

SSB 5049 - S AMD
By Senator Kline

NOT CONSIDERED 05/25/2011

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

3 "Sec. 1. RCW 13.34.100 and 2010 c 180 s 2 are each amended to read
4 as follows:

5 (1) The court shall appoint a guardian ad litem for a child who is
6 the subject of an action under this chapter, unless a court for good
7 cause finds the appointment unnecessary. The requirement of a guardian
8 ad litem may be deemed satisfied if the child is represented by
9 independent counsel in the proceedings. The court shall attempt to
10 match a child with special needs with a guardian ad litem who has
11 specific training or education related to the child's individual needs.

12 (2) If the court does not have available to it a guardian ad litem
13 program with a sufficient number of volunteers, the court may appoint
14 a suitable person to act as guardian ad litem for the child under this
15 chapter. Another party to the proceeding or the party's employee or
16 representative shall not be so appointed.

17 (3) Each guardian ad litem program shall maintain a background
18 information record for each guardian ad litem in the program. The
19 background information record shall include, but is not limited to, the
20 following information:

21 (a) Level of formal education;

22 (b) General training related to the guardian ad litem's duties;

23 (c) Specific training related to issues potentially faced by
24 children in the dependency system;

25 (d) Specific training or education related to child disability or
26 developmental issues;

27 (e) Number of years' experience as a guardian ad litem;

28 (f) Number of appointments as a guardian ad litem and the county or
29 counties of appointment;

1 (g) The names of any counties in which the person was removed from
2 a guardian ad litem registry pursuant to a grievance action, and the
3 name of the court and the cause number of any case in which the court
4 has removed the person for cause;

5 (h) Founded allegations of abuse or neglect as defined in RCW
6 26.44.020;

7 (i) The results of an examination of state and national criminal
8 identification data. The examination shall consist of a background
9 check as allowed through the Washington state criminal records privacy
10 act under RCW 10.97.050, the Washington state patrol criminal
11 identification system under RCW 43.43.832 through 43.43.834, and the
12 federal bureau of investigation. The background check shall be done
13 through the Washington state patrol criminal identification section and
14 must include a national check from the federal bureau of investigation
15 based on the submission of fingerprints; and

16 (j) Criminal history, as defined in RCW 9.94A.030, for the period
17 covering ten years prior to the appointment.

18 The background information record shall be updated annually. As a
19 condition of appointment, the guardian ad litem's background
20 information record shall be made available to the court. If the
21 appointed guardian ad litem is not a member of a guardian ad litem
22 program a suitable person appointed by the court to act as guardian ad
23 litem shall provide the background information record to the court.

24 Upon appointment, the guardian ad litem, or guardian ad litem
25 program, shall provide the parties or their attorneys with a copy of
26 the background information record containing the results of the
27 background check conducted through the Washington state patrol criminal
28 identification system under RCW 43.43.832 through 43.43.834. The
29 portion of the background information record containing the results of
30 the criminal background check and the criminal history from the federal
31 bureau of investigation shall not be disclosed to the parties or their
32 attorneys. The background information record shall not include
33 identifying information that may be used to harm a guardian ad litem,
34 such as home addresses and home telephone numbers, and for volunteer
35 guardians ad litem the court may allow the use of maiden names or
36 pseudonyms as necessary for their safety.

37 (4) The appointment of the guardian ad litem shall remain in effect

1 until the court discharges the appointment or no longer has
2 jurisdiction, whichever comes first. The guardian ad litem may also be
3 discharged upon entry of an order of guardianship.

4 (5) A guardian ad litem through counsel, or as otherwise authorized
5 by the court, shall have the right to present evidence, examine and
6 cross-examine witnesses, and to be present at all hearings. A guardian
7 ad litem shall receive copies of all pleadings and other documents
8 filed or submitted to the court, and notice of all hearings according
9 to court rules. The guardian ad litem shall receive all notice
10 contemplated for a parent or other party in all proceedings under this
11 chapter.

