

RCW 48.15.103 Use of business name—Place of business—Duties of surplus line broker.

(1) A surplus line broker doing business under any name other than the surplus line broker's legal name is required to register the name in accordance with chapter 19.80 RCW and notify the commissioner before using the assumed name.

(2) Every licensed surplus line broker shall have and maintain in this state, or, if a nonresident surplus line broker, in this state or in the state of the licensee's domicile, a place of business accessible to the public. The place of business is where the surplus line broker principally conducts transactions under that person's license. A licensee maintaining more than one place of business in this state shall obtain a duplicate license or licenses for each additional place, and shall pay the full fee therefor.

(3) Every licensed surplus line broker and other person licensed under this chapter shall provide the commissioner with a current email address and update the commissioner within 30 days of any change in email address. The commissioner may send a written communication by email to a licensee's last email address of record with the commissioner if:

(a) The communication is not required to be sent to the person's mailing address pursuant to subsection (4) of this section;

(b) The person has affirmatively consented to receive communications from the commissioner by email; and

(c) (i) The email from the commissioner does not require a response; or

(ii) If a response is required, the requirements under subsection (8) (b) of this section are met prior to the commissioner sending the email.

(4) Any notice, order, or written communication, including any notification of investigation; notification of audit and findings resulting from such audit; or written communication from the commissioner under subsection (8) (c) (ii) of this section, from the commissioner to a person licensed under this chapter which directly affects the person's license shall be sent by mail to the person's last address of record with the commissioner.

(5) The license or licenses of each surplus line broker shall be displayed in a conspicuous place in that part of the place of business which is customarily open to the public.

(6) If a surplus line broker is dealing directly with the insured in any capacity, the surplus line broker must comply with the disclosure requirements contained in RCW 48.17.270.

(7) Every surplus line broker or other person licensed under this chapter shall timely respond in writing to an inquiry of the commissioner sent to the person's mailing address relative to the business of insurance. A timely response is one that is received by the commissioner within 15 business days from receipt of the inquiry. Failure to make a timely response constitutes a violation of this section and may result in a penalty under RCW 48.17.530 or 48.17.560.

(8) (a) A surplus line broker or other person licensed under this chapter shall timely respond in writing to an inquiry of the commissioner sent to the person's email address relative to the business of insurance. A timely response is one that is received by the commissioner within 15 business days from receipt of the inquiry. Failure to make a timely response constitutes a violation of this subsection if the requirements of (c) of this subsection are met.

(b) (i) When an email from the commissioner requires a response in accordance with this subsection, the commissioner shall:

(A) Send no fewer than two separate emails with a subject line stating "Response Required"; and

(B) Prominently display in large font type in the body of each email the following: "FAILURE TO TIMELY RESPOND TO THIS EMAIL IS A VIOLATION OF RCW 48.15.103 AND IS SUBJECT TO PENALTIES UNDER RCW 48.15.140 AND 48.17.560 INCLUDING FINES AND LICENSE REVOCATION. A TIMELY RESPONSE IS ONE RECEIVED BY THE COMMISSIONER WITHIN 15 BUSINESS DAYS OF YOUR RECEIPT OF THIS INQUIRY."

(ii) If the commissioner sends an inquiry by email and is notified that the email is undeliverable, the commissioner shall resend the notice once by mail to the person's last known address on record with the commissioner.

(c) A person is only in violation of this section if: (i) The commissioner complies with the requirements in (b) of this subsection; (ii) the commissioner sends a third and final written inquiry by certified mail to the person's last mailing address registered with the commissioner that follows the requirements of (b) (i) (B) of this subsection; and (iii) the commissioner fails to receive a response within 15 business days of the licensee's receipt of the inquiry.

(9) Email communication sent to an applicant prior to the issuance of a license, and auto-generated system emails regarding a license application or license renewal processes, are excluded from the requirements of subsection (8) of this section.

(10) A surplus line broker shall report to the commissioner any administrative action taken against the surplus line broker in another jurisdiction or by another governmental agency in this state within 30 days of the final disposition of the matter. This report must include a copy of the order, consent to order, or other relevant legal documents.

(11) Within 30 days of the initial pretrial hearing date, a surplus line broker shall report to the commissioner any criminal prosecution of the surplus line broker taken in any jurisdiction. The report must include a copy of the initial complaint filed, the order resulting from the hearing, and any other relevant legal documents. [2023 c 27 § 4; 2009 c 162 § 6.]

Effective date—2023 c 27: See note following RCW 48.17.170.

Effective date—2009 c 162: See note following RCW 48.03.020.