

HB 2356 - S COMM AMD

By Committee on Financial Institutions & Insurance

ADOPTED 03/02/2016

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

3 "Sec. 1. RCW 48.110.015 and 2006 c 274 s 2 and 2006 c 36 s 16
4 are each reenacted and amended to read as follows:

5 (1) The following are exempt from this title:

6 (a) Warranties;

7 (b) Maintenance agreements;

8 (c) Service contracts:

9 (i) Paid for with separate and additional consideration;

10 (ii) Issued at the point of sale, or within sixty days of the
11 original purchase date of the property; and

12 (iii) On tangible property when the tangible property for which
13 the service contract is sold has a purchase price of fifty dollars or
14 less, exclusive of sales tax; and

15 (d) Agreements whereby a third party contracted by an employer
16 provides mileage reimbursement and incidental maintenance and repairs
17 to the employer's employees for personal vehicles used for business
18 purposes, provided that such agreement does not provide
19 indemnification or repairs for a loss caused by theft, collision,
20 fire, or other peril typically covered in the comprehensive section
21 of an automobile insurance policy.

22 (2) This chapter does not apply to:

23 (a) Vehicle mechanical breakdown insurance;

24 (b) Service contracts on tangible personal property purchased by
25 persons who are not consumers; and

26 (c) Home heating fuel service contracts offered by home heating
27 energy providers."

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1 On page 1, line 3 of the title, after "purposes;" strike the
2 remainder of the title and insert "and reenacting and amending RCW
3 48.110.015."

EFFECT: Removes the word "employer" in the beginning of the sentence to avoid confusion as to which agreements are exempt from the insurance code.

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