

SENATE BILL REPORT

SB 6382

As Reported By Senate Committee On:
Financial Services, Insurance & Housing, January 27, 2004

Title: An act relating to exempting certain insurance policy forms from filing requirements.

Brief Description: Exempting certain insurance policy forms from filing requirements.

Sponsors: Senators Benton and Berkey; by request of Insurance Commissioner.

Brief History:

Committee Activity: Financial Services, Insurance & Housing: 1/26/04, 1/27/04 [DP].

SENATE COMMITTEE ON FINANCIAL SERVICES, INSURANCE & HOUSING

Majority Report: Do pass.

Signed by Senators Benton, Chair; Winsley, Vice Chair; Berkey, Keiser, Murray, Prentice and Roach.

Staff: Joanne Conrad (786-7472)

Background: The Office of the Insurance Commissioner (OIC) is responsible for protecting the public by reviewing and approving insurance policy forms that are filed with OIC. OIC has some discretion regarding the exemption of certain types of insurance policy forms from the approval process when public safety is not affected.

A "surety bond" is a contract wherein one party agrees to make good the default or debt of another. A "manuscript policy" is a specialized type of insurance policy designed or tailored for a large commercial insured, and is unique to the particular risk management situation.

Summary of Bill: Surety bond forms and manuscript policies are exempt from filing and approval with the OIC. Some types of classes of commercial property casualty forms may also be exempt.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill will help insurers in a challenging market and provides OIC additional flexibility.

Testimony Against: None.

Testified: Lisa Smego, OIC; Bill Stauffacher, Indep. Insurance Agents and Brokers.