

# FINAL BILL REPORT

## SB 5732

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C 85 L 97

Synopsis as Enacted

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

**Sponsors:** Senators Benton, Heavey and Oke.

**Senate Committee on Financial Institutions, Insurance & Housing**  
**House Committee on Financial Institutions & Insurance**

**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:** 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.

**Votes on Final Passage:**

Senate	48	0
House	97	0

**Effective:** July 27, 1997