H-4244.1

HOUSE BILL 2822

State of Washington 52nd Legislature 1992 Regular Session

By Representatives Dellwo, Broback, Zellinsky, Winsley, Mielke, R. Johnson, Paris and R. Meyers

Read first time 01/28/92. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to unauthorized insurers; amending RCW 48.15.020; 2 and prescribing penalties.

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

4 Sec. 1. RCW 48.15.020 and 1983 1st ex.s. c 32 s 3 are each amended 5 to read as follows:

6 (1) An insurer not thereunto authorized by the commissioner shall 7 not solicit insurance business in this state, nor transact insurance 8 business in this state except as provided in this chapter.

9 (2)<u>(a)</u> No person shall, in this state, represent an unauthorized 10 insurer except as provided in this chapter. This provision shall not 11 apply to any adjuster or attorney at law representing such an insurer 12 from time to time in this state in his <u>or her</u> professional capacity.

13 (b) A person, other than a duly licensed surplus line broker acting 14 in good faith under his or her license, who makes a contract of insurance in this state, directly or indirectly, on behalf of an
 unauthorized insurer, without complying with the provisions of this
 chapter, is personally liable for the performance of the contract.

(3) Each violation of this ((section)) chapter shall constitute a
separate offense punishable by a fine of not more than twenty-five
thousand dollars, and the commissioner, at the commissioner's
discretion, may order replacement of policies improperly placed with an
unauthorized insurer with policies issued by an authorized insurer.
Violations may result in suspension or revocation of a license.