

SENATE BILL REPORT

HB 1796

As Reported By Senate Committee On:
Financial Institutions, Insurance & Housing, March 27, 1997

Title: An act relating to delivery of the cancellation notice for an insurance policy.

Brief Description: Delivering the cancellation notice for an insurance policy.

Sponsors: Representatives Smith, Zellinsky, Wolfe, Grant, Benson, DeBolt, Wensman, Constantine, L. Thomas, Keiser and Sullivan.

Brief History:

Committee Activity: Financial Institutions, Insurance & Housing: 3/27/97 [DP].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, INSURANCE & HOUSING

Majority Report: Do pass.

Signed by Senators Winsley, Chair; Benton, Vice Chair; Finkbeiner, Hale, Heavey, Kline and Prentice.

Staff: Catherine Mele (786-7470)

Background: Cancellation of an insurance policy at the option of the insurance company is effective when written notice of the cancellation and the reason for cancellation are delivered or mailed to the insured at least 45 days before the effective cancellation date. For cancellations due to nonpayment of premium, the notice must be at least 10 days prior to the date of cancellation. The insurance company must also mail or deliver similar notice to mortgagees, pledgees, or other persons shown by the policy to have an interest in any loss that may occur under the policy.

Summary of Bill: For mortgagees, pledgees, or other persons shown by the policy to have an interest in any loss, notice of cancellation can be delivered by electronic transmittal, facsimile, or personal delivery.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: None.

Testimony Against: None.

Testified: No one.