

FINAL BILL REPORT

SHB 2329

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Synopsis as Enacted

Brief Description: Conducting a study of the insurance market for housing providers receiving housing trust fund resources.

Sponsors: House Committee on Consumer Protection & Business (originally sponsored by Representatives Macri, Peterson, Alvarado, Chopp, Bateman, Pollet, Reed and Ramel).

House Committee on Consumer Protection & Business

House Committee on Appropriations

Senate Committee on Business, Financial Services, Gaming & Trade

Background:

Housing Providers.

Housing Trust Fund.

Established in 1986 the Washington Housing Trust Fund program provides grants or loans to help communities develop and preserve affordable housing to meet the needs of low-income and special needs populations. Affordable housing is residential housing for rent which, when occupied by low-income households, limits monthly housing costs to no more than 30 percent of the household's income. Low-income households are those with an adjusted income of less than 80 percent of the median family income of the county where the project is located. The Housing Trust Fund makes funds available for affordable housing projects through a competitive application process.

Low-income households are those with an adjusted income of less than 80 percent of the median family income of the country where the project is located. Extremely low-income households are those households whose adjusted income is at or below 30 percent of the median household income for the county where the household is located.

Office of the Insurance Commissioner.

The Office of the Insurance Commissioner (OIC) provides oversight to the insurance industry in Washington through insurance producer and insurance company licensing. The

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OIC also reviews and approves insurance products to make sure they conform to state laws and regulations.

Summary:

Office of the Insurance Commissioner (OIC) Study.

The OIC must conduct a study of the property and liability insurance coverages available to housing providers receiving housing trust fund resources and serving extremely low-income households (Applicable Housing Providers).

As part of the study, the OIC must consult with the following: (1) applicable housing providers; (2) authorized insurers; (3) unauthorized insurers; (4) providers of nonprofit insurance services; (5) risk-sharing pools for public housing authorities and nongovernmental owners of affordable housing properties; (6) risk retention groups; (7) relevant association groups; and (8) other relevant state agencies including the Department of Enterprise Services, the Office of Risk Management, and the Department of Commerce.

The OIC must:

1. obtain data from entities transacting insurance with applicable housing providers from the previous five years on: (a) the number and type of policies in effect; (b) whether and why policies were not renewed or canceled; (c) claims activity; and (d) premiums and deductibles; and
2. investigate and request any other relevant information that may assist the OIC with analyzing the availability of property and liability coverages for applicable housing providers.

Any identified authorized insurers, unauthorized insurers, and risk retention groups must provide requested information to the OIC. Data requested by the OIC is exempt from disclosure under the Public Records Act, except the date may be published in reports and other documents if done so in aggregate form.

The OIC must submit a report to the Legislature by December 31, 2024. It must also make recommendations on potential policy or budget options, including considerations regarding development of a high-risk sharing pool and addressing reinsurance market volatility. The OIC may contract with a vendor to conduct actuarial analysis if necessary.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: June 6, 2024