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SENATE BILL 5209

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State of Washington                      53rd Legislature                      1993 Regular Session

By Senators A. Smith and Moore

Read first time 01/18/93. Referred to Committee on Labor & Commerce.

1            AN ACT Relating to cancellation or nonrenewal of automobile,  
2 motorcycle, and homeowners insurance; and adding new sections to  
3 chapter 48.18 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 48.18 RCW  
6 to read as follows:

7            (1) At the time of first issuance and at the time of renewal, an  
8 insurer writing private passenger automobile or motorcycle insurance  
9 shall provide the following warning on a separate sheet of paper to the  
10 named insured.

11 NOTICE: Your driving record and the number and frequency of claims are  
12 important components in determining your insurance rates and in  
13 determining whether your policy will be canceled or nonrenewed. For  
14 further information, contact your insurance agent or the company  
15 directly.

16            This warning shall be in clear, conspicuous, and understandable  
17 text. The print may not be less than ten point.

1 (2) The legislature finds that: (a) The failure to provide the  
2 information required in this section is a matter vitally affecting the  
3 public interest for the purpose of applying the consumer protection  
4 act, chapter 19.86 RCW, and (b) failure to provide the information  
5 required by this section is not reasonable in relation to the  
6 development and preservation of business. A violation of this section  
7 is an unfair or deceptive act in trade or commerce and an unfair trade  
8 practice for the purpose of applying the consumer protection act,  
9 chapter 19.86 RCW.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.18 RCW  
11 to read as follows:

12 (1) At the time of first issuance and at the time of renewal, an  
13 insurer writing homeowner's insurance shall provide the following  
14 warning on a separate sheet of paper to the named insured.

15 NOTICE: The condition of your property or residence and the number and  
16 frequency of claims are important components in determining your  
17 insurance rates and in determining whether your policy will be canceled  
18 or nonrenewed. For further information, contact your insurance agent  
19 or the company directly.

20 These warnings shall be in clear, conspicuous, and understandable  
21 text. The print may not be less than ten point.

22 (2) The legislature finds that: (a) The failure to provide the  
23 information required in this section is a matter vitally affecting the  
24 public interest for the purpose of applying the consumer protection  
25 act, chapter 19.86 RCW, and (b) failure to provide the information  
26 required by this section is not reasonable in relation to the  
27 development and preservation of business. A violation of this section  
28 is an unfair or deceptive act in trade or commerce and an unfair trade  
29 practice for the purpose of applying the consumer protection act,  
30 chapter 19.86 RCW.

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