

HOUSE BILL REPORT

SSB 5012

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: Senate Committee on Financial Institutions, Insurance & Housing (originally sponsored by Senators Winsley and Prentice).

Brief History:

Committee Activity:

Financial Institutions & Insurance: 3/27/97 [DP].

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: Do pass. Signed by 11 members: Representatives L. Thomas, Chairman; Smith, Vice Chairman; Zellinsky, Vice 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 Bill: The requirement to process corporate documents in both the Office of the Insurance Commissioner and the Office of the Secretary of State for 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.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: 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: Senator Shirley Winsley, prime sponsor; and John Woodall, Office of the Insurance Commissioner (supports).