12 (6)(a) Pursuant to this subsection, the department or supervising
13 agency and the child's guardian ad litem shall each notify a child of
14 his or her right to request counsel and shall ask the child whether he
15 or she wishes to have counsel. The department or supervising agency
16 and the child's guardian ad litem shall notify the child and make this
17 inquiry immediately after:

18 (i) The date of the child's twelfth birthday;

19 (ii) Assignment of a case involving a child age twelve or older; or

20 (iii) July 1, 2010, for a child who turned twelve years old before
21 July 1, 2010.

22 (b) The department or supervising agency and the child's guardian
23 ad litem shall repeat the notification and inquiry at least annually
24 and upon the filing of any motion or petition affecting the child's
25 placement, services, or familial relationships.

26 (c) The notification and inquiry is not required if the child has
27 already been appointed counsel.

28 (d) The department or supervising agency shall note in the child's
29 individual service and safety plan, and the guardian ad litem shall
30 note in his or her report to the court, that the child was notified of
31 the right to request counsel and indicate the child's position
32 regarding appointment of counsel.

33 (e) At the first regularly scheduled hearing after:

34 (i) The date of the child's twelfth birthday;

35 (ii) The date that a dependency petition is filed pursuant to this
36 chapter on a child age twelve or older; or

37 (iii) July 1, 2010, for a child who turned twelve years old before
38 July 1, 2010;

1 the court shall inquire whether the child has received notice of his or
2 her right to request legal counsel from the department or supervising
3 agency and the child's guardian ad litem. The court shall make an
4 additional inquiry at the first regularly scheduled hearing after the
5 child's fifteenth birthday. No inquiry is necessary if the child has
6 already been appointed counsel.

7 (f) If the child requests legal counsel and is age twelve or older,
8 or if the guardian ad litem or the court determines that the child
9 needs to be independently represented by counsel, the court may appoint
10 an attorney to represent the child's position.

11 (7) For the purposes of child abuse prevention and treatment act
12 (42 U.S.C. Secs. 5101 et seq.) grants to this state under P.L. 93-247,
13 or any related state or federal legislation, a person appointed
14 pursuant to this section shall be deemed a guardian ad litem to
15 represent the best interests of the minor in proceedings before the
16 court.

17 (8) When a court-appointed special advocate or volunteer guardian
18 ad litem is requested on a case, the program shall give the court the
19 name of the person it recommends. The program shall attempt to match
20 a child with special needs with a guardian ad litem who has specific
21 training or education related to the child's individual needs. The
22 court shall immediately appoint the person recommended by the program.

23 (9) If a party in a case reasonably believes the court-appointed
24 special advocate or volunteer guardian ad litem is inappropriate or
25 unqualified, the party may request a review of the appointment by the
26 program. The program must complete the review within five judicial
27 days and remove any appointee for good cause. If the party seeking the
28 review is not satisfied with the outcome of the review, the party may
29 file a motion with the court for the removal of the court-appointed
30 special advocate or volunteer guardian ad litem on the grounds the
31 advocate or volunteer is inappropriate or unqualified.

32 **Sec. 2.** RCW 42.56.230 and 2010 c 106 s 102 are each amended to
33 read as follows:

34 The following personal information is exempt from public inspection
35 and copying under this chapter:

36 (1) Personal information in any files maintained for students in

1 public schools, patients or clients of public institutions or public
2 health agencies, or welfare recipients;

3 (2) Personal information in files maintained for employees,
4 appointees, or elected officials of any public agency to the extent
5 that disclosure would violate their right to privacy;

6 (3) Information required of any taxpayer in connection with the
7 assessment or collection of any tax if the disclosure of the
8 information to other persons would: (a) Be prohibited to such persons
9 by RCW 84.08.210, 82.32.330, 84.40.020, 84.40.340, or any ordinance
10 authorized under RCW 35.102.145; or (b) violate the taxpayer's right to
11 privacy or result in unfair competitive disadvantage to the taxpayer;

12 (4) Credit card numbers, debit card numbers, electronic check
13 numbers, card expiration dates, or bank or other financial (~~account~~
14 ~~numbers~~) information as defined in RCW 9.35.005 including social
15 security numbers, except when disclosure is expressly required by or
16 governed by other law;

17 (5) Personal and financial information related to a small loan or
18 any system of authorizing a small loan in RCW 31.45.093; and

19 (6) Documents and related materials and scanned images of documents
20 and related materials used to prove identity, age, residential address,
21 social security number, or other personal information required to apply
22 for a driver's license or identicard.

