
HOUSE BILL 1977

State of Washington

59th Legislature

2005 Regular Session

By Representatives O'Brien and Flannigan

Read first time 02/14/2005. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to insurance fraud; and creating a new section.

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

3 NEW SECTION. **Sec. 1.** The legislature finds that insurance fraud
4 is inimical to public safety, welfare, and order within the state of
5 Washington. Insurance fraud increases insurance premiums, to the
6 detriment of individual policyholders, small businesses, large
7 corporations, and governmental entities. All Washingtonians ultimately
8 bear the societal burdens and costs caused by those who commit
9 insurance fraud.

10 The insurance commissioner and the attorney general, together,
11 shall study the extent of insurance fraud in Washington and the current
12 laws which are in place to combat insurance fraud. In studying this
13 issue, consideration should also be given to the experiences and
14 approaches taken by other states in fighting fraud. Recommendations
15 should address, among other things: What changes in law are necessary
16 to more effectively fight insurance fraud; whether Washington should
17 establish a dedicated insurance fraud bureau; where such a bureau
18 should be located; the resources which would be necessary to establish
19 such a bureau; and the potential sources of funding.

1 In the conduct of this study, the insurance commissioner and the
2 attorney general shall consult with insurance carriers; insurance
3 agents and brokers; public and independent adjusters; the association
4 of Washington business; the Washington state bar association; the
5 Washington state medical association; the American civil liberties
6 union; Columbia legal services; the Washington association of sheriffs
7 and police chiefs; the Washington state patrol; the state department of
8 health; the state department of labor and industries; and
9 representatives of local governments.

10 The insurance commissioner and the attorney general shall report
11 the results of this study to the legislature not later than December 1,
12 2005.

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