CERTIFICATION OF ENROLLMENT

**ENGROSSED HOUSE BILL 1578**

Chapter 121, Laws of 2016

64th Legislature

2016 Regular Session

INSURANCE--CUSTOMER SATISFACTION BENEFITS

EFFECTIVE DATE: 6/9/2016

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| Passed by the House February 16, 2016  Yeas 97 Nays 0  FRANK CHOPP  **Speaker of the House of Representatives**  Passed by the Senate March 1, 2016  Yeas 47 Nays 0  BRAD OWEN  **President of the Senate** | CERTIFICATE  I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1578** as passed by House of Representatives and the Senate on the dates hereon set forth.  BARBARA BAKER  **Chief Clerk** |
| Approved March 31, 2016 4:10 PM | April 1, 2016 |
| JAY INSLEE  **Governor of the State of Washington** | **Secretary of State**  **State of Washington** |

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**ENGROSSED HOUSE BILL 1578**

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Passed Legislature - 2016 Regular Session

**State of Washington 64th Legislature 2015 Regular Session**

**By** Representatives Kirby and Vick

AN ACT Relating to authorizing insurers to offer customer satisfaction benefits; and adding a new section to chapter 48.18 RCW.

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

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

(1) An insurer may include contractual benefits based on customer satisfaction as part of an insurance policy. The insurer must file the policy or endorsement for approval as required by RCW 48.18.100. The contractual benefits may include sums of money provided or credited to a policyholder if the policyholder is dissatisfied with the service provided by their insurer. A sum that is provided to or credited to a policyholder as part of an approved contractual benefit based on customer satisfaction is not "premium" for the purposes of RCW 48.18.170. A policy premium reduced by such a credit will be taxed on the full cost of the premium before application of the customer satisfaction credit.

(2) This section applies only to personal insurance as defined in RCW 48.18.545(1)(g).

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Passed by the House February 16, 2016.

Passed by the Senate March 1, 2016.

Approved by the Governor March 31, 2016.

Filed in Office of Secretary of State April 1, 2016.