SENATE BILL REPORT
SB 5797

As of January 10, 2024

Title: An act relating to fines levied upon authorized insurers in addition to or in lieu of suspension, revocation, or refusal to renew certificate of authority.

Brief Description: Concerning fines levied upon authorized insurers.

Sponsors: Senators Kuderer, Stanford, Dhingra, Nobles and Wellman.

Brief History:
Committee Activity: Business, Financial Services, Gaming & Trade: 1/11/24.

Brief Summary of Bill

- Increases the amount an authorized insurer may be fined per violation from $10,000 to $25,000.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES, GAMING & TRADE

Staff: Kellee Gunn (786-7429)

Background: The Office of the Insurance Commissioner (OIC) regulates insurance companies and individuals that work in the insurance industry. The OIC is responsible for enforcing insurance laws and rules in this state. A violation of the insurance code or administrative rule may result in a fine and, depending on the nature of the violation, license or certificate of authority suspension, revocation, nonrenewal, or other action. Some fines may be levied in lieu of revocation, suspension, or refusal to renew a license or certificate of authority. Fines vary depending on the entity, licensee, and the act committed.

Summary of Bill: The amount OIC may fine an authorized insurer in addition to or in lieu of suspension, revocation, or nonrenewal of a certificate of authority is increased from not more than $10,000 to not more than $25,000 per violation.

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

Appropriation: None.

Fiscal Note: Requested on January 5, 2024.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.