

FINAL BILL REPORT

ESB 5042

C 32 L 17
Synopsis as Enacted

Brief Description: Authorizing funeral planning and funeral services as noninsurance benefits under group life and disability insurance policies.

Sponsors: Senators Angel, Hobbs and Wellman.

Senate Committee on Financial Institutions & Insurance
House Committee on Business & Financial Services

Background: The Office of the Insurance Commissioner (OIC) regulates insurance providers in Washington, including individual and group life insurers and disability insurers. A life insurer or disability insurer may include certain noninsurance benefits as part of a policy including will preparation, financial and estate planning, probate and estate settlement, grief counseling, and other services identified by the Commissioner. Group life insurance refers to a policy that insures the lives of more than one individual as part of a specified group allowed by statute. Disability insurance refers to a policy that pays benefits if the insured becomes partially or fully disabled and unable to work.

Summary: Funeral planning and funeral services are added to the benefits a life insurer or disability insurer may include as part of a policy, with the prior approval of the OIC.

An insurer must disclosure that funeral planning and funeral services do not constitute an insurance funded prearrangement contract.

Votes on Final Passage:

Senate	49	0
House	97	0

Effective: July 23, 2017

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.