
SUBSTITUTE SENATE BILL 6317

State of Washington

60th Legislature

2008 Regular Session

By Senate Financial Institutions & Insurance (originally sponsored by Senators Berkey and Kline)

READ FIRST TIME 02/06/08.

1 AN ACT Relating to the payment of interest upon failure to pay
2 death benefits that are payable under the terms of a group life
3 insurance policy; and adding a new section to chapter 48.24 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.24 RCW
6 to read as follows:

7 (1) An insurer shall pay the proceeds of any benefits under a
8 policy of group life insurance insuring the life of any person who was
9 a resident of this state at the time of death. The proceeds must be
10 paid not more than thirty days after the insurer has received
11 satisfactory proof of death of the insured. If the proceeds are not
12 paid within the thirty-day period, the insurer shall also pay interest
13 on the proceeds from the date of death of the insured to the date when
14 the proceeds are paid.

15 (2) The interest required under subsection (1) of this section
16 accrues commencing on the date of death at the rate then paid by the
17 insurer on other withdrawable policy proceeds left with the company or
18 eight percent, whichever is greater.

1 (3) Benefits payable that have not been tendered to the beneficiary
2 within ninety days of the receipt of proof of death accrue interest,
3 commencing on the ninety-first day, at the rate under subsection (2) of
4 this section plus three percent.

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