23 **Sec. 3.** RCW 42.56.250 and 2010 c 257 s 1 and 2010 c 128 s 9 are
24 each reenacted and amended to read as follows:

25 The following employment and licensing information is exempt from
26 public inspection and copying under this chapter:

27 (1) Test questions, scoring keys, and other examination data used
28 to administer a license, employment, or academic examination;

29 (2) All applications for public employment, including the names of
30 applicants, resumes, and other related materials submitted with respect
31 to an applicant, subject to the following exceptions:

32 (a) The applications of finalists applying for the highest
33 management position in a public agency, county, or local government
34 department with confidential reference information removed or redacted
35 is not exempt from inspection and copying; and

36 (b) Application materials not exempt from inspection and copying

1 must be available to the public after the finalists are selected, but
2 before the agency, county, or local government makes its decision;

3 (3) The residential addresses, residential telephone numbers,
4 personal wireless telephone numbers, personal electronic mail
5 addresses, social security numbers, and emergency contact information
6 of employees or volunteers of a public agency, and the names, dates of
7 birth, residential addresses, residential telephone numbers, personal
8 wireless telephone numbers, personal electronic mail addresses, social
9 security numbers, and emergency contact information of dependents of
10 employees or volunteers of a public agency that are held by any public
11 agency in personnel records, public employment related records, or
12 volunteer rosters, or are included in any mailing list of employees or
13 volunteers of any public agency. For purposes of this subsection,
14 "employees" includes independent provider home care workers as defined
15 in RCW 74.39A.240;

16 (4) Information that identifies a person who, while an agency
17 employee: (a) Seeks advice, under an informal process established by
18 the employing agency, in order to ascertain his or her rights in
19 connection with a possible unfair practice under chapter 49.60 RCW
20 against the person; and (b) requests his or her identity or any
21 identifying information not be disclosed;

22 (5) Investigative records compiled by an employing agency
23 conducting an active and ongoing investigation of a possible unfair
24 practice under chapter 49.60 RCW or of a possible violation of other
25 federal, state, or local laws prohibiting discrimination in employment;

26 (6) Criminal history records checks for board staff finalist
27 candidates conducted pursuant to RCW 43.33A.025;

28 (7) Except as provided in RCW 47.64.220, salary and benefit
29 information for maritime employees collected from private employers
30 under RCW 47.64.220(1) and described in RCW 47.64.220(2); and

31 (8) Photographs and month and year of birth in the personnel files
32 of employees and workers of criminal justice agencies as defined in RCW
33 10.97.030. The news media, as defined in RCW 5.68.010(5), shall have
34 access to the photographs and full date of birth. For the purposes of
35 this subsection, news media does not include any person or organization
36 of persons in the custody of a criminal justice agency as defined in
37 RCW 10.97.030.

1 For the purposes of this section, "employment" does not include
2 service on boards or commissions where the individual does not receive
3 pay or benefits, even if that individual may receive minimal
4 reimbursement or stipend for expenses.

5 **Sec. 4.** RCW 42.56.330 and 2010 c 128 s 8 are each amended to read
6 as follows:

7 The following information relating to public utilities and
8 transportation is exempt from disclosure under this chapter:

9 (1) Records filed with the utilities and transportation commission
10 or attorney general under RCW 80.04.095 that a court has determined are
11 confidential under RCW 80.04.095;

12 (2) The residential addresses and residential telephone numbers of
13 the customers of a public utility contained in the records or lists
14 held by the public utility of which they are customers, except that
15 this information may be released to the division of child support or
16 the agency or firm providing child support enforcement for another
17 state under Title IV-D of the federal social security act, for the
18 establishment, enforcement, or modification of a support order;

19 (3) The names, residential addresses, residential telephone
20 numbers, and other individually identifiable records held by an agency
21 in relation to a vanpool, carpool, or other ride-sharing program or
22 service(~~;- however, these records~~). Participant's names, general
23 locations, and e-mail addresses may be disclosed to other persons who
24 apply for ride-matching services and who need that information in order
25 to identify potential riders or drivers with whom to share rides;

