
HOUSE BILL 2211

State of Washington

63rd Legislature

2014 Regular Session

By Representative Fagan

Read first time 01/14/14. Referred to Committee on Business & Financial Services.

1 AN ACT Relating to surplus lines; and amending RCW 48.15.050 and
2 48.15.120.

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

4 **Sec. 1.** RCW 48.15.050 and 1947 c 79 s .15.05 are each amended to
5 read as follows:

6 Every insurance contract procured and delivered as a surplus line
7 coverage pursuant to this chapter (~~shall~~) must have stamped upon it
8 and be initialed by or bear the name of the surplus line broker who
9 procured it, the following:

10 "This contract is registered and delivered as a surplus line
11 coverage under the insurance code of the state of Washington, (~~enacted~~
12 ~~in 1947~~) Title 48 RCW."

13 **Sec. 2.** RCW 48.15.120 and 2011 c 31 s 8 are each amended to read
14 as follows:

15 (1) On or before the first day of March of each year each surplus
16 line broker must remit to the state treasurer through the commissioner
17 a tax on the premiums, exclusive of sums collected to cover federal and
18 state taxes and examination fees, on surplus line insurance subject to

1 tax transacted by him or her during the preceding calendar year as
2 shown by his or her annual statement filed with the commissioner, and
3 at the same rate as is applicable to the premiums of authorized foreign
4 insurers under this code. The tax when collected must be credited to
5 the general fund.

6 (2) For property and casualty insurance other than industrial
7 insurance under Title 51 RCW, ((if)) when this state is the insured's
8 home state:

9 (a) If the surplus line insurance covers risks or exposures located
10 inside the United States, its territories, or both, the tax so payable
11 must be computed upon the entire premium under subsection (1) of this
12 section, without regard to whether the policy covers risks or exposures
13 that are located in this state; and

14 (b) If the surplus line insurance covers risks or exposures located
15 outside of the United States and its territories, no tax under
16 subsection (1) of this section is due or payable for the premium
17 properly allocable to the risks and exposures located outside the
18 United States and its territories.

19 (3) For all other lines of insurance, if a surplus line policy
20 covers risks or exposures only partially in this state, the tax so
21 payable must be computed upon the proportion of the premium that is
22 properly allocable to the risks or exposures located in this state.

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