

CHAPTER 124.

[H. B. 91.]

ACCIDENT AND HEALTH INSURANCE.

AN ACT relating to policies of accident and/or health insurance, amending Section 187 of Chapter 49 of the Laws of 1911, and further amending said Chapter by adding thereto new sections to be known as Sections 187-a, 187-b, 187-c, 187-d, 187-e, 187-f, 187-g, and 187-h.

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

SECTION 1. That section 187 of chapter 49 of the Laws of 1911, pages 264 to 266, be amended to read as follows:

Section 187. No policy of insurance against loss or damage from the sickness, or the bodily injury or death of the insured by accident shall be issued or delivered to any person in this state until a copy of the form thereof and of the classification of risks, if more than one class of risks is written and the premium rates pertaining thereto have been filed with the insurance commissioner; nor shall it be so issued or delivered until the expiration of thirty days after it has been so filed unless the said commissioner shall sooner give his written approval thereto. If the said commissioner shall notify, in writing, the company, corporation, association, society or other insurer which has filed such form that it does not comply with the requirements of law, specifying the reasons for his opinion, it shall be unlawful thereafter for any such insurer to issue any policy in such form. The action of the said commissioner in this regard shall be subject to review by any court of competent jurisdiction: *Provided, however,* That nothing in this act shall be so construed as to give jurisdiction to any court not already having jurisdiction.

Amends
§ 187, Chap.
49, Laws
1911.

Policy
form to be
filed with
and approved
by insurance
commissioner

Commis-
sioner to
notify
insurer and
specify
reasons for
disapproval.

Commis-
sioner action
subject to
review in
court.

Adds § 187-a
to Chap. 49,
Laws 1911.

SEC. 2. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-a, to read as follows:

Policy not
to be de-
livered
unless policy
states—
considera-
tion ;

Section 187-a. No policy of insurance against loss or damage from the sickness, or the bodily injury or death of the insured by accident shall be issued or delivered in this state (1) unless the entire money and other consideration therefor are expressed in the policy; nor (2) unless the time at which the insurance thereunder takes effect and terminates is stated in a portion of the policy preceding its execution by the insurer; nor (3) if the policy purports to insure more than one person; nor (4) unless every printed portion thereof and of any endorsements or attached papers shall be plainly printed in type of which the face shall be not smaller than ten-point; nor (5) unless a brief description thereof be printed on its first page and on its filing back in type of which the face shall be not smaller than fourteen-point; nor (6) unless the exceptions of the policy be printed with the same prominence as the benefits to which they apply: *Provided, however,* That any portion of such policy which purports, by reason of the circumstances under which a loss is incurred, to reduce any indemnity promised therein to an amount less than that provided for the same loss occurring under ordinary circumstances, shall be printed in bold face type and with greater prominence than any other portion of the text of the policy.

beginning
and termina-
tion of
insurance ;

nor if policy
insures
more than
one person ;

nor unless
printed in
type not
smaller
than ten-
point ;

nor unless
exceptions
printed in
same
prominence
as benefits.

When
indemnity
reduced,
bold face
type used.

Adds
§ 187-b to
Chap. 49,
Laws 1911.

SEC. 3. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-b, to read as follows:

Policy to
contain
standard
provisions.

Section 187-b. Every policy of insurance against loss or damage from the sickness, or the bodily injury or death of the insured by accident issued in this state shall contain certain standard provisions, which shall be in the words and in the

order hereinafter set forth and be preceded in every policy by the caption, "Standard Provisions." In each such standard provision wherever the word "insurer" is used, there shall be substituted therefor "company" or "corporation" or "association" or "society" or such other word as will properly designate the insurer. Said standard provisions shall be:

(1) A standard provision relative to the contract which may be in either of the following two forms: Form (A) to be used in policies which do not provide for reduction of indemnity on account of change of occupation, and form (B) to be used in policies which do so provide. If form (B) is used and the policy provides indemnity against loss from sickness, the words "or contracts sickness" may be inserted therein immediately after the words "in the event that the insured is injured:"

Reduction on account of change of occupation.

Indemnity against sickness.

