

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1128

Chapter 117, Laws of 2003

58th Legislature
2003 Regular Session

INSURANCE--PROPERTY--MALICIOUS HARASSMENT

EFFECTIVE DATE: 7/27/03

Passed by the House April 21, 2003
Yeas 96 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 15, 2003
Yeas 49 Nays 0

BRAD OWEN

President of the Senate

Approved May 7, 2003.

GARY F. LOCKE

Governor of the State of Washington

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1128** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER

Chief Clerk

FILED

May 7, 2003 - 2:31 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1128

AS AMENDED BY THE SENATE

Passed Legislature - 2003 Regular Session

State of Washington 58th Legislature 2003 Regular Session

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Schual-Berke, Benson, Simpson, Ruderman, Wallace, Hunt, McDermott, Pflug, Campbell and Upthegrove; by request of Insurance Commissioner)

READ FIRST TIME 02/13/03.

1 AN ACT Relating to property insurance for victims of malicious
2 harassment; and adding a new section to chapter 48.18 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 48.18 RCW
5 to read as follows:

6 (1) For the purposes of this section:

7 (a) "Insured" means a current policyholder or a person or entity
8 that is covered under the insurance policy.

9 (b) "Malicious harassment" has the same meaning as RCW 9A.36.080.
10 Under this section, the perpetrator does not have to be identified for
11 an act of malicious harassment to have occurred.

12 (c) "Underwriting action" means an insurer:

13 (i) Cancels or refuses to renew an insurance policy; or
14 (ii) Changes the terms or benefits in an insurance policy.

15 (2) This section applies to property insurance policies if the
16 insured is:

17 (a) An individual;

18 (b) A religious organization;

19 (c) An educational organization; or

1 (d) Any other nonprofit organization that is organized and operated
2 for religious, charitable, or educational purposes.

3 (3) An insurer may not take an underwriting action on a policy
4 described in subsection (2) of this section because an insured has made
5 one or more insurance claims for any loss that occurred during the
6 preceding sixty months that is the result of malicious harassment. An
7 insurer may take an underwriting action due to other factors that are
8 not prohibited by this subsection.

9 (4) If an insured sustains a loss that is the result of malicious
10 harassment, the insured must file a report with the police or other law
11 enforcement authority within thirty days of discovery of the incident,
12 and a law enforcement authority must determine that a crime has
13 occurred. The report must contain sufficient information to provide an
14 insurer with reasonable notice that the loss was the result of
15 malicious harassment. The insured has a duty to cooperate with any law
16 enforcement official or insurer investigation. For incidents of
17 malicious harassment occurring prior to the effective date of this act,
18 the insured must file the report within six months of the discovery of
19 the incident.

20 (5) Annually, each insurer must report underwriting actions to the
21 commissioner if the insurer has taken an underwriting action against
22 any insured who has filed a claim during the preceding sixty months
23 that was the result of malicious harassment. The report must include
24 the policy number, name of the insured, location of the property, and
25 the reason for the underwriting action.

Passed by the House April 21, 2003.

Passed by the Senate April 15, 2003.

Approved by the Governor May 7, 2003.

Filed in Office of Secretary of State May 7, 2003.