

SHB 1128 - S COMM AMD

By Committee on Financial Services, Insurance & Housing

ADOPTED AS AMENDED 04/15/2003

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 48.18 RCW
4 to read as follows:

5 (1) For the purposes of this section:

6 (a) "Insured" means a current policyholder or a person or entity
7 that is covered under the insurance policy.

8 (b) "Malicious harassment" has the same meaning as RCW 9A.36.080.
9 Under this section, the perpetrator does not have to be identified for
10 an act of malicious harassment to have occurred.

11 (c) "Underwriting action" means an insurer:

12 (i) Cancels or refuses to renew an insurance policy; or

13 (ii) Changes the terms or benefits in an insurance policy.

14 (2) This section applies to property insurance policies if the
15 insured is:

16 (a) An individual;

17 (b) A religious organization;

18 (c) An educational organization; or

19 (d) Any other nonprofit organization that is organized and operated
20 for religious, charitable, or educational purposes.

21 (3) An insurer may not take an underwriting action on a policy
22 described in subsection (2) of this section because an insured has made
23 one or more insurance claims for any loss that occurred during the
24 preceding sixty months that is the result of malicious harassment. An
25 insurer may take an underwriting action due to other factors that are
26 not prohibited by this subsection.

27 (4) If an insured sustains a loss that is the result of malicious
28 harassment, the insured must file a report with the police or other law
29 enforcement authority within thirty days of discovery of the incident,
30 and a law enforcement authority must determine that a crime has

1 occurred. The report must contain sufficient information to provide an
2 insurer with reasonable notice that the loss was the result of
3 malicious harassment. The insured has a duty to cooperate with any law
4 enforcement official or insurer investigation. For incidents of
5 malicious harassment occurring prior to the effective date of this act,
6 the insured must file the report within six months of the discovery of
7 the incident.

8 (5) Annually, each insurer must report underwriting actions to the
9 commissioner if the insurer has taken an underwriting action against
10 any insured who has filed a claim during the preceding sixty months
11 that was the result of malicious harassment. The report must include
12 the policy number, name of the insured, location of the property, and
13 the reason for the underwriting action."

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14 On page 1, line 2 of the title, after "harassment;" strike the
15 remainder of the title and insert "and adding a new section to chapter
16 48.18 RCW."

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