
SUBSTITUTE SENATE BILL 5012

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Financial Institutions, Insurance & Housing
(originally sponsored by Senators Winsley and Prentice)

Read first time 01/29/97.

1 AN ACT Relating to the filing of corporate documents by insurance
2 companies, health care service contractors, and health maintenance
3 organizations; amending RCW 48.06.060, 48.06.200, and 48.07.070; adding
4 a new section to chapter 23.86 RCW; adding a new section to chapter
5 23B.01 RCW; adding a new section to chapter 23B.02 RCW; adding new
6 sections to chapter 23B.04 RCW; adding a new section to chapter 23B.10
7 RCW; adding a new section to chapter 23B.14 RCW; adding a new section
8 to chapter 23B.15 RCW; adding new sections to chapter 24.03 RCW; adding
9 new sections to chapter 24.06 RCW; adding new sections to chapter 25.15
10 RCW; and adding a new section to chapter 48.02 RCW.

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

12 **Sec. 1.** RCW 48.06.060 and 1947 c 79 s .06.06 are each amended to
13 read as follows:

14 Upon the filing of the bond required by RCW 48.06.110 after notice
15 by the commissioner, the commissioner shall:

16 (1) File the articles of incorporation of the proposed incorporated
17 insurer or other corporation (~~(with the secretary of state,~~)i) and

18 (2) Issue to the applicant a solicitation permit.

1 **Sec. 2.** RCW 48.06.200 and 1981 c 302 s 37 are each amended to read
2 as follows:

3 (1) This section applies to insurers incorporated in this state,
4 but no insurer heretofore lawfully incorporated in this state is
5 required to reincorporate or change its articles of incorporation by
6 reason of any provisions of this section.

7 (2) The incorporators shall be individuals who are United States
8 citizens, of whom two-thirds shall be residents of this state. The
9 number of incorporators shall be not less than five if a stock insurer,
10 nor less than ten if a mutual insurer.

11 (3) The incorporators shall execute articles of incorporation in
12 ~~((triplicate and))~~ duplicate, acknowledge their signatures thereunto
13 before an officer authorized to take acknowledgments of deeds, and file
14 both copies with the commissioner.

15 (4) After approval of the articles by the commissioner, one copy
16 shall be filed ~~((in the office of the secretary of state, another))~~ in
17 the office of the commissioner~~((,))~~ and the ~~((third))~~ other copy shall
18 be ~~((retained by))~~ returned to the insurer.

19 (5) The articles of incorporation shall state:

20 First: The names and addresses of the incorporators.

21 Second: The name of the insurer. If a mutual insurer the name
22 shall include the word "mutual."

23 Third: (a) The objects for which the insurer is formed;

24 (b) whether it is a stock or mutual insurer, and if a mutual
25 property insurer only, whether it will insure on the cash premium or
26 assessment plan;

27 (c) the kinds of insurance it will issue, according to the
28 designations made in this code.

29 Fourth: If a stock insurer, the amount of its capital, the
30 aggregate number of shares, and the par value of each share, which par
31 value shall be not less than ten dollars, except that after the
32 corporation has transacted business as an authorized insurer in the
33 state for five years or more, its articles of incorporation may be
34 amended, at the option of its stockholders, to provide for a par value
35 of not less than one dollar per share. If a mutual insurer, the
36 maximum contingent liability of its policyholders for the payment of
37 its expenses and losses occurring under its policies.

38 Fifth: The duration of its existence, which may be perpetual.

1 Sixth: The names and addresses of the directors, not less than
2 five in number, who shall constitute the board of directors of the
3 insurer for the initial term, not less than two nor more than six
4 months, as designated in the articles of incorporation.

5 Seventh: The name of the city or town of this state in which the
6 insurer's principal place of business is to be located.

