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ENGROSSED HOUSE BILL 1578

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State of Washington

64th Legislature

2015 Regular Session

By Representatives Kirby and Vick

Read first time 01/23/15. Referred to Committee on Business & Financial Services.

1 AN ACT Relating to authorizing insurers to offer customer  
2 satisfaction benefits; and adding a new section to chapter 48.18 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.18  
5 RCW to read as follows:

6 (1) An insurer may include contractual benefits based on customer  
7 satisfaction as part of an insurance policy. The insurer must file  
8 the policy or endorsement for approval as required by RCW 48.18.100.  
9 The contractual benefits may include sums of money provided or  
10 credited to a policyholder if the policyholder is dissatisfied with  
11 the service provided by their insurer. A sum that is provided to or  
12 credited to a policyholder as part of an approved contractual benefit  
13 based on customer satisfaction is not "premium" for the purposes of  
14 RCW 48.18.170. A policy premium reduced by such a credit will be  
15 taxed on the full cost of the premium before application of the  
16 customer satisfaction credit.

17 (2) This section applies only to personal insurance as defined in  
18 RCW 48.18.545(1)(g).

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