

**Chapter 284-20 WAC  
INSURANCE POLICIES**

Last Update: 11/12/21

**WAC**

284-20-006 Washington Insurance Examining Bureau, Inc.—Audits to test adherence to rate filings.  
284-20-010 Standard fire policies.  
284-20-020 Time of inception and expiration.  
284-20-030 Purpose.  
284-20-040 Classification of risks and coverages.  
284-20-050 Excluded coverages.  
284-20-200 Retention of policy forms.  
284-20-300 Mandatory offering of personal injury protection and required language when underinsured motorist coverage is rejected.

**DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER**

284-20-005 Washington Insurance Examining Bureau, Inc.—Rates and adhering to filings. [Statutory Authority: RCW 48.02.060. WSR 80-04-018 (Order R 80-2), § 284-20-005, filed 3/13/80; Order R-68-4, § 284-20-005, filed 7/3/68, effective 9/1/68; Order 179, filed 3/10/64; Original Order 179, filed 1/8/63.] Repealed by WSR 82-02-024 (Order R 81-9), filed 12/30/81. Statutory Authority: RCW 48.02.060.

284-20-031 Resolution and plan of National Association of Insurance Commissioners. [Adopted 7/31/53, filed 3/22/60.] Repealed by Order R 77-3, filed 5/20/77.

284-20-060 Replacement or depreciation insurance—Policy and general rules effective December 20, 1947. [Order 12/17/47, effective 12/20/47, filed 3/22/60.] Repealed by Order R 77-3, filed 5/20/77.

284-20-061 Replacement or depreciation insurance—General rules promulgated June 4, 1951. [Rules dated 6/1/51; made and filed in the commissioner's office 6/4/51, filed with code reviser 3/22/60.] Repealed by Order R 77-3, filed 5/20/77.

284-20-062 Replacement or depreciation insurance—Construction to allow coverage to be written in a separate policy. [Rule construing WAC 284-20-210; made 2/13/52, filed 3/22/60.] Repealed by Order R 77-3, filed 5/20/77.

284-20-063 Replacement or depreciation insurance—General rules promulgated May 15, 1952. [General rules of 5/15/52, filed 3/22/60.] Repealed by Order R 77-3, filed 5/20/77.

284-20-064 Replacement or depreciation insurance—May be written as a surplus line subject. [Order of 12/26/47, filed 3/22/60.] Repealed by Order R 77-3, filed 5/20/77.

284-20-070 Catastrophe coverage. Repealed by WSR 98-22-109 (Matter No. R 98-13), filed 11/4/98, effective 12/5/98. Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170.

284-20-100 Modification of form filing requirements. [Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170. WSR 98-22-109 (Matter No. R 98-13), § 284-20-100, filed 11/4/98, effective 12/5/98. Statutory Authority: RCW 48.02.060 (3)(e). WSR 86-24-043 (Order R 86-7), § 284-20-100, filed 11/26/86.] Repealed by WSR 08-21-091 (Matter No. 2007-11), filed 10/15/08, effective 2/1/09. Statutory Authority: RCW 48.02.060, 48.110.150.

284-20-150 Rules that exempt certain commercial property casualty forms from filing requirements. [Statutory Authority: RCW 48.02.060, 48.18.100(6), and 48.18.103(3). WSR 06-07-098 (Matter No. R 2005-03), § 284-20-150, filed 3/15/06, effective 4/15/06.] Repealed by WSR 08-21-091 (Matter No. 2007-11), filed 10/15/08, effective 2/1/09. Statutory Authority: RCW 48.02.060, 48.110.150.

**WAC 284-20-006 Washington Insurance Examining Bureau, Inc.—Audits to test adherence to rate filings.** (1) In performing the duty of determining that lawful premiums are being charged, the commissioner finds that it is not reasonable or necessary, with regard to any kind of insurance, to mandate that data relating to all policies issued be submitted for examination. The commissioner finds, however, as to all kinds of insurance falling within the scope of chapter 48.19 RCW, that occasions may arise where documents with respect to certain policies should be submitted for examination in order to determine that lawful rates are being charged. The required submission should be on a random audit basis or by designation of certain specific policies.

