

HOUSE BILL REPORT

HB 1065

As Reported By House Committee On:
Financial Institutions & Insurance

Title: An act relating to the filing of corporate documents by insurance companies, health care service contractors, and health maintenance organizations.

Brief Description: Filing certain insurance related corporate documents.

Sponsors: Representatives L. Thomas, Wolfe and Mason; by request of Insurance Commissioner.

Brief History:

Committee Activity:

Financial Institutions & Insurance: 1/20/97, 1/27/97 [DPS].

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives L. Thomas, Chairman; Wolfe, Ranking Minority Member; Grant, Assistant Ranking Minority Member; Benson; Constantine; DeBolt; Keiser; Sullivan and Wensman.

Staff: Charlie Gavigan (786-7340).

Background: Currently, anyone organizing an insurance company to be incorporated in the state of Washington must file corporate documents with both the Office of the Secretary of State and the Office of the Insurance Commissioner. These documents include the articles of incorporation and any amendments to the articles. As with other corporations, the secretary of state checks for duplication of the proposed name with existing corporations or any similarity of names that might be confusing to the public. The insurance commissioner also checks proposed names for duplication or possible confusion.

These filing requirements also apply to health care service contractors and health maintenance organizations.

Summary of Substitute Bill: The requirement for processing corporate documents in both the Office of the Insurance Commissioner and the Office of the Secretary of State by insurance companies, health care service contractors, and health maintenance

organizations is changed to require processing through the insurance commissioner only. The insurance commissioner and the secretary of state are required to cooperate in registering or reserving new corporate names to avoid duplication with existing corporate names. The insurance commissioner must notify the secretary of state immediately upon receiving a filing regarding a corporate name or taking action which affects a corporate name.

Substitute Bill Compared to Original Bill: The substitute bill adds the requirement that the Office of the Insurance Commissioner notify the Office of the Secretary of State immediately upon receiving a filing regarding a corporate name or taking action which affects a corporate name.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This streamlines the filing and processing of documents relating to the corporate name of insurance companies and health carriers.

Testimony Against: None.

Testified: John Woodall, Office of the Insurance Commissioner (supports); and Linda Mackintosh, Office of the Secretary of State (supports).