

FINAL BILL REPORT

SSB 5317

C 126 L 05
Synopsis as Enacted

Brief Description: Providing confidentiality to certain insurance commissioner examinations.

Sponsors: Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senators Benton, Keiser, Benson, Prentice, Roach and Shin; by request of Insurance Commissioner).

Senate Committee on Financial Institutions, Housing & Consumer Protection
House Committee on Financial Institutions & Insurance

Background: The Office of the Insurance Commissioner (OIC) examines the market conduct and financial solvency of companies it regulates, including out-of-state insurers doing business in Washington State. Information obtained in these examinations can be exempt from the Public Disclosure Act, but only to the extent that it is protected from disclosure under the laws of the jurisdiction from which it originated.

Summary: Information obtained in a financial or market conduct examination is subject to disclosure only if the Insurance Commissioner cites that information in connection with an agency action. In this case, the Commissioner must notify the party that produced the information five business days prior to disclosure. The notified party can seek an injunction to prevent disclosure in any Washington state superior court.

Information used in an insurer change of control proposal is also subject to disclosure. However, if the information is otherwise privileged, or if the Commissioner finds that the public interest in nondisclosure outweighs that of disclosure, release of the documents is not required.

Where information exempt from disclosure relates to allegations of Commissioner misconduct in performing insurer examinations, a Washington State superior court can be petitioned for access to the information.

Votes on Final Passage:

Senate	49	0
House	95	0

Effective: July 24, 2005