(2) Based on the preceding subsection and under RCW 48.19.410 every insurer authorized to write property or casualty insurance in the state of Washington:

(a) May submit to the Washington Insurance Examining Bureau, Inc., for examination, the following information that relates to property insurance as defined in RCW 48.11.040:

(i) Any policies and the related daily reports;  
(ii) Binders;  
(iii) Renewal certificates;  
(iv) Endorsements; and  
(v) Other evidences of insurance or the cancellation of insurance.

(b) Shall make available to the bureau, the information listed in (a) (i) through (v) of this subsection:

(i) When directed to do so by the commissioner regarding a specifically identified policy; and

(ii) As may be required by the commissioner for purposes of random audits designed to test the companies' adherence to rate filings.

[Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170. WSR 98-22-109 (Matter No. R 98-13), § 284-20-006, filed 11/4/98, effective 12/5/98. Statutory Authority: RCW 48.02.060. WSR 82-02-024 (Order R 81-9), § 284-20-006, filed 12/30/81.]

**WAC 284-20-010 Standard fire policies.** (1) This regulation is promulgated pursuant to RCW 48.18.120(1) to define and effect reasonable uniformity in all basic contracts of fire insurance.

(2) All policies which include coverage against loss or damage by fire are hereby defined to be basic contracts of fire insurance unless they come within the scope of insurance code provisions, or regulations adopted by the commissioner, providing that they may be regarded as marine, inland marine, vehicle, or casualty policies.

(3) Except for the provisions of the next succeeding three paragraphs, no company shall issue any basic contract of fire insurance covering property or interest therein in this state other than on the form known as the 1943 New York Standard Fire Insurance Policy, herein referred to as the "standard fire policy": Provided, however, that such form shall be modified to conform to RCW 48.18.290 with respect to the number of days' notice of cancellation required. In addition, such form shall be modified as necessary to conform to WAC 284-20-020 with respect to inception and expiration times. Such modifications may be by endorsement.

(a) Insurers issuing a standard fire policy pursuant to this regulation are hereby authorized to affix thereto or include therein a written statement that the policy does not cover loss or damage caused by nuclear reaction or nuclear radiation or radioactive contamination, all whether directly or indirectly resulting from an insured peril under said policy: Provided, however, that nothing herein contained shall be construed to prohibit the attachment to any such policy of an endorsement or endorsements specifically assuming coverage for loss or damage caused by nuclear reaction or nuclear radiation or radioactive contamination provided such assumption clause has been filed with and approved by the commissioner in accordance with RCW 48.18.100.

(b) The pages of the standard fire policy issued pursuant to this regulation may be renumbered and the format rearranged for convenience in the preparation of individual contracts, and to provide space for the listing of rates and premiums for coverages insured thereunder or under endorsement attached to or printed thereon, and such other data as may be conveniently included for duplication on daily reports for office records.

(c) As an alternative form, a form written in clear, understandable language, which provides terms, conditions and coverages not less favorable to the insured than the "standard fire policy," may be used. Such alternative form may be incorporated in or integrated within a form providing other or additional coverages, as, for example, a home-owners policy or a special multiperil policy. The intent of this subsection is to permit understandable plain language policies and package policies without diminishing any rights an insured would have under the 1943 New York Standard Fire Insurance Policy.

(d) By use of such alternative form, an insurer certifies that it is not less favorable to the insured than the "standard fire policy." If, in the adjustment of claims, any provision of the "standard fire policy" applicable to such claims is found to be more favorable to the insured than the alternative form used, then provisions of the "standard fire policy" shall govern.

(4) Except for the intrinsic labor costs that are included in the cost of manufactured materials or goods, the expense of labor necessary to repair, rebuild, or replace covered property is not a component of physical depreciation and may not be subject to depreciation or betterment.