26 (4) The personally identifying information of current or former
27 participants or applicants in a paratransit or other transit service
28 operated for the benefit of persons with disabilities or elderly
29 persons;

30 (5) The personally identifying information of persons who acquire
31 and use transit passes and other fare payment media including, but not
32 limited to, stored value smart cards and magnetic strip cards, except
33 that an agency may disclose this information to a person, employer,
34 educational institution, or other entity that is responsible, in whole
35 or in part, for payment of the cost of acquiring or using a transit
36 pass or other fare payment media for the purpose of preventing fraud(~~;-~~

1 ~~or to the news media when reporting on public transportation or public~~
2 ~~safety)).~~

3 (a) This information may be disclosed in aggregate form if the data
4 does not contain any personally identifying information.

5 (b) Personally identifying information may be released to law
6 enforcement agencies if the request is accompanied by a court order;

7 (6) Any information obtained by governmental agencies that is
8 collected by the use of a motor carrier intelligent transportation
9 system or any comparable information equipment attached to a truck,
10 tractor, or trailer; however, the information may be given to other
11 governmental agencies or the owners of the truck, tractor, or trailer
12 from which the information is obtained. As used in this subsection,
13 "motor carrier" has the same definition as provided in RCW 81.80.010;

14 (7) The personally identifying information of persons who acquire
15 and use transponders or other technology to facilitate payment of
16 tolls. This information may be disclosed in aggregate form as long as
17 the data does not contain any personally identifying information. For
18 these purposes aggregate data may include the census tract of the
19 account holder as long as any individual personally identifying
20 information is not released. Personally identifying information may be
21 released to law enforcement agencies only for toll enforcement
22 purposes. Personally identifying information may be released to law
23 enforcement agencies for other purposes only if the request is
24 accompanied by a court order; and

25 (8) The personally identifying information of persons who acquire
26 and use a driver's license or identicard that includes a radio
27 frequency identification chip or similar technology to facilitate
28 border crossing. This information may be disclosed in aggregate form
29 as long as the data does not contain any personally identifying
30 information. Personally identifying information may be released to law
31 enforcement agencies only for United States customs and border
32 protection enforcement purposes. Personally identifying information
33 may be released to law enforcement agencies for other purposes only if
34 the request is accompanied by a court order.

35 **Sec. 5.** RCW 48.37.060 and 2008 c 100 s 2 are each amended to read
36 as follows:

37 (1) When the commissioner determines that other market conduct

1 actions identified in RCW 48.37.040(4)(a) have not sufficiently
2 addressed issues raised concerning company activities in Washington
3 state, the commissioner has the discretion to conduct market conduct
4 examinations in accordance with the NAIC market conduct uniform
5 examination procedures and the NAIC market regulation handbook.

6 (2)(a) In lieu of an examination of an insurer licensed in this
7 state, the commissioner shall accept an examination report of another
8 state, unless the commissioner determines that the other state does not
9 have laws substantially similar to those of this state, or does not
10 have a market oversight system that is comparable to the market conduct
11 oversight system set forth in this law.

12 (b) The commissioner's determination under (a) of this subsection
13 is discretionary with the commissioner and is not subject to appeal.

14 (c) If the insurer to be examined is part of an insurance holding
15 company system, the commissioner may also seek to simultaneously
16 examine any affiliates of the insurer under common control and
17 management which are licensed to write the same lines of business in
18 this state.

19 (3) Before commencement of a market conduct examination, market
20 conduct oversight personnel shall prepare a work plan consisting of the
21 following:

22 (a) The name and address of the insurer being examined;

23 (b) The name and contact information of the examiner-in-charge;

24 (c) The name of all market conduct oversight personnel initially
25 assigned to the market conduct examination;

26 (d) The justification for the examination;

27 (e) The scope of the examination;

28 (f) The date the examination is scheduled to begin;

29 (g) Notice of any noninsurance department personnel who will assist
30 in the examination;

31 (h) A time estimate for the examination;

32 (i) A budget for the examination if the cost of the examination is
33 billed to the insurer; and

34 (j) An identification of factors that will be included in the
35 billing if the cost of the examination is billed to the insurer.

