christian Brotherhood Newsletter acts like an insurer and should be regulated by the Insurance Commissioner.

TESTIFIED: John Hawthorne (pro); Mike Sharman; Melody Bankers (con)