

FINAL BILL REPORT

HB 1729

C 91 L 01

Synopsis as Enacted

Brief Description: Licensing surplus line brokers.

Sponsors: By Representatives Benson, Hatfield, McIntire, Cairnes, Roach, Simpson and Keiser.

House Committee on Financial Institutions & Insurance
Senate Committee on Labor, Commerce & Financial Institutions

Background:

A surplus lines insurer is an insurance company that does not have a certificate of authority issued by the Insurance Commissioner to transact business in the state and may only operate under certain rules, specified by statute. The insurance offered by such a broker must be of a type that is not available from other authorized insurers, and the broker must be licensed as a surplus lines broker.

In Washington an individual must be a resident of the state to be licensed as a surplus lines broker.

Summary:

The Insurance Commissioner is authorized to license a nonresident person as a surplus lines broker if he or she meets all other requirements of the law, and if his or her state or province of residence extends a similar privilege to Washington residents. A nonresident surplus lines licensee is subject to the commissioner's supervision as though he or she were a resident of this state.

Votes on Final Passage:

House 98 0
Senate 47 0

Effective: July 22, 2001