
Consumer Protection & Business Committee

SSB 5798

Brief Description: Extending certain insurance notice requirements.

Sponsors: Senate Committee on Business, Financial Services, Gaming & Trade (originally sponsored by Senators Kuderer, Shewmake, Hasegawa and Wellman).

Brief Summary of Substitute Bill

- Extends the time period for providing written notice of cancellation or nonrenewal of an automobile insurance policy from 20 days to 30 days.
- Extends the time period for providing written notice of cancellation or nonrenewal of insurance policies, other than medical malpractice, automobile, and certain fire policies, from 45 days to 60 days.

Hearing Date: 2/16/24

Staff: Michelle Rusk (786-7153).

Background:

Written Notice Requirements for the Cancellation or Nonrenewal of an Insurance Policy.

The Washington Insurance Code (Code) establishes requirements insurers must comply with to cancel or not renew an insurance policy. For example, insurers must provide written notice to policyholders within a certain number of days of a policy's cancellation or nonrenewal effective date. Subject to specified exceptions, the Code establishes the following notice requirements for certain policy cancellations or nonrenewals:

- 45 days for insurance policies, other than medical malpractice, automobile, or certain fire

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- policies;
- 90 days for medical malpractice insurance policies;
- Five days or 20 days for certain fire insurance policies, depending on the circumstances;
or
- 20 days for automobile insurance policies.

If the policy cancellation is for nonpayment of premiums, 10 days' notice is required for all applicable policies. Additionally, only 10 days' notice is required if the cancellation is within the first 30 days after an automobile insurance contract is in effect.

Summary of Bill:

Written Notice Requirements.

The following notice requirements are established for certain policy cancellations or nonrenewals:

- 30 days for automobile insurance policies; and
- 60 days for insurance policies other than medical malpractice, automobile, or certain fire policies.

The foregoing written notice requirements apply to all affected policies issued on or after July 1, 2025.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 2025.