
HOUSE BILL 1645

State of Washington

69th Legislature

2025 Regular Session

By Representatives Peterson, Reed, Doglio, Salahuddin, Scott, Berry, Gregerson, Macri, Simmons, and Nance

Read first time 01/28/25. Referred to Committee on Consumer Protection & Business.

1 AN ACT Relating to enhancing consumer protections for automobile
2 insurance coverage; 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) Every automobile insurance policy that includes first-party
7 coverage for physical damage issued or renewed effective on or after
8 January 1, 2026, must include a provision for the right to an
9 appraisal to resolve disputes between the insurer and the insured
10 regarding the actual cash value and amount of loss on the damaged
11 automobile. The appraisal clause must include the following language,
12 or corresponding language that in the opinion of the commissioner is
13 at least as favorable to the insured:

14 "If . . . (the insurance company) . . . and . . . (the
15 policyholder) . . . are unable to agree as to the amount of loss,
16 either party may make a written demand for an appraisal, and within
17 10 days each party shall select a competent and disinterested
18 appraiser and notify the other party of its selection.

19 The selected appraisers shall appoint a competent and
20 disinterested umpire. If the appraisers do not appoint a competent

1 and disinterested umpire within 10 days, either appraiser may notify
2 the commissioner, and the commissioner shall identify a registered
3 competent and disinterested umpire that will be used according to the
4 process that the commissioner specifies by rule.

5 The appraisers shall then each appraise the loss, make separate
6 findings regarding the amount of loss for each element of loss, and
7 exchange their completed appraisals. If the appraisers are unable to
8 agree on the losses, they shall submit their differences to the
9 umpire.

10 The amount of loss must be determined either by agreement of the
11 appraisers or by agreement of one appraiser and the umpire.

12 Each party is responsible for their appraisal expenses, and each
13 party is equally responsible for the cost of the umpire.

14 If the amount of loss determined through the appraisal process is
15 greater than the amount of loss . . . (the insurance company) . . .
16 adjusted before the appraisal process was invoked by an amount of
17 \$500 or more, . . . (the insurance company) . . . will
18 reimburse . . . (the policyholder) . . . for the costs incurred for
19 the appraisal process.

20 The appraisal process costs include reasonable appraiser
21 professional charges, reasonable attorneys' fees, and other necessary
22 actual costs."

23 (2) Neither party may demand an appraisal until 10 days after the
24 insurer receives notification of the claim.

25 (3) For purposes of this section, the following definitions
26 apply:

27 (a) "Appraiser" means a person selected by the insurer or the
28 insured to place a value on or estimate the amount of loss under an
29 appraisal clause in an insurance contract;

30 (b) "Competent" means the person has subject matter expertise,
31 relevant training, and experience to make decisions and valuations
32 relating to the amount of loss;

33 (c) "Disinterested" means the person does not have a direct
34 financial interest in the outcome of the appraisal process; and

35 (d) "Umpire" means a person selected by the appraisers
36 representing the insurer and the insured, or, if the appraisers
37 cannot agree, by the commissioner, who is charged with resolving
38 issues that the appraisers are unable to agree upon during the course
39 of an appraisal.

1 (4) The commissioner may adopt rules as necessary to implement
2 this section.

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