36 (4)(a) Within ten days of the receipt of the information contained
37 in subsection (3) of this section, insurers may request the
38 commissioner's discretionary review of any alleged conflict of

1 interest, pursuant to RCW 48.37.090(2), of market conduct oversight
2 personnel and noninsurance department personnel assigned to a market
3 conduct examination. The request for review shall specifically
4 describe the alleged conflict of interest in the proposed assignment of
5 any person to the examination.

6 (b) Within five business days of receiving a request for
7 discretionary review of any alleged conflict of interest in the
8 proposed assignment of any person to a market conduct examination, the
9 commissioner or designee shall notify the insurer of any action
10 regarding the assignment of personnel to a market conduct examination
11 based on the insurer's allegation of conflict of interest.

12 (5) Market conduct examinations shall, to the extent feasible, use
13 desk examinations and data requests before an on-site examination.

14 (6) Market conduct examinations shall be conducted in accordance
15 with the provisions set forth in the NAIC market regulation handbook
16 and the NAIC market conduct uniform examinations procedures, subject to
17 the precedence of the provisions of chapter 82, Laws of 2007.

18 (7) The commissioner shall use the NAIC standard data request.

19 (8) Announcement of the examination shall be sent to the insurer
20 and posted on the NAIC's examination tracking system as soon as
21 possible but in no case later than sixty days before the estimated
22 commencement of the examination, except where the examination is
23 conducted in response to extraordinary circumstances as described in
24 RCW 48.37.050(2)(a). The announcement sent to the insurer shall
25 contain the examination work plan and a request for the insurer to name
26 its examination coordinator.

27 (9) If an examination is expanded significantly beyond the original
28 reasons provided to the insurer in the notice of the examination
29 required by subsection (3) of this section, the commissioner shall
30 provide written notice to the insurer, explaining the expansion and
31 reasons for the expansion. The commissioner shall provide a revised
32 work plan if the expansion results in significant changes to the items
33 presented in the original work plan required by subsection (3) of this
34 section.

35 (10) The commissioner shall conduct a preexamination conference
36 with the insurer examination coordinator and key personnel to clarify
37 expectations at least thirty days before commencement of the

1 examination, unless otherwise agreed by the insurer and the
2 commissioner.

3 (11) Before the conclusion of the field work for market conduct
4 examination, the examiner-in-charge shall review examination findings
5 to date with insurer personnel and schedule an exit conference with the
6 insurer, in accordance with procedures in the NAIC market regulation
7 handbook.

8 (12)(a) No later than sixty days after completion of each market
9 conduct examination, the commissioner shall make a full written report
10 of each market conduct examination containing only facts ascertained
11 from the accounts, records, and documents examined and from the sworn
12 testimony of individuals, and such conclusions and recommendations as
13 may reasonably be warranted from such facts.

14 (b) The report shall be certified by the commissioner or by the
15 examiner-in-charge of the examination, and shall be filed in the
16 commissioner's office subject to (c) of this subsection.

17 (c) The commissioner shall furnish a copy of the market conduct
18 examination report to the person examined not less than ten days and,
19 unless the time is extended by the commissioner, not more than thirty
20 days prior to the filing of the report for public inspection in the
21 commissioner's office. If the person so requests in writing within
22 such period, the commissioner shall hold a hearing to consider
23 objections of such person to the report as proposed, and shall not so
24 file the report until after such hearing and until after any
25 modifications in the report deemed necessary by the commissioner have
26 been made.

27 (d) Within thirty days of the end of the period described in (c) of
28 this subsection, unless extended by order of the commissioner, the
29 commissioner shall consider the report, together with any written
30 submissions or rebuttals and any relevant portions of the examiner's
31 work papers and enter an order:

32 (i) Adopting the market conduct examination report as filed or with
33 modification or corrections. If the market conduct examination report
34 reveals that the company is operating in violation of any law, rule, or
35 order of the commissioner, the commissioner may order the company to
36 take any action the commissioner considers necessary and appropriate to
37 cure that violation;

1 (ii) Rejecting the market conduct examination report with
2 directions to the examiners to reopen the examination for purposes of
3 obtaining additional data, documentation, or information, and refiling
4 under this subsection; or

5 (iii) Calling for an investigatory hearing with no less than twenty
6 days' notice to the company for purposes of obtaining additional
7 documentation, data, information, and testimony.

