
HOUSE BILL 2726

State of Washington

58th Legislature

2004 Regular Session

By Representatives Simpson, D., Benson, Schual-Berke and Rockefeller;
by request of Insurance Commissioner

Read first time 01/20/2004. Referred to Committee on Financial
Institutions & Insurance.

1 AN ACT Relating to exempting certain insurance policy forms from
2 filing requirements; and amending RCW 48.18.100 and 48.18.103.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 48.18.100 and 1997 c 428 s 3 are each amended to read
5 as follows:

6 (1) No insurance policy form (~~other than surety bond forms, forms~~
7 ~~exempt under RCW 48.18.103,~~) or application form where written
8 application is required and is to be attached to the policy, or printed
9 life or disability rider or endorsement form, shall be issued,
10 delivered, or used unless it has been filed with and approved by the
11 commissioner. This section shall not apply to:

12 (a) Surety bond forms;

13 (b) Forms filed under RCW 48.18.103;

14 (c) Forms exempted from filing requirements by the commissioner
15 under RCW 48.18.103; or

16 (d) Manuscript policies, riders, or endorsements of unique
17 character designed for and used with relation to insurance upon a
18 particular subject.

1 (2) Every such filing containing a certification, in a form
2 approved by the commissioner, by either the chief executive officer of
3 the insurer or by an actuary who is a member of the American academy of
4 actuaries, attesting that the filing complies with Title 48 RCW and
5 Title 284 of the Washington Administrative Code, may be used by such
6 insurer immediately after filing with the commissioner. The
7 commissioner may order an insurer to cease using a certified form upon
8 the grounds set forth in RCW 48.18.110. This subsection shall not
9 apply to certain types of policy forms designated by the commissioner
10 by rule.

11 (3) Except as provided in RCW 48.18.103, every filing that does not
12 contain a certification pursuant to subsection (2) of this section
13 shall be made not less than thirty days in advance of any such
14 issuance, delivery, or use. At the expiration of such thirty days the
15 form so filed shall be deemed approved unless prior thereto it has been
16 affirmatively approved or disapproved by order of the commissioner.
17 The commissioner may extend by not more than an additional fifteen days
18 the period within which he or she may so affirmatively approve or
19 disapprove any such form, by giving notice of such extension before
20 expiration of the initial thirty-day period. At the expiration of any
21 such period as so extended, and in the absence of such prior
22 affirmative approval or disapproval, any such form shall be deemed
23 approved. The commissioner may withdraw any such approval at any time
24 for cause. By approval of any such form for immediate use, the
25 commissioner may waive any unexpired portion of such initial thirty-day
26 waiting period.

27 (4) The commissioner's order disapproving any such form or
28 withdrawing a previous approval shall state the grounds therefor.

29 (5) No such form shall knowingly be so issued or delivered as to
30 which the commissioner's approval does not then exist.

31 (6) The commissioner may, by ~~((order))~~ rule, exempt from the
32 requirements of this section ~~((for so long as he or she deems proper,))~~
33 any class or type of insurance ~~((document or form or type thereof as~~
34 ~~specified in such order, to which in his or her opinion this section~~
35 ~~may not practicably be applied, or the))~~ policy forms if filing and
36 approval ~~((of which are, in his or her opinion,))~~ is not desirable or
37 necessary for the protection of the public.

1 (7) Every member or subscriber to a rating organization shall
2 adhere to the form filings made on its behalf by the organization.
3 Deviations from such organization are permitted only when filed with
4 the commissioner in accordance with this chapter.

5 **Sec. 2.** RCW 48.18.103 and 2003 c 248 s 4 are each amended to read
6 as follows:

7 (1) It is the intent of the legislature to assist the purchasers of
8 commercial property casualty insurance by allowing policies to be
9 issued more expeditiously and provide a more competitive market for
10 forms.

11 (2) Commercial property casualty policies may be issued prior to
12 filing the forms.

13 (3) All commercial property casualty forms shall be filed with the
14 commissioner within thirty days after an insurer issues any policy
15 using them. This subsection does not apply to:

16 (a) types or classes of forms that the commissioner exempts from
17 filing by rule; and

18 (b) Manuscript policies, riders, or endorsements of unique
19 character designed for and used with relation to insurance upon a
20 particular subject.

21 ~~((3))~~ (4) If, within thirty days after a commercial property
22 casualty form has been filed, the commissioner finds that the form does
23 not meet the requirements of this chapter, the commissioner shall
24 disapprove the form and give notice to the insurer or rating
25 organization that made the filing, specifying how the form fails to
26 meet the requirements and stating when, within a reasonable period
27 thereafter, the form shall be deemed no longer effective. The
28 commissioner may extend the time for review another fifteen days by
29 giving notice to the insurer prior to the expiration of the original
30 thirty-day period.

31 ~~((4))~~ (5) Upon a final determination of a disapproval of a policy
32 form under subsection ~~((3))~~ (4) of this section, the insurer shall
33 amend any previously issued disapproved form by endorsement to comply
34 with the commissioner's disapproval.

35 ~~((5))~~ (6) For purposes of this section, "commercial property
36 casualty" means insurance pertaining to a business, profession,

1 occupation, nonprofit organization, or public entity for the lines of
2 property and casualty insurance defined in RCW 48.11.040, 48.11.050,
3 48.11.060, or 48.11.070.

4 ~~((+6+))~~ (7) Except as provided in subsection ~~((+4+))~~ (5) of this
5 section, the disapproval shall not affect any contract made or issued
6 prior to the expiration of the period set forth in the notice of
7 disapproval.

8 ~~((+7+))~~ (8) Every member or subscriber to a rating organization
9 shall adhere to the form filings made on its behalf by the
10 organization. Deviations from the organization are permitted only when
11 filed with the commissioner in accordance with this chapter.

12 (9) In the event a hearing is held on the actions of the
13 commissioner under subsection ~~((+3+))~~ (4) of this section, the burden
14 of proof shall be on the commissioner.

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