

FINAL BILL REPORT

SHB 1661

C 197 L 01

Synopsis as Enacted

Brief Description: Regulating juvenile life insurance.

Sponsors: By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Keiser, Bush, Santos and Miloscia).

House Committee on Financial Institutions & Insurance
Senate Committee on Labor, Commerce & Financial Institutions

Background:

The Legislature has explicitly recognized the insurance industry as being one that is affected by the public interest, and thus insurers are subject to stringent regulatory oversight by the Office of the Insurance Commissioner. The commissioner regulates the corporate activities of insurers and oversees the provision of insurance services to consumers.

The issuance of life insurance policies is regulated under state law. Washington law allows for the purchase of life insurance with respect to juveniles and is not subject to any statutory regulation or restriction specific to insuring juveniles.

Summary:

Life insurers are required to develop standards and practices designed to prevent the purchase of life insurance on juveniles where the purchase is done for fraudulent or speculative purposes. Insurers must make the standards and practices available to the commissioner for review.

Insurers are also required to maintain for 10 years all records of juvenile life insurance applications that are rejected.

Votes on Final Passage:

House 98 0

Senate 49 0

Effective: August 1, 2001