7 Eighth: Other provisions not inconsistent with law as may be
8 deemed proper by the incorporators.

9 **Sec. 3.** RCW 48.07.070 and 1985 c 364 s 4 are each amended to read
10 as follows:

11 (1) Unless a vote of a greater proportion of directors or shares is
12 required by its articles of incorporation, amendments to the articles
13 of incorporation of a domestic insurer or a domestic insurance holding
14 corporation shall be made by a majority vote of its board of directors
15 and the vote or written assent of a majority of its voting capital
16 stock, or two-thirds of the members (if a mutual insurer) voting at a
17 valid meeting of members.

18 (2) The president and secretary of the insurer shall, under the
19 corporate seal, certify the amendment in ~~((triplicate))~~ duplicate, and
20 file ~~((it))~~ both copies in the office~~((s))~~ of the ~~((secretary of state,~~
21 ~~the commissioner, and the insurer,))~~ commissioner as required under
22 this code for original articles of incorporation. Thereupon, subject
23 to the requirements of RCW 48.08.010 relative to increase of capital
24 stock of a stock insurer, the amendment shall become effective.

25 NEW SECTION. **Sec. 4.** A new section is added to chapter 23.86 RCW
26 to read as follows:

27 For those corporations that have:

28 (1) A certificate of authority, are applying for, or intend to
29 apply for a certificate of authority from the insurance commissioner as
30 an insurance company under chapter 48.05 RCW;

31 (2) Received a registration, are applying for, or intend to apply
32 for registration from the insurance commissioner as a health care
33 service contractor under chapter 48.44 RCW; or

34 (3) Received a registration, are applying for, or intend to apply
35 for registration from the insurance commissioner as a health
36 maintenance organization under chapter 48.46 RCW;

1 whenever under this chapter corporate documents are required to be
2 filed with the secretary of state, the documents shall be filed with
3 the insurance commissioner rather than the secretary of state.

4 NEW SECTION. **Sec. 5.** A new section is added to chapter 23B.01 RCW
5 to read as follows:

6 For those corporations that have:

7 (1) A certificate of authority, are applying for, or intend to
8 apply for a certificate of authority from the insurance commissioner as
9 an insurance company under chapter 48.05 RCW;

10 (2) Received a registration, are applying for, or intend to apply
11 for registration from the insurance commissioner as a health care
12 service contractor under chapter 48.44 RCW; or

13 (3) Received a registration, are applying for, or intend to apply
14 for registration from the insurance commissioner as a health
15 maintenance organization under chapter 48.46 RCW;

16 whenever under this chapter corporate documents are required to be
17 filed with the secretary of state, the documents shall be filed with
18 the insurance commissioner rather than the secretary of state.

19 NEW SECTION. **Sec. 6.** A new section is added to chapter 23B.02 RCW
20 to read as follows:

21 For those corporations that have:

22 (1) A certificate of authority, are applying for, or intend to
23 apply for a certificate of authority from the insurance commissioner as
24 an insurance company under chapter 48.05 RCW;

25 (2) Received a registration, are applying for, or intend to apply
26 for registration from the insurance commissioner as a health care
27 service contractor under chapter 48.44 RCW; or

28 (3) Received a registration, are applying for, or intend to apply
29 for registration from the insurance commissioner as a health
30 maintenance organization under chapter 48.46 RCW;

31 whenever under this chapter corporate documents are required to be
32 filed with the secretary of state, the documents shall be filed with
33 the insurance commissioner rather than the secretary of state.

34 NEW SECTION. **Sec. 7.** A new section is added to chapter 23B.04 RCW
35 to read as follows:

36 For those corporations that have:

1 (1) A certificate of authority, are applying for, or intend to
2 apply for a certificate of authority from the insurance commissioner as
3 an insurance company under chapter 48.05 RCW;

4 (2) Received a registration, are applying for, or intend to apply
5 for registration from the insurance commissioner as a health care
6 service contractor under chapter 48.44 RCW; or

7 (3) Received a registration, are applying for, or intend to apply
8 for registration from the insurance commissioner as a health
9 maintenance organization under chapter 48.46 RCW;

10 whenever under this chapter corporate documents are required to be
11 filed with the secretary of state, the documents shall be filed with
12 the insurance commissioner rather than the secretary of state.

