

CERTIFICATION OF ENROLLMENT

SENATE BILL 5078

Chapter 72, Laws of 1995

54th Legislature
1995 Regular Session

Premium finance agreements--Delinquency charges

EFFECTIVE DATE: 7/23/95

Passed by the Senate March 7, 1995
YEAS 49 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House April 5, 1995
YEAS 96 NAYS 0

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved April 18, 1995

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5078** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

April 18, 1995 - 1:01 p.m.

**Secretary of State
State of Washington**

SENATE BILL 5078

Passed Legislature - 1995 Regular Session

State of Washington 54th Legislature 1995 Regular Session

By Senators Fraser, Prentice, Newhouse and Sellar

Read first time 01/10/95. Referred to Committee on Financial
Institutions & Housing.

1 AN ACT Relating to delinquency and cancellation charges on premium
2 finance agreements; and amending RCW 48.56.100.

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

4 **Sec. 1.** RCW 48.56.100 and 1969 ex.s. c 190 s 10 are each amended
5 to read as follows:

6 A premium finance agreement may provide for the payment by the
7 insured of a delinquency charge of one dollar to a maximum of five
8 percent of the delinquent installment (~~((but not to exceed five dollars~~
9 ~~on any installment which))~~ that is in default for a period of five days
10 or more except that if the loan is primarily for personal, family, or
11 household purposes the delinquency charge shall not exceed five
12 dollars.

13 If the default results in the cancellation of any insurance
14 contract listed in the agreement, the agreement may provide for the
15 payment by the insured of a cancellation charge equal to the difference
16 between any delinquency charge imposed with respect to the installment
17 in default and five dollars.

Passed the Senate March 7, 1995.
Passed the House April 5, 1995.
Approved by the Governor April 18, 1995.
Filed in Office of Secretary of State April 18, 1995.

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