

2 **ESHB 1010** - S AMD TO S AMD (S-3253.3/95) - 356

3 By Senator

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5 On page 8, beginning on line 28 of the amendment, strike all of
6 section 112 and insert the following:

7 **"Sec. 112.** RCW 48.02.060 and 1947 c 79 s .02.06 are each amended
8 to read as follows:

9 (1) The commissioner shall have the authority expressly conferred
10 upon him or her by or reasonably implied from the provisions of this
11 code.

12 (2) The commissioner shall execute his or her duties and shall
13 enforce the provisions of this code.

14 (3) The commissioner may:

15 (a) Make reasonable rules and regulations for effectuating any
16 provision of this code, except those relating to his or her election,
17 qualifications, or compensation: PROVIDED, That the commissioner may
18 not adopt rules after the effective date of this section that are based
19 solely on this statute, or on a statute's statement of intent or
20 purpose, or on the enabling provisions of the statute establishing the
21 agency, or any combination of such provisions, for statutory authority
22 to adopt any rule, except rules defining or clarifying terms in, or
23 procedures necessary to the implementation of a statute. No such rules
24 and regulations shall be effective prior to their being filed for
25 public inspection in the commissioner's office.

26 (b) Conduct investigations to determine whether any person has
27 violated any provision of this code.

28 (c) Conduct examinations, investigations, hearings, in addition to
29 those specifically provided for, useful and proper for the efficient
30 administration of any provision of this code.

31 **Sec. 113.** RCW 48.30.010 and 1985 c 264 s 13 are each amended to
32 read as follows:

33 (1) No person engaged in the business of insurance shall engage in
34 unfair methods of competition or in unfair or deceptive acts or

1 practices in the conduct of such business as such methods, acts, or
2 practices (~~are defined pursuant to subsection (2) of this section.~~

3 ~~(2) In addition to such unfair methods and unfair or deceptive acts~~
4 ~~or practices)) as are expressly defined and prohibited by this code((~~
5 ~~the commissioner may from time to time by regulation promulgated~~
6 ~~pursuant to chapter 34.05 RCW, define other methods of competition and~~
7 ~~other acts and practices in the conduct of such business reasonably~~
8 ~~found by the commissioner to be unfair or deceptive.~~

9 ~~(3) No such regulation shall be made effective prior to the~~
10 ~~expiration of thirty days after the date of the order by which it is~~
11 ~~promulgated)).~~

12 ~~((+4))~~ (2) If the commissioner has cause to believe that any
13 person is violating any such ((regulation)) rule or prohibition of this
14 code, the commissioner may order such person to cease and desist
15 therefrom. The commissioner shall deliver such order to such person
16 direct or mail it to the person by registered mail with return receipt
17 requested. If the person violates the order after expiration of ten
18 days after the cease and desist order has been received by him or her,
19 he or she may be fined by the commissioner a sum not to exceed two
20 hundred and fifty dollars for each violation committed thereafter.

21 ~~((+5))~~ (3) If any such ((regulation)) rule or prohibition of this
22 code is violated, the commissioner may take such other or additional
23 action as is permitted under the insurance code for violation of a
24 ((regulation)) rule or that prohibition.

25 (4) Any permanent rule that was adopted by the commissioner under
26 the authority of this section as it existed before the effective date
27 of this section, and that was in effect as of the effective date of
28 this section, shall, if otherwise valid, remain in effect until and
29 unless it is repealed by the commissioner, who shall retain the
30 authority to repeal any such rule, or is effectively repealed by an act
31 of the legislature.

32 **Sec. 114.** RCW 48.44.050 and 1947 c 268 s 5 are each amended to
33 read as follows:

34 The insurance commissioner shall make reasonable regulations in aid
35 of the administration of this chapter which may include, but shall not
36 be limited to regulations concerning the maintenance of adequate
37 insurance, bonds, or cash deposits, information required of
38 registrants, and methods of expediting speedy and fair payments to

1 claimants: PROVIDED, That the commissioner may not adopt rules after
2 the effective date of this section that are based solely on this
3 section, a statute's statement of intent or purpose, or on the enabling
4 provisions of the statute establishing the agency, or any combination
5 of such provisions, for statutory authority to adopt any rule, except
6 rules defining or clarifying terms in, or procedures necessary to the
7 implementation of a statute.

8 **Sec. 115.** RCW 48.46.200 and 1975 1st ex.s. c 290 s 21 are each
9 amended to read as follows:

10 The commissioner may adopt, in accordance with the provisions of
11 the administrative procedure act, chapter 34.05 RCW, (~~promulgate~~)
12 rules and regulations as necessary or proper to carry out the
13 provisions of this chapter: PROVIDED, That the commissioner may not
14 adopt rules after the effective date of this section that are based
15 solely on this section, a statute's statement of intent or purpose, or
16 on the enabling provisions of the statute establishing the agency, or
17 any combination of such provisions, for statutory authority to adopt
18 any rule, except rules defining or clarifying terms in, or procedures
19 necessary to the implementation of a statute. Nothing in this chapter
20 shall be construed to prohibit the commissioner from requiring changes
21 in procedures previously approved by (~~him~~) the commissioner."

22 Renumber the remaining sections consecutively and correct any
23 internal references accordingly.

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27 On page 63, line 12 of the title amendment, after "48.02.060,"
28 insert "48.30.010, 48.44.050, 48.46.200,"

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