S-4005.1

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**SUBSTITUTE SENATE BILL 5527**

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**State of Washington 67th Legislature 2022 Regular Session**

**By** Senate Business, Financial Services & Trade (originally sponsored by Senators Wellman, Kuderer, Frockt, Nobles, and C. Wilson)

AN ACT Relating to adding sublimits of coverage to an insurance policy's declaration page; and amending RCW 48.18.140.

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

**Sec.**  RCW 48.18.140 and 2002 c 344 s 1 are each amended to read as follows:

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

(2) A policy shall specify:

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

(b) The subject of the insurance.

(c) The risk insured against.

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

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

(f) The conditions pertaining to the insurance.

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

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

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

(5)(a) A residential insurance policy that contains sublimits shall include on the policy's declarations page a statement that the policy may limit the amount of coverage available for certain losses, and that the insured should review the policy carefully.

(b) For the purposes of this subsection (5) only:

(i) "Residential insurance policies" include all homeowners, renters, condominium, mobile home, and manufactured home personal insurance policies.

(ii) "Sublimit" means a limitation in a personal insurance policy on the limits of coverage available to cover certain losses that are lower than the overall policy limits.

(c) The entire declarations page must be delivered to the insured at every policy renewal.

(d) This subsection applies to residential insurance policies issued or renewed on or after January 1, 2023.

(e) This subsection shall not apply to policies issued pursuant to chapter 48.15 RCW.

(6) This section shall not apply to surety insurance contracts.

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