13 NEW SECTION. **Sec. 8.** A new section is added to chapter 23B.04 RCW
14 to read as follows:

15 For those corporations that intend to apply for:

16 (1) A certificate of authority from the insurance commissioner as
17 an insurance company under chapter 48.05 RCW;

18 (2) Registration from the insurance commissioner as a health care
19 service contractor under chapter 48.44 RCW; or

20 (3) Registration from the insurance commissioner as a health
21 maintenance organization under chapter 48.46 RCW;

22 whenever under this chapter a corporation may register or reserve a
23 corporate name, the registration or reservation shall be filed with the
24 insurance commissioner rather than the secretary of state. The
25 secretary of state and insurance commissioner shall cooperate with each
26 other in registering or reserving a corporate name so that there is no
27 duplication of the name.

28 NEW SECTION. **Sec. 9.** A new section is added to chapter 23B.10 RCW
29 to read as follows:

30 For those corporations that have:

31 (1) A certificate of authority, are applying for, or intend to
32 apply for a certificate of authority from the insurance commissioner as
33 an insurance company under chapter 48.05 RCW;

34 (2) Received a registration, are applying for, or intend to apply
35 for registration from the insurance commissioner as a health care
36 service contractor under chapter 48.44 RCW; or

1 (3) Received a registration, are applying for, or intend to apply
2 for registration from the insurance commissioner as a health
3 maintenance organization under chapter 48.46 RCW;
4 whenever under this chapter corporate documents are required to be
5 filed with the secretary of state, the documents shall be filed with
6 the insurance commissioner rather than the secretary of state.

7 NEW SECTION. **Sec. 10.** A new section is added to chapter 23B.14
8 RCW to read as follows:

9 For those corporations that have:

10 (1) A certificate of authority, are applying for, or intend to
11 apply for a certificate of authority from the insurance commissioner as
12 an insurance company under chapter 48.05 RCW;

13 (2) Received a registration, are applying for, or intend to apply
14 for registration from the insurance commissioner as a health care
15 service contractor under chapter 48.44 RCW; or

16 (3) Received a registration, are applying for, or intend to apply
17 for registration from the insurance commissioner as a health
18 maintenance organization under chapter 48.46 RCW;
19 whenever under this chapter corporate documents are required to be
20 filed with the secretary of state, the documents shall be filed with
21 the insurance commissioner rather than the secretary of state.

22 NEW SECTION. **Sec. 11.** A new section is added to chapter 23B.15
23 RCW to read as follows:

24 For those corporations that have:

25 (1) A certificate of authority, are applying for, or intend to
26 apply for a certificate of authority from the insurance commissioner as
27 an insurance company under chapter 48.05 RCW;

28 (2) Received a registration, are applying for, or intend to apply
29 for registration from the insurance commissioner as a health care
30 service contractor under chapter 48.44 RCW; or

31 (3) Received a registration, are applying for, or intend to apply
32 for registration from the insurance commissioner as a health
33 maintenance organization under chapter 48.46 RCW;
34 whenever under this chapter corporate documents are required to be
35 filed with the secretary of state, the documents shall be filed with
36 the insurance commissioner rather than the secretary of state.

1 NEW SECTION. **Sec. 12.** A new section is added to chapter 24.03 RCW
2 to read as follows:

3 For those corporations that have:

4 (1) A certificate of authority, are applying for, or intend to
5 apply for a certificate of authority from the insurance commissioner as
6 an insurance company under chapter 48.05 RCW;

7 (2) Received a registration, are applying for, or intend to apply
8 for registration from the insurance commissioner as a health care
9 service contractor under chapter 48.44 RCW; or

10 (3) Received a registration, are applying for, or intend to apply
11 for registration from the insurance commissioner as a health
12 maintenance organization under chapter 48.46 RCW;

13 whenever under this chapter corporate documents are required to be
14 filed with the secretary of state, the documents shall be filed with
15 the insurance commissioner rather than the secretary of state.

