

5422

Sponsor(s): Senators Benton, Prentice and Keiser; by request of Insurance Commissioner

Brief Description: Selling single premium credit insurance.

SB 5422 - DIGEST

(AS OF SENATE 2ND READING 3/19/03)

Provides that an insurer or licensee may not issue or sell any single premium credit insurance product in connection with a residential mortgage loan unless: (1) The term of the single premium credit insurance policy is the same as the term of the loan;

(2) The debtor is given the option to buy credit insurance paid with monthly premiums; and

(3) The single premium credit insurance policy provides for a full refund of premiums to the debtor if the credit insurance is canceled within sixty days of the date of the loan.