[Statutory Authority: RCW 48.02.060, 48.27.020, and 48.18.120. WSR 21-23-066, § 284-20-010, filed 11/12/21, effective 1/1/22; Order R 77-2, § 284-20-010, filed 4/28/77; Rule 128, filed 3/14/61.]

**WAC 284-20-020 Time of inception and expiration.** Every basic contract of fire insurance shall provide only 12:01 a.m. standard time as the time of inception and expiration. The contract, by endorsement or otherwise, shall also contain language in substance as follows: "To the extent that coverage contained in this policy replaces coverage in another policy terminating at a different hour on the effective date of this policy, this policy shall be effective at the same hour as the termination hour of the other policy."

[Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170. WSR 98-22-109 (Matter No. R 98-13), § 284-20-020, filed 11/4/98, effective 12/5/98; Order R 77-2, § 284-20-020, filed 4/28/77.]

**WAC 284-20-030 Purpose.** (1) The purpose of this regulation, WAC 284-20-030 through 284-20-050, is to describe the kinds of risks and coverages that may be classified under the insurance code as marine, inland marine or transportation insurance. This regulation does not include all of the kinds of risks and coverages that may be written, classified or identified under marine, inland marine or transportation insuring powers, nor shall it mean that the kinds of risks and coverages are solely marine, inland marine or transportation insurance in all instances.

(2) This regulation does not restrict or limit in any way the exercise of any insuring powers granted under charters and license.

[Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170. WSR 98-22-109 (Matter No. R 98-13), § 284-20-030, filed 11/4/98, effective 12/5/98; Order R 77-3, § 284-20-030, filed 5/20/77; Rule made 7/31/53, filed 3/22/60.]

**WAC 284-20-040 Classification of risks and coverages.** Marine and/or transportation policies may cover under the following conditions:

(1) **Imports.**

(a) Imports may be covered wherever the property may be and without restriction as to time, provided the coverage of the issuing companies includes hazards of transportation.

(b) An import, as a proper subject of marine or transportation insurance, is deemed to maintain its character as such, so long as the property remains segregated in such a way that it can be identified and has not become incorporated and mixed with the general mass of property in the United States, and is deemed to have been completed when the property has been:

(i) Sold and delivered by the importer, factor or consignee; or

(ii) Removed from place of storage and placed on sale as part of importer's stock in trade at a point of sale-distribution; or

(iii) Delivered for manufacture, processing or change in form to premises of the importer or of another used for any such purposes.

(2) **Exports.**

(a) Exports may be covered wherever the property may be without restriction as to time, provided the coverage of the issuing companies includes hazards of transportation.

(b) An export, as a proper subject of marine or transportation insurance, is deemed to acquire its character as such when designated or while being prepared for export and retain that character unless diverted for domestic trade, and when so diverted, the provisions of this ruling respecting domestic shipments shall apply, provided, however, that this provision shall not apply to long established methods of insuring certain commodities, e.g., cotton.

(3) **Domestic shipments.**

(a) Domestic shipments on consignment, for sale, distribution, exhibit, trial, approval or auction, while in transit, while in the custody of others, and while being returned, provided that in no event shall the policy afford coverage on premises owned, leased or operated by the consignor.

(b) Domestic shipments not on consignment, provided the coverage of the issuing companies includes hazards of transportation, beginning and ending within the United States, provided that the shipments shall not be covered at manufacturing premises nor after arrival at premises owned, leased or operated by insured or purchaser.

(4) **Bridges, tunnels and other** instrumentalities of transportation and communication (excluding buildings, their improvements and betterments, furniture and furnishings, fixed contents and supplies held in storage). The foregoing includes:

(a) Bridges, tunnels, other similar instrumentalities, including auxiliary facilities and equipment attendant thereto.

(b) Piers, wharves, docks, slips, dry docks and marine railways.

(c) Pipelines, including online propulsion, regulating and other equipment appurtenant to such pipelines, but excluding all property at manufacturing, producing, refining, converting, treating or conditioning plants.