16 NEW SECTION. **Sec. 13.** A new section is added to chapter 24.03 RCW
17 to read as follows:

18 For those corporations that intend to apply for:

19 (1) A certificate of authority from the insurance commissioner as
20 an insurance company under chapter 48.05 RCW;

21 (2) Registration from the insurance commissioner as a health care
22 service contractor under chapter 48.44 RCW; or

23 (3) Registration from the insurance commissioner as a health
24 maintenance organization under chapter 48.46 RCW;

25 whenever under this chapter a corporation may register or reserve a
26 corporate name, the registration or reservation shall be filed with the
27 insurance commissioner rather than the secretary of state. The
28 secretary of state and insurance commissioner shall cooperate with each
29 other in registering or reserving a corporate name so that there is no
30 duplication of the name.

31 NEW SECTION. **Sec. 14.** A new section is added to chapter 24.06 RCW
32 to read as follows:

33 For those corporations that have:

34 (1) A certificate of authority, are applying for, or intend to
35 apply for a certificate of authority from the insurance commissioner as
36 an insurance company under chapter 48.05 RCW;

1 (2) Received a registration, are applying for, or intend to apply
2 for registration from the insurance commissioner as a health care
3 service contractor under chapter 48.44 RCW; or

4 (3) Received a registration, are applying for, or intend to apply
5 for registration from the insurance commissioner as a health
6 maintenance organization under chapter 48.46 RCW;
7 whenever under this chapter corporate documents are required to be
8 filed with the secretary of state, the documents shall be filed with
9 the insurance commissioner rather than the secretary of state.

10 NEW SECTION. Sec. 15. A new section is added to chapter 24.06 RCW
11 to read as follows:

12 For those corporations that intend to apply for:

13 (1) A certificate of authority from the insurance commissioner as
14 an insurance company under chapter 48.05 RCW;

15 (2) Registration from the insurance commissioner as a health care
16 service contractor under chapter 48.44 RCW; or

17 (3) Registration from the insurance commissioner as a health
18 maintenance organization under chapter 48.46 RCW;

19 whenever under this chapter a corporation may register or reserve a
20 corporate name, the registration or reservation shall be filed with the
21 insurance commissioner rather than the secretary of state. The
22 secretary of state and insurance commissioner shall cooperate with each
23 other in registering or reserving a corporate name so that there is no
24 duplication of the name.

25 NEW SECTION. Sec. 16. A new section is added to chapter 25.15 RCW
26 to read as follows:

27 For those corporations that have received a registration, are
28 applying for, or intend to apply for registration from the insurance
29 commissioner as:

30 (1) A health care service contractor under chapter 48.44 RCW; or

31 (2) A health maintenance organization under chapter 48.46 RCW;

32 whenever under this chapter corporate documents are required to be
33 filed with the secretary of state, the documents shall be filed with
34 the insurance commissioner rather than the secretary of state.

35 NEW SECTION. Sec. 17. A new section is added to chapter 25.15 RCW
36 to read as follows:

1 For those corporations that intend to apply for registration from
2 the insurance commissioner as:

3 (1) A health care service contractor under chapter 48.44 RCW; or

4 (2) A health maintenance organization under chapter 48.46 RCW;
5 whenever under this chapter a corporation may register or reserve a
6 corporate name, the registration or reservation shall be filed with the
7 insurance commissioner rather than the secretary of state. The
8 secretary of state and insurance commissioner shall cooperate with each
9 other in registering or reserving a corporate name so that there is no
10 duplication of the name.

11 NEW SECTION. **Sec. 18.** A new section is added to chapter 48.02 RCW
12 to read as follows:

13 Whenever any documents are filed with the insurance commissioner
14 under chapter . . ., Laws of 1997 (this act) which affect a corporate
15 or company name, the insurance commissioner shall immediately notify
16 the secretary of state of the filing. If any other action is taken by
17 the insurance commissioner which affects a corporate or company name,
18 the insurance commissioner shall immediately notify the secretary of
19 state of the action. The insurance commissioner shall cooperate with
20 the secretary of state to ascertain that there is no duplication of
21 corporate or company names.

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