

2 **SSB 6234** - H COMM AMD **ADOPTED 3/6/02**

3 By Committee on Financial Institutions & Insurance

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5 Strike everything after the enacting clause and insert the  
6 following:

7 "Sec. 1. RCW 48.18.140 and 1989 c 25 s 2 are each amended to read  
8 as follows:

9 (1) The written instrument, in which a contract of insurance is set  
10 forth, is the policy.

11 (2) A policy shall specify:

12 (a) The names of the parties to the contract. The insurer's name  
13 shall be clearly shown in the policy.

14 (b) The subject of the insurance.

15 (c) The risk insured against.

16 (d) The time at which the insurance thereunder takes effect and the  
17 period during which the insurance is to continue.

18 (e) A statement of the premium, and if other than life, disability,  
19 or title insurance, the premium rate where applicable.

20 (f) The conditions pertaining to the insurance.

21 (3) If under the contract the exact amount of premiums is  
22 determinable only at termination of the contract, a statement of the  
23 basis and rates upon which the final premium is to be determined and  
24 paid shall be specified in the policy.

25 (4)(a) Periodic payment plans for private passenger automobile  
26 insurance shall allow a specific day of the month for a due date for  
27 payment of premiums. A late charge may not be required if payment is  
28 received within five days of the date payment is due.

29 (b) The commissioner shall adopt rules to implement this subsection  
30 and shall take no disciplinary action against an insurer until ninety  
31 days after the effective date of the rule.

32 (5) This section shall not apply to surety insurance contracts."

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4 On page 1, line 2 of the title, after "premiums;" strike the  
5 remainder of the title and insert "and amending RCW 48.18.140."

EFFECT: Requires that periodic payment plans state a specific day of the month that a premium payment is due; deletes requirement that insurers come into compliance with the act within one day of the effective date of the act; and allows insurers 90 days to come into compliance with the administrative rules adopted to implement the legislation.

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