
HOUSE BILL 2481

State of Washington 59th Legislature 2006 Regular Session

By Representatives Williams, Blake, Appleton, Moeller, Hasegawa, Chase, Rodne, Eickmeyer, Conway, Roberts, Hunt and Simpson

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1 AN ACT Relating to insuring victims of crimes; adding a new section
2 to chapter 48.18 RCW; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that access to
5 insurance can be imperiled by the response of insurers to criminal
6 acts. Rather than allow criminals to achieve their objectives, it is
7 the intent of the legislature that criminals, through criminal acts,
8 should not dictate insurance underwriting decisions.

9 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.18 RCW
10 to read as follows:

11 (1) For the purposes of this section:

12 (a) "Arson" has the same meaning as in chapter 9A.48 RCW.

13 (b) "Health care facility" has the same meaning as defined in RCW
14 48.43.005.

15 (c) "Health care provider" has the same meaning as defined in RCW
16 48.43.005.

17 (d) "Insured" means a current policyholder or a person or entity
18 that is covered under the insurance policy.

1 (e) A perpetrator does not have to be identified for an act of
2 arson or malicious mischief to have occurred.

3 (f) "Malicious mischief" has the same meaning as in chapter 9A.48
4 RCW.

5 (g) "Underwriting action" means an insurer:

6 (i) Cancels or refuses to renew an insurance policy; or

7 (ii) Changes the terms or benefits in an insurance policy.

8 (2) This section applies to property insurance policies if the
9 insured is:

10 (a) A health care facility;

11 (b) A health care provider;

12 (c) A religious organization;

13 (d) A commercial, research, or educational organization that uses
14 animals or plants for food, fiber production, agriculture, breeding,
15 processing, research, or testing;

16 (e) A commercial, research, or educational organization that uses,
17 purchases, or offers for sale a product that contains animal or plant
18 material;

19 (f) A zoo, aquarium, circus, rodeo, or other entity that exhibits
20 or uses animals for educational or entertainment purposes;

21 (g) An entity or fair or similar event intended to advance
22 agricultural arts and sciences; or

23 (h) A facility managed or occupied by an association.

24 (3) An insurer may not take an underwriting action on a policy
25 described in subsection (2) of this section because an insured has made
26 one or more insurance claims for any loss that occurred during the
27 preceding sixty months that is the result of arson or malicious
28 mischief. An insurer may take an underwriting action due to other
29 factors that are not prohibited by this subsection.

30 (4) If an insured sustains a loss that is the result of arson or
31 malicious mischief, the insured must file a report with the police or
32 other law enforcement authority within thirty days of discovery of the
33 incident, and a law enforcement authority must determine that a crime
34 has occurred. The report must contain sufficient information to
35 provide an insurer with reasonable notice that the loss was the result
36 of arson or malicious mischief. The insured has a duty to cooperate
37 with any law enforcement official or insurer investigation.

1 (5) Annually, each insurer must report underwriting actions to the
2 commissioner if the insurer has taken an underwriting action against
3 any insured who has filed a claim during the preceding sixty months
4 that was the result of arson or malicious mischief. The report must
5 include the policy number, name of the insured, location of the
6 property, and the reason for the underwriting action.

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