
SUBSTITUTE HOUSE BILL 2404

State of Washington 61st Legislature 2010 Regular Session

By House Financial Institutions & Insurance (originally sponsored by Representatives Santos, Bailey, and Kirby)

READ FIRST TIME 01/21/10.

1 AN ACT Relating to group life insurance; amending RCW 48.24.030 and
2 48.21.010; and adding a new section to chapter 48.24 RCW.

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

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

6 (1) Group life insurance offered to a resident of this state under
7 a group life insurance policy may be issued to a group other than one
8 described in RCW 48.24.020, 48.24.035, 48.24.040, 48.24.045, 48.24.050,
9 48.24.060, 48.24.070, 48.24.080, 48.24.090, or 48.24.095 subject to the
10 requirements in this subsection. No such group life insurance policy
11 may be delivered in this state unless the commissioner finds that:

12 (a) The issuance of the group policy is not contrary to the best
13 interest of the public;

14 (b) The issuance of the group policy would result in economies of
15 acquisition or administration; and

16 (c) The benefits are reasonable in relation to the premiums
17 charged.

18 (2) No such group life insurance coverage may be offered under this
19 section in this state by an insurer under a policy issued in another

1 state unless the commissioner or the insurance commissioner of another
2 state having requirements substantially similar to those contained in
3 subsection (1)(a) through (c) of this section has made a determination
4 that the requirements have been met.

5 (3) The premium for the policy shall be paid either from the
6 policyholder's funds or from funds contributed by the covered persons,
7 or from both.

8 **Sec. 2.** RCW 48.24.030 and 2006 c 25 s 14 are each amended to read
9 as follows:

10 (1) Insurance under any group life insurance policy issued under
11 RCW 48.24.020, 48.24.050, 48.24.060, 48.24.070, (~~(or)~~) 48.24.090, or
12 section 1 of this act may be extended to insure the spouse and
13 dependent children, or any class or classes thereof, of each insured
14 employee or member who so elects, in amounts in accordance with a plan
15 that precludes individual selection by the employees or members or by
16 the employer or labor union or trustee, and which insurance on the life
17 of any one family member including a spouse shall not be in excess of
18 the amount on the life of the insured employee or member.

19 Premiums for the insurance on the family members shall be paid by
20 the policyholder, either from the employer's funds, funds contributed
21 to him or her, employee's funds, trustee's funds, or labor union funds.

22 (2) A spouse insured under this section has the same conversion
23 right as to the insurance on his or her life as is vested in the
24 employee or member under this chapter.

25 **Sec. 3.** RCW 48.21.010 and 1992 c 226 s 2 are each amended to read
26 as follows:

27 Group disability insurance is that form of disability insurance,
28 including stop loss insurance as defined in RCW 48.11.030, provided by
29 a master policy issued to an employer, to a trustee appointed by an
30 employer or employers, or to an association of employers formed for
31 purposes other than obtaining such insurance, covering, with or without
32 their dependents, the employees, or specified categories of the
33 employees, of such employers or their subsidiaries or affiliates, or
34 issued to a labor union, or to an association of employees formed for
35 purposes other than obtaining such insurance, covering, with or without
36 their dependents, the members, or specified categories of the members,

1 of the labor union or association, or issued pursuant to RCW 48.21.030.
2 Group disability insurance (~~(shall also)~~) includes ((such other)) the
3 following groups (~~(as)~~) that qualify for group life insurance (~~(under~~
4 ~~the provisions of this code)~~):

5 RCW 48.24.020, 48.24.035, 48.24.040, 48.24.045, 48.24.050,
6 48.24.060, 48.24.070, 48.24.080, 48.24.090, and 48.24.095. A group
7 under section 1 of this act does not qualify as a group for the
8 purposes of this chapter.

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