S-5204.2

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**SENATE BILL 6244**

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**State of Washington 66th Legislature 2020 Regular Session**

**By** Senators Wellman, Das, Hasegawa, Wilson, C., and Saldaña

AN ACT Relating to notification of insurance policy sublimits on the policy's declarations page; adding a new section to chapter 48.18 RCW; creating a new section; and providing an effective date.

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

NEW SECTION. **Sec.**  The legislature finds that the declarations page of an insurance policy – the front page or pages specifying the named insured, address, policy period, location of premises, policy limits, and other key information – is essential to policyholders' ability to understand a policy and the losses it may cover. The legislature also finds that certain insurance policies contain riders, endorsements, or applications that sublimit coverage, setting a maximum dollar amount or percentage available to cover specific types of loss, and that this maximum amount may be less than the policy limit indicated on the declarations page. The legislature finds that the existence of any such sublimits to coverage should be noted on the declarations page in order to ensure that policyholders accurately understand a policy's coverage.

NEW SECTION. **Sec.**  A new section is added to chapter 48.18 RCW to read as follows:

Any rider, endorsement, or application attached to and made a part of a policy must be noted clearly and unambiguously on the declarations page of that policy form. The description of the rider, endorsement, or application must include whether it expands or restricts coverage from the base policy. Any rider, endorsement, or application that creates or enforces a sublimit within its coverage must include the amount of the sublimit in its description.

NEW SECTION. **Sec.**  This act takes effect July 1, 2021.

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