(d) Power transmission and telephone and telegraph lines, excluding all property at generating, converting or transforming stations, substations and exchanges.

(e) Radio and television communication equipment in use as such including towers and antennae with auxiliary equipment, and appurtenant electrical operating and control apparatus.

- (f) Outdoor cranes, loading bridges and similar equipment used to load, unload and transport.
- (5) **Personal property floater risks** covering individuals and/or generally:
- (a) Personal effects floater policies.
  - (b) The personal property floater.
  - (c) Government service floaters.
  - (d) Personal fur floaters.
  - (e) Personal jewelry floaters.
  - (f) Wedding present floaters for not exceeding ninety days after the day of the wedding.
  - (g) Silverware floaters.
  - (h) Fine arts floaters covering paintings, etchings, pictures, tapestries, art glass windows, and other bonafide works of art of rarity, historical value or artistic merit.
  - (i) Stamp and coin floaters.
  - (j) Musical instrument floaters. Radios, televisions, record players and combinations thereof are not deemed musical instruments.
  - (k) Mobile articles, machinery and equipment floaters (excluding motor vehicles designed for highway use and auto homes, trailers and semitrailers except when hauled by tractors not designed for highway use) covering identified property of a mobile or floating nature pertaining to or usual to a household. The policies shall not cover furniture and fixtures not customarily used away from premises where such property is usually kept.
  - (l) Installment sales and leased property policies covering property pertaining to a household and sold under conditional contract of sale, partial payment contract or installment sales contract or leased, but excluding motor vehicles designed for highway use. The policies must cover in transit but shall not extend beyond the termination of the seller's or lessor's interest.
  - (m) Live animal floaters.
- (6) **Commercial property floater risks** covering property pertaining to a business, profession or occupation, as follows:
- (a) Radium floaters.
  - (b) Physicians' and surgeons' instrument floaters. The policies may include coverage of furniture, fixtures and tenant insured's interest in the improvements and betterments of buildings as are located in that portion of the premises occupied by the insured in the practice of his or her profession.
  - (c) Pattern and die floaters.
  - (d) Theatrical floaters, excluding buildings and their improvements and betterments, and furniture and fixtures that do not travel about with theatrical troupes.
  - (e) Film floaters, including builders' risk during the production and coverage on completed negatives and positives and sound records.
  - (f) Salesmen's samples floaters.
  - (g) Exhibition policies on property while on exhibition and in transit to or from the exhibitions.
  - (h) Live animal floaters.
  - (i) Builders risks and/or installation risks covering interest of owner, seller or contractor, against loss or damage to machinery, equipment, building materials or supplies, being used with and during the course of installation, testing, building, renovating or repairing. The policies may cover at points or places where work is being performed, while in transit and during temporary storage or deposit,

of property designated for and awaiting specific installation, building, renovating or repairing.

(i) The coverage is limited to builders risks or installation risks where perils in addition to fire and extended coverage are to be insured.

(ii) If written for account of owner, the coverage shall cease upon completion and acceptance thereof; or if written for account of a seller or contractor the coverages shall terminate when the interest of the seller or contractor ceases.

(j) Mobile articles, machinery and equipment floaters (excluding motor vehicles designed for highway use and auto homes, trailers and semitrailers except when hauled by tractors not designed for highway use and snow plows constructed exclusively for highway use), covering identified property of a mobile or floating nature, not on sale or consignment, or in course of manufacture, which has come into custody or control of parties who intend to use such property for the purpose for which it was manufactured or created. The policies shall not cover furniture and fixtures not customarily used away from premises where such property is usually kept.

(k) Property in transit to or from and in the custody of bailees (not owned, controlled or operated by the bailor.) The policies shall not cover bailee's property at his premises.

(l) Installment sales and leased property. Policies covering property sold under conditional contract of sale, partial payment contract, installment sales contract, or leased but excluding motor vehicles designed for highway use. The policies must cover in transit but shall not extend beyond the termination of the seller's or lessor's interest. This section is not intended to include machinery and equipment under certain "lease-back" contracts.

