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HOUSE BILL 2456

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State of Washington

54th Legislature

1996 Regular Session

By Representatives Mitchell, L. Thomas, Regala, Murray, Conway,  
R. Fisher, Robertson, Pelesky, Scheuerman, Wolfe and Campbell

Read first time 01/11/96. Referred to Committee on Financial  
Institutions & Insurance.

1 AN ACT Relating to insurance coverage for hazardous waste cleanups;  
2 and adding a new section to chapter 48.30 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 48.30 RCW  
5 to read as follows:

6 If an insurance policy imposes a duty to defend on the insurer, and  
7 the insurer reserves its right to deny its duty to indemnify the  
8 policyholder for bodily injury or property damage caused by a release  
9 of a hazardous substance, then there is a conflict of interest between  
10 the insurer and the policyholder that the insurer must disclose to the  
11 policyholder, and the policyholder is entitled to select independent  
12 counsel to defend it at the expense of the insurer.

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