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**SUBSTITUTE HOUSE BILL 2329**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** House Consumer Protection & Business (originally sponsored by Representatives Macri, Peterson, Alvarado, Chopp, Bateman, Pollet, Reed, and Ramel)

AN ACT Relating to conducting a study of the insurance market for housing providers receiving housing trust fund resources; creating new sections; and providing an expiration date.

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

NEW SECTION. **Sec.**  The legislature finds that homelessness is a multifaceted challenge that requires multiple creative solutions to house and shelter people in a way that prioritizes empathy, compassion, and safety. Housing providers receiving housing trust fund resources play a pivotal role by meeting the affordable housing needs of extremely low-income households, including housing people who are chronically homeless and pairing housing with case management and supportive services.

The legislature further finds that housing providers receiving housing trust fund resources in Washington are experiencing difficulties with their insurance coverages, including affordability and nonrenewal of policies. Providers cannot operate without insurance and Washington communities cannot thrive without these critical providers. The state must keep these housing providers in operation and ensure that they are appropriately insured so that the state can continue to house some of its most vulnerable residents.

NEW SECTION. **Sec.**  (1) The office of the insurance commissioner, in consultation with housing providers receiving housing trust fund resources under RCW 43.185A.130 and serving extremely low-income households as defined in RCW 36.70A.030, authorized insurers, unauthorized insurers, providers of nonprofit insurance services, risk-sharing pools for public housing authorities and nongovernmental owners of affordable housing properties, risk retention groups, relevant association groups including the surplus lines association of Washington, and other relevant state agencies including the department of enterprise services, the office of risk management, and the department of commerce, shall conduct a study of the property and liability coverages available to housing providers receiving housing trust fund resources and serving extremely low-income households.

(2) In conducting the study, the commissioner shall:

(a) Collect the information required under this section from entities transacting insurance with housing providers described in subsection (1) of this section, and any identified authorized insurers, unauthorized insurers, and risk retention groups, are required to provide the requested information to the commissioner;

(b) Obtain data from the previous five years on the number and types of policies in effect, whether and why policies were nonrenewed or canceled, claims activity, and premiums and deductibles; and

(c) Investigate and request any other relevant information that may assist the commissioner with analyzing the availability of property and liability coverages for housing providers described in subsection (1) of this section and any other trends that may affect market availability.

(3) Consistent with RCW 43.01.036, the commissioner shall submit a report on its findings to the appropriate committees of the legislature by December 31, 2024. The report must make recommendations on potential policy or budget options, including considerations regarding the development of a single-state or multistate high-risk sharing pool and potential policy and budget options to address reinsurance market volatility. The commissioner may contract with a vendor to conduct an actuarial analysis if necessary to facilitate the development of recommendations concerning high-risk sharing pools under this subsection.

(4) Data requested by the commissioner for the purpose of complying with the study and reporting requirements in this section is confidential by law and privileged and is not subject to public disclosure under chapter 42.56 RCW. Nothing in this section prohibits the commissioner from preparing and publishing reports, analyses, or other documents using the data received under this section so long as the data is in aggregate form and does not permit the identification of information related to individual companies. Data in the aggregate form are deemed open records available for public inspection. Nothing in this section affects, limits, or amends the commissioner's authority under chapter 48.37 RCW.

(5) This section expires December 31, 2024.

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