(m) Garment contractors floaters.

(n) Furriers or fur storer's customer's policies (i.e., policies under which certificates or receipts are issued by furriers or fur storers) covering specified articles the property of customers.

(o) Accounts receivable policies, valuable papers and records policies.

(p) Floor plan policies, covering property for sale while in possession of dealers under a floor plan or any similar plan under which the dealer borrows money from a bank or lending institution with which to pay the manufacturer, provided:

(i) The merchandise is specifically identifiable as encumbered to the bank or lending institution.

(ii) The dealer's right to sell or otherwise dispose of the merchandise is conditioned upon its being released from encumbrance by the bank or lending institution.

(iii) The policies cover in transit and do not extend beyond the termination of the dealer's interest.

The policies shall not cover automobiles or motor vehicles, nor merchandise for which the dealer's collateral is the stock or inventory as distinguished from merchandise specifically identifiable as encumbered to the lending institution.

(q) Sign and street clock policies, including neon signs, automatic or mechanical signs, street clocks, while in use as such.

(r) Fine arts policies covering paintings, etchings, pictures, tapestries, art glass windows, and other bonafide works of art of rarity, historical value or artistic merit, for account of museums, galleries, universities, businesses, municipalities and other similar interests.

(s) Policies covering personal property which, when sold to the ultimate purchaser, may be covered specifically, by the owner, under inland marine policies including:

(i) Musical instrument dealers policies, covering property consisting principally of musical instruments and their accessories. Radios, televisions, record players and combinations thereof are not deemed musical instruments.

(ii) Camera dealers policies, covering property consisting principally of cameras and their accessories.

(iii) Furrier's dealers policies, covering property consisting principally of furs and fur garments.

(iv) Equipment dealers policies, covering mobile equipment consisting of binders, reapers, tractors, harvesters, harrows, tedders and other similar agricultural equipment and accessories therefor; construction equipment consisting of bulldozers, road scrapers, tractors, compressors, pneumatic tools and similar equipment and accessories therefor; but excluding motor vehicles designed for highway use.

(v) Stamp and coin dealers covering property of philatelic and numismatic nature.

(vi) Jewelers' block policies.

(vii) Fine arts dealers policies.

The policies may include coverage of money in locked safes or vaults on the insured's premises. The policies also may include coverage of furniture, fixtures, tools, machinery, patterns, molds, dies and tenant insured's interest in improvements of buildings.

(t) Wool growers floaters.

(u) Domestic bulk liquids policies, covering tanks and domestic bulk liquids stored therein.

(v) Difference in conditions coverage excluding fire and extended coverage perils.

(w) Electronic data processing policies.

[Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170. WSR 98-22-109 (Matter No. R 98-13), § 284-20-040, filed 11/4/98, effective 12/5/98; Order R 77-3, § 284-20-040, filed 5/20/77; Rule made 7/31/53, filed 3/22/60.]

**WAC 284-20-050 Excluded coverages.** Unless otherwise permitted, WAC 284-20-030 and 284-20-040 do not permit marine or transportation policies to cover:

(1) Storage of insured's merchandise, except as provided in this chapter.

(2) Merchandise in course of manufacture, the property of and on the premises of the manufacturer.

(3) Furniture and fixtures and improvements and betterments to buildings.

(4) Moneys and/or securities in safes, vaults, safety deposit vaults, bank or insured's premises, except while in course of transportation.

[Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170. WSR 98-22-109 (Matter No. R 98-13), § 284-20-050, filed 11/4/98, effective 12/5/98; Order R 77-3, § 284-20-050, filed 5/20/77; Rule made 1/31/56, filed 3/22/60.]

**WAC 284-20-200 Retention of policy forms.** Beginning July 1, 1996, every insurer shall adopt a record retention procedure and shall maintain records sufficient to reconstruct a copy of every general liability insurance policy issued for delivery in this state to a Washington resident on or after July 1, 1996.

(1) Records may be kept in any reasonable and customary format, including any photographic or electronic format.

