

SENATE BILL REPORT

SHB 2767

As of February 16, 2000

Title: An act relating to exempting certain insurance documents from the filing requirements.

Brief Description: Exempting certain insurance documents from the filing requirements.

Sponsors: House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Benson and Santos; by request of Insurance Commissioner).

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 2/17/2000.

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Staff: Elizabeth Mitchell (786-7430)

Background: An insurer must generally file policy forms with the Office of the Insurance Commissioner before using them. After receiving a form, the commissioner has a 30-day period to review it. The commissioner may extend the 30-day period for an additional 15 days if the commissioner notifies the insurance company of the extension within the 30-day waiting period.

Commercial property casualty policies are exempt from these filing requirements.

Summary of Bill: In order to be classified as a commercial property casualty policyholder, the policyholder must use the services of an insurance agent/broker to purchase insurance, have a risk manager, and meet at least two of the following policyholder criteria: (1) pays a \$150,000 annual premium; (2) has 200 or more employees; (3) has a net worth exceeding \$50 million; or (4) generates annual net revenues or sales in excess of \$100 million.

Policies issued to a commercial property casualty policyholder are to contain a disclaimer that the policy is exempt from form filing and approval requirements.

Appropriation: None.

Fiscal Note: Not requested.

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