8 (e) All orders entered under (d) of this subsection must be
9 accompanied by findings and conclusions resulting from the
10 commissioner's consideration and review of the market conduct
11 examination report, relevant examiner work papers, and any written
12 submissions or rebuttals. The order is considered a final
13 administrative decision and may be appealed under the administrative
14 procedure act, chapter 34.05 RCW, and must be served upon the company
15 by certified mail or certifiable electronic means, together with a copy
16 of the adopted examination report. A copy of the adopted examination
17 report must be sent by certified mail or certifiable electronic means
18 to each director at the director's residential address or to a personal
19 e-mail account.

20 (f)(i) Upon the adoption of the market conduct examination report
21 under (d) of this subsection, the commissioner shall continue to hold
22 the content of the examination report as private and confidential
23 information for a period of five days except that the order may be
24 disclosed to the person examined. Thereafter, the commissioner (~~may~~)
25 must open the report for public inspection so long as no court of
26 competent jurisdiction has stayed its publication.

27 (ii) If the commissioner determines that regulatory action is
28 appropriate as a result of any market conduct examination, he or she
29 may initiate any proceedings or actions as provided by law.

30 (iii) Nothing contained in this subsection requires the
31 commissioner to disclose any information or records that would indicate
32 or show the existence or content of any investigation or activity of a
33 criminal justice agency.

34 (g) The insurer's response shall be included in the commissioner's
35 order adopting the final report as an exhibit to the order. The
36 insurer is not obligated to submit a response.

37 (13) Except as provided in subsection (12)(f)(i) of this section,

1 the commissioner may withhold from public inspection any examination or
2 investigation report for so long as he or she deems it advisable.

3 (14)(a) Market conduct examinations within this state of any
4 insurer domiciled or having its home offices in this state, other than
5 a title insurer, made by the commissioner or the commissioner's
6 examiners and employees shall, except as to fees, mileage, and expense
7 incurred as to witnesses, be at the expense of the state.

8 (b) Every other examination, whatsoever, or any part of the market
9 conduct examination of any person domiciled or having its home offices
10 in this state requiring travel and services outside this state, shall
11 be made by the commissioner or by examiners designated by the
12 commissioner and shall be at the expense of the person examined; but a
13 domestic insurer shall not be liable for the compensation of examiners
14 employed by the commissioner for such services outside this state.

15 (c) When making a market conduct examination under this chapter,
16 the commissioner may contract, in accordance with applicable state
17 contracting procedures, for qualified attorneys, appraisers,
18 independent certified public accountants, contract actuaries, and other
19 similar individuals who are independently practicing their professions,
20 even though those persons may from time to time be similarly employed
21 or retained by persons subject to examination under this chapter, as
22 examiners as the commissioner deems necessary for the efficient conduct
23 of a particular examination. The compensation and per diem allowances
24 paid to such contract persons shall be reasonable in the market and
25 time incurred, shall not exceed one hundred twenty-five percent of the
26 compensation and per diem allowances for examiners set forth in the
27 guidelines adopted by the national association of insurance
28 commissioners, unless the commissioner demonstrates that one hundred
29 twenty-five percent is inadequate under the circumstances of the
30 examination, and subject to the provisions of (a) of this subsection.

31 (d)(i) The person examined and liable shall reimburse the state
32 upon presentation of an itemized statement thereof, for the actual
33 travel expenses of the commissioner's examiners, their reasonable
34 living expenses allowance, and their per diem compensation, including
35 salary and the employer's cost of employee benefits, at a reasonable
36 rate approved by the commissioner, incurred on account of the
37 examination. Per diem, salary, and expenses for employees examining
38 insurers domiciled outside the state of Washington shall be established

1 by the commissioner on the basis of the national association of
2 insurance commissioner's recommended salary and expense schedule for
3 zone examiners, or the salary schedule established by the director of
4 the Washington department of personnel and the expense schedule
5 established by the office of financial management, whichever is higher.
6 A domestic title insurer shall pay the examination expense and costs to
7 the commissioner as itemized and billed by the commissioner.