(2) Records shall be kept for at least twenty years following the expiration date of the policy.

(3) The insurer shall maintain the capacity to retrieve records sufficient to reconstruct any policy by name of the named insured(s) as shown on the policy declarations page and by policy number.

(4) (a) The insurer shall keep either a copy of each form of general liability insurance policy issued to a resident of this state so that it can be matched to an insured's record upon request, or a copy of the insured's policy as issued. For manuscript policies, the insurer shall retain a copy of the insured's policy as issued.

(b) For each insured, the insurer shall maintain at least the following information as the insured's record:

(i) The name of all named insureds as shown on the policy declarations page;

(ii) The address of the named insured as shown on the policy declarations page;

(iii) The name of any additional named insured(s);

(iv) The policy number;

(v) The form number(s) or a copy of the insured's policy as issued;

(vi) The limits of liability;

(vii) The annual premium;

(viii) The form number(s) or a copy of any endorsement(s); and

(ix) The policy period.

(5) Records of general liability insurance policies issued to Washington residents and that are in the possession of the insurer on the effective date of this section shall not be destroyed for twenty years after the effective date of this section. The records do not need to be catalogued or indexed to meet the standards of this section.

(6) Records of general liability insurance policies issued by unauthorized insurers shall be kept in this state; however, the records may be maintained on behalf of an unauthorized insurer by the surplus line broker of record on the policy, or the broker's successor.

(7) For purposes of this section, "general liability insurance policy" means a contract of insurance that provides coverage for the legal obligations of an insured for bodily injury or property damage to others. It includes, for example, pollution liability insurance policies and comprehensive general liability insurance policies; it does not include insurance policies relating to motor vehicles, personal coverage such as homeowners, or specialty line liability coverage such as directors and officers insurance, errors and omissions insurance, or other similar policies.

[Statutory Authority: RCW 48.02.060, 48.30.010, 48.01.030, 48.05.280, 48.15.100 and 48.15.170. WSR 98-22-109 (Matter No. R 98-13), § 284-20-200, filed 11/4/98, effective 12/5/98; WSR 95-09-014 (Order R 94-30), § 284-20-200, filed 4/10/95, effective 5/11/95.]



**WAC 284-20-300 Mandatory offering of personal injury protection and required language when underinsured motorist coverage is rejected.**

(1) Insurers issuing an automobile liability insurance policy must offer the minimum personal injury protection coverage limits required in RCW 48.22.095, and must make available, if requested, additional personal injury protection limits as defined in RCW 48.22.100. Insurers may also offer other personal injury protection limits, in addition to these required offerings.

(2) If the named insured rejects personal injury protection coverage, the insurer must promptly delete the coverage after the insurer receives the rejection notice from the named insured. The insurer must retain a copy of the rejection notice or request to delete coverage with the policy record.

(3) The written rejection of underinsured motorist coverage, as allowed by RCW 48.22.030(4), must include the following statement, "In order to provide for an informed decision of the potential consequences of rejecting underinsured motorist coverage; the undersigned acknowledges that by rejecting underinsured motorist coverage there is exposure to the risk of not being sufficiently insured for injury and/or damages when involved in an accident with a driver of an underinsured vehicle." Such notice shall be prominently placed above the signature area and be bold.

(4) Insurers may use electronic forms, electronic signatures and electronic attestations, in accordance with 15 U.S.C. Sec. 7001, to comply with this rule. The insurer must maintain an auditable compliance record and provide this information to the commissioner upon request.

(5) This section does not apply to corporations, partnerships, or any other nonhuman entity named as the insured.

[Statutory Authority: RCW 48.02.060 (3)(a) and 48.22.030(4). WSR 16-23-056 (Matter No. R 2016-18), § 284-20-300, filed 11/10/16, effective 12/11/16. Statutory Authority: RCW 48.02.060 and 48.22.105. WSR 10-10-058 (Matter No. R 2008-13), § 284-20-300, filed 4/29/10, effective 5/30/10.]