

such property as is leased to or occupied by a private person under an agreement allowing such person to occupy or use such property for a private purpose when a request for such valuation is received from the department of revenue or the lessee of such property for use in ((an audit of)) determining the taxable rent as provided for in ((RCW 82.29A.020(2)(b))) chapter 82.29A RCW: PROVIDED FURTHER, That this section shall not prohibit any assessor from valuing any public property leased to or occupied by a private person for private purposes.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate March 9, 1986.

Passed the House March 4, 1986.

Approved by the Governor April 4, 1986.

Filed in Office of Secretary of State April 4, 1986.

CHAPTER 286

[Senate Bill No. 4540]

INSURANCE—PROCEDURES FOR CANCELLING WRITTEN AGREEMENTS BETWEEN COMPANIES AND AGENTS

AN ACT Relating to insurance agency agreements; and adding a new section to chapter 48.17 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 48.17 RCW to read as follows:

(1) If an insurer intends to cancel a written agreement with an agent, or intends to refuse any class of renewal business from the agent, the insurer shall give the agent not less than one hundred twenty days' advance written notice of such intent. Every insurer canceling a written agreement subject to this section shall permit, for not less than one year after having given notice of its intent to terminate the agency agreement, insureds to process their renewals through the agent, as long as he or she retains an agent's license for the kind of insurance involved, as to any of the policies which have not been replaced with other insurers as expirations occur. An agent with a canceled agreement subject to this section shall remain an agent of the canceling insurer as to actions associated with any such policies just as if he or she were appointed by such insurer as its agent. This subsection shall not apply to: (a) Agents or policies of a company or group of companies if the business is owned by the company or group of companies and the cancellation of any such contractual agreement does not result in

the cancellation or nonrenewal of any policies of insurance; (b) life, disability, surety, ocean marine and foreign trade, and title insurance policies or (c) agents whose licenses are then or become subject to an outstanding order of the commissioner issued pursuant to RCW 48.17.540.

(2) No insurer shall cancel or refuse to renew the policy of the insured because of the termination of the agent's contract.

(3) No insurer may cancel or amend a written agreement with an agent, or refuse to accept business from such agent, if the cancellation, amendment, or refusal is arbitrary, capricious, discriminatory under RCW 48.30.300, or based in whole or part upon the sex, race, creed, color, religion, national origin, or place of residency of the agent, his or her applicants, or policyholders.

(4) Any insurer or agent accepting brokerage business who rejects the business of a broker shall provide upon request of the broker the reasons in writing for the rejection.

(5) No insurer may cancel its agreement with an appointed agent with respect to insurance or refuse to accept insurance business from such agent unless it complies with the provisions of this section.

Passed the Senate March 8, 1986.

Passed the House March 5, 1986.

Approved by the Governor April 4, 1986.

Filed in Office of Secretary of State April 4, 1986.

CHAPTER 287

[Reengrossed Substitute Senate Bill No. 4541]

INSURANCE—CANCELLATION PROCEDURES

AN ACT Relating to insurance; and amending RCW 48.18.290, 48.18.296, and 48.18.2901.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section .18.29, chapter 79, Laws of 1947 as last amended by section 17, chapter 264, Laws of 1985 and RCW 48.18.290 are each amended to read as follows:

(1) Cancellation by the insurer of any policy which by its terms is cancellable at the option of the insurer, or of any binder based on such policy, may be effected as to any interest only upon compliance with either or both of the following:

(a) Written notice of such cancellation, accompanied by the actual reason therefor, must be actually delivered or mailed to the insured ((or)) and to his or her representative in charge of the subject of the insurance not less than forty-five days prior to the effective date of the cancellation except for cancellation of insurance policies for nonpayment of premiums, which