8 (ii) The commissioner or the commissioner's examiners shall not
9 receive or accept any additional emolument on account of any
10 examination.

11 (iii) Market conduct examination fees subject to being reimbursed
12 by an insurer shall be itemized and bills shall be provided to the
13 insurer on a monthly basis for review prior to submission for payment,
14 or as otherwise provided by state law.

15 (e) Nothing contained in this chapter limits the commissioner's
16 authority to terminate or suspend any examination in order to pursue
17 other legal or regulatory action under the insurance laws of this
18 state. Findings of fact and conclusions made pursuant to any
19 examination are prima facie evidence in any legal or regulatory action.

20 (f) The commissioner shall maintain active management and oversight
21 of market conduct examination costs, including costs associated with
22 the commissioner's own examiners, and with retaining qualified contract
23 examiners necessary to perform an examination. Any agreement with a
24 contract examiner shall:

25 (i) Clearly identify the types of functions to be subject to
26 outsourcing;

27 (ii) Provide specific timelines for completion of the outsourced
28 review;

29 (iii) Require disclosure to the insurer of contract examiners'
30 recommendations;

31 (iv) Establish and use a dispute resolution or arbitration
32 mechanism to resolve conflicts with insurers regarding examination
33 fees; and

34 (v) Require disclosure of the terms of the contracts with the
35 outside consultants that will be used, specifically the fees and/or
36 hourly rates that can be charged.

37 (g) The commissioner, or the commissioner's designee, shall review

1 and affirmatively endorse detailed billings from the qualified contract
2 examiner before the detailed billings are sent to the insurer.

3 **Sec. 6.** RCW 70.148.060 and 2005 c 274 s 341 are each amended to
4 read as follows:

5 (1) All (~~examination and proprietary reports and~~) information
6 except for proprietary reports or information obtained by the director
7 and the director's staff in soliciting bids from insurers and in
8 monitoring the insurer selected by the director shall (~~not~~) be made
9 public or otherwise disclosed to any person, firm, corporation, agency,
10 association, governmental body, or other entity.

11 (2) Subsection (1) of this section notwithstanding, the director
12 may furnish all or part of examination reports prepared by the director
13 or by any person, firm, corporation, association, or other entity
14 preparing the reports on behalf of the director to:

15 (a) The Washington state insurance commissioner;

16 (b) A person or organization officially connected with the insurer
17 as officer, director, attorney, auditor, or independent attorney or
18 independent auditor; and

19 (c) The attorney general in his or her role as legal advisor to the
20 director.

21 (3) Subsection (1) of this section notwithstanding, the director
22 may furnish all or part of the examination or proprietary reports or
23 information obtained by the director to:

24 (a) The Washington state insurance commissioner; and

25 (b) A person, firm, corporation, association, governmental body, or
26 other entity with whom the director has contracted for services
27 necessary to perform his or her official duties.

28 (4) (~~Examination reports and~~) Proprietary information obtained by
29 the director and the director's staff are not subject to public
30 disclosure under chapter 42.56 RCW.

31 (5) A person who violates any provision of this section is guilty
32 of a gross misdemeanor.

33 NEW SECTION. **Sec. 7.** Section 6 of this act expires June 1, 2013."

NOT CONSIDERED 05/25/2011

1 On page 1, line 2 of the title, after "committee;" strike the
2 remainder of the title and insert "amending RCW 13.34.100, 42.56.230,
3 42.56.330, 48.37.060, and 70.148.060; reenacting and amending RCW
4 42.56.250; and providing an expiration date."

EFFECT: Restores language mistakenly amended out relating to authority the legislature granted to local governments in 2010 to enact ordinances to protect personal information of taxpayers in the same manner personal information relating to property tax payments is protected.

Removes the requirement that the background information records for guardians ad litem be made available to the public. Preserves the prohibition in current law, and required by federal rule, against secondary dissemination of the results of FBI criminal history background checks. Revises the requirement that the parties and their attorneys be provided the background information records containing the results of the FBI criminal history check and requires instead, that the parties and their attorneys be provided the background information records containing the results from the Washington State Patrol Criminal Identification System.

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