

CHAPTER 138

[House Bill No. 588]

INSURANCE—LIMITED LICENSES—SPECIAL PERSONAL PROPERTY LOSS,
REPAIR, SERVICE COVERAGE

AN ACT Relating to insurance; and amending section .17.19, chapter 79, Laws of 1947 as amended by section 21, chapter 150, Laws of 1967 and RCW 48.17.190.

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

Section 1. Section .17.19, chapter 79, Laws of 1947 as amended by section 21, chapter 150, Laws of 1967 and RCW 48.17.190 are each amended to read as follows:

The commissioner may issue limited licenses to the following:

(1) Persons selling transportation tickets of a common carrier of persons or property who shall act as such agents only as to transportation ticket policies of disability insurance or baggage insurance on personal effects.

(2) Compensated master policyholders of credit life and credit accident and health insurance, retail dealers compensated by any such master policyholders, or the authorized representative(s) of either.

(3) Persons selling special or unique policies of insurance covering goods sold or leased from a primary business or activity other than the transaction of insurance or covering collateral securing loans from a primary business or activity other than the transaction of insurance if, in the commissioner's discretion, such limited license would safeguard and promote the public interest.

Passed the House February 19, 1979.

Passed the Senate March 2, 1979.

Approved by the Governor March 27, 1979.

Filed in Office of Secretary of State March 27, 1979.

CHAPTER 139

[House Bill No. 602]

INSURERS—COMMISSIONER'S EXAMINATION—INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANT'S REPORT

AN ACT Relating to insurance examinations; and amending section .03.01, chapter 79, Laws of 1947 and RCW 48.03.010.

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

Section 1. Section .03.01, chapter 79, Laws of 1947 and RCW 48.03-.010 are each amended to read as follows:

(1) The commissioner shall examine the affairs, transactions, accounts, records, documents, and assets of each authorized insurer as often as he

deems advisable. He shall so examine each domestic insurer not less frequently than every three years. Examination of an alien insurer may be limited to its insurance transactions in the United States.

(2) As often as he deems advisable and at least once in five years, the commissioner shall fully examine each rating organization and examining bureau licensed in this state. As often as he deems it advisable he may examine each advisory organization and each joint underwriting or joint reinsurance group, association, or organization.

(3) The commissioner shall in like manner examine each insurer or rating organization applying for authority to do business in this state.

(4) In lieu of making his own examination, the commissioner may accept a full report of the last recent examination of a nondomestic insurer or rating or advisory organization, or joint underwriting or joint reinsurance group, association or organization, certified to by the insurance supervisory official of the state of domicile or of entry.

(5) The commissioner may elect to accept and rely on an audit report made by an independent certified public accountant for the insurer in the course of that part of the commissioner's examination covering the same general subject matter as the audit. The commissioner may incorporate the audit report in his report of the examination.

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CHAPTER 140

[House Bill No. 802]

SECURITIES REGULATION—DEBENTURE COMPANY, DEFINITION

AN ACT Relating to securities regulation; and amending section 6, chapter 171, Laws of 1973 1st ex. sess. and RCW 21.20.705.

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

Section 1. Section 6, chapter 171, Laws of 1973 1st ex. sess. and RCW 21.20.705 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires, "debenture company" means an issuer of any ~~((securities))~~ note, debenture, or other obligation for money used or to be used as capital of the issuer which is offered or sold in this state and is required to be registered under the provisions of this chapter ~~((and which is not exempted from such registration requirements by RCW 21.20.310))~~; which issuer is engaged or proposes to engage in the business of investing, reinvesting, owning, holding, leasing, or trading in real or chattel mortgages, deeds of trust, ~~((or))~~ land, land or