

ESB 6158 - H COMM AMD

By Committee on Financial Institutions & Insurance

ADOPTED 03/03/2004

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that the consumers
4 who purchase workers' compensation insurance from the private
5 marketplace in Washington are not protected from the insolvency and
6 liquidation of these insurers. The legislature further finds that it
7 is in the best interest of the citizens of this state to provide a
8 mechanism to protect these policyholders from the insolvency of their
9 insurers. The insurance commissioner shall study the impact of
10 covering workers' compensation policies purchased on the commercial
11 market under the Washington guarantee association.

12 The insurance commissioner shall study and develop recommendations
13 regarding the following:

14 The impact and effectiveness of covering longshore and harbor
15 workers' compensation act insurance, as defined in 33 U.S.C. Sec. 901
16 et seq., under the Washington guarantee association. In the conduct of
17 this study, the insurance commissioner shall consult with appropriate
18 state agencies; United States longshore and harbor workers'
19 compensation act insurers; insurance carriers; insurance agents and
20 brokers; organized labor; the United States longshore and harbor
21 workers' compensation act assigned risk plan; and maritime employers.
22 The department of labor and industries shall consult with this study on
23 an ex officio basis.

24 The insurance commissioner also shall examine the impact of
25 excluding from guarantee protection workers' compensation policies
26 purchased on the commercial market for employments identified in RCW
27 51.12.020 and the impact of excluding workers' compensation policies
28 purchased by tribal employers and other groups affected by commercial
29 market workers' compensation products.

1 The insurance commissioner shall report the results of these
2 studies to the legislature not later than December 1, 2004."

3 Correct the title.

EFFECT: Deletes the requirement that the Insurance Commissioner create a committee and instead requires the Commissioner to independently conduct a study, in consultation with appropriate state agencies, United States longshore and harbor workers' compensation act insurers, insurance carriers, insurance agents and brokers, and maritime employers. The Department of Labor and Industries will consult on an ex officio basis.

Broadens the scope of the study to examine the impact of excluding from guarantee protection workers' compensation policies purchased for certain types of employment, including tribal employers.

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