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**SUBSTITUTE SENATE BILL 5616**

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**State of Washington**

**58th Legislature**

**2003 Regular Session**

**By** Senate Committee on Financial Services, Insurance & Housing  
(originally sponsored by Senators Benton, Prentice, Reardon, Zarelli,  
Winsley, Keiser and Finkbeiner)

READ FIRST TIME 02/24/03.

1 AN ACT Relating to insurer foreign investments; and amending RCW  
2 48.13.180.

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

4 **Sec. 1.** RCW 48.13.180 and 1947 c 79 s .13.18 are each amended to  
5 read as follows:

6 (1) An insurer authorized to transact insurance in a foreign  
7 country may invest any of its funds, in aggregate amount not exceeding  
8 its deposit and reserve obligations incurred in such country, in  
9 securities of or in such country possessing characteristics and of a  
10 quality similar to those required pursuant to this chapter for  
11 investments in the United States.

12 (2) Subject to the limitations in this chapter, an insurer may  
13 invest any of its funds, in an aggregate amount not exceeding ~~((five))~~  
14 ten percent of its assets, in addition to any amount permitted pursuant  
15 to subsection (1) of this section, in obligations of ~~((the))~~ foreign  
16 governments ~~((of the Dominion of Canada or of Canadian))~~ including  
17 provinces ((~~or~~)), counties, municipalities, or similar entities, and in  
18 obligations and securities of ~~((Canadian))~~ foreign corporations, which  
19 have not been in default during the five years next preceding date of

1 acquisition, and (~~which are otherwise of equal quality to like United~~  
2 ~~States public or corporate securities as prescribed in this chapter~~)  
3 if the foreign jurisdiction has a sovereign debt rating of SVO 1.  
4 However, an investment made in any one foreign country pursuant to this  
5 subsection shall not exceed five percent of the insurer's assets.

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