(A) 1. This policy includes the endorsements and attached papers, if any, and contains the entire contract of insurance. No reduction shall be made in any indemnity herein provided by reason of change in the occupation of the insured or by reason of his doing any act or thing pertaining to any other occupation.

No reduction of indemnity.

(B) 1. This policy includes the endorsements and attached papers, if any, and contains the entire contract of insurance except as it may be modified by the insurer's classification of risks and premium rates in the event that the insured is injured after having changed his occupation to one classified by the insurer as more hazardous than that stated in the policy, or while he is doing any act or thing pertaining to any occupation so classified, except ordinary duties about his residence or while engaged in recreation, in which event the insurer will pay only such portion of the indemnities provided in the policy as the premium paid would

Indemnities paid when occupation changed to more hazardous one.

have purchased at the rate but within the limits so fixed by the insurer for such more hazardous occupation.

If the law of the state in which the insured resides at the time this policy is issued requires that prior to its issue a statement of the premium rates and classification of risks pertaining to it shall be filed with the state official having supervision of insurance in such state, then the premium rates and classification of risks mentioned in this policy shall mean only such as have been last filed by the insurer in accordance with such law, but if such filing is not required by such law then they shall mean the insurer's premium rates and classification of risks last made effective by it in such state prior to the occurrence of the loss for which the insurer is liable.

Premium rates and classification of risks.

Changes in contract.

Form.

Statement of applicant.

Authority of agent.

Change invalid unless approved.

Reinstatement after lapse.

Loss from accident only.

Loss from both accident and sickness.

Payment after default in accident policy.

(2) A standard provision relative to changes in the contract, which shall be in the following form:

2. No statement made by the applicant for insurance not included herein shall avoid the policy or be used in any legal proceeding hereunder. No agent has authority to change this policy or to waive any of its provisions. No change in this policy shall be valid unless approved by an executive officer of the insurer and such approval be endorsed hereon.

(3) A standard provision relative to reinstatement of policy after lapse which may be in either of the three following forms: Form (A) to be used in policies which insure only against loss from accident; form (B) to be used in policies which insure only against loss from sickness; and form (C) to be used in policies which insure against loss from both accident and sickness.

(A) 3. If default be made in the payment of the agreed premium for this policy, the subsequent acceptance of a premium by the insurer or by any

of its duly authorized agents shall reinstate the policy, but only to cover loss resulting from accidental injury thereafter sustained.

(B) 3. If default be made in the payment of the agreed premium for this policy, the subsequent acceptance of a premium by the insurer or by any of its duly authorized agents shall reinstate the policy but only to cover such sickness as may begin more than ten days after the date of such acceptance.

Payment after default in sickness policy.

(C) 3. If default be made in the payment of the agreed premium for this policy, the subsequent acceptance of a premium by the insurer or by any of its duly authorized agents shall reinstate the policy but only to cover accidental injury thereafter sustained and such sickness as may begin more than ten days after the date of such acceptance.

Payment after default in accident and sickness policy.

(4) A standard provision relative to time of notice of claim which may be in either of the three following forms: Form (A) to be used in policies which insure only against loss from accident; form (B) to be used in policies which insure only against loss from sickness; and form (C) to be used in policies which insure against loss from both accident and sickness. If form (A) or form (C) is used the insurer may at its option add thereto the following sentence: "In event of accidental death immediate notice thereof must be given to the insurer."

Time of notice of claim.

(A) 4. Written notice of injury on which claim may be based must be given to the insurer within twenty days after the date of the accident causing such injury.

20 days after accident causing injury.

(B) 4. Written notice of sickness on which claim may be based must be given to the insurer within ten days after the commencement of the disability from such sickness.

10 days after commencement of sickness.

(C) 4. Written notice of injury or of sickness on which claim may be based must be given to the insurer within twenty days after the date of the

20 days after injury or 10 days after commencement of disability from sickness.

accident causing such injury or within ten days after the commencement of disability from such sickness.

Sufficiency
of notice
of claim.

(5) A standard provision relative to sufficiency of notice of claim which shall be in the following form and in which the insurer shall insert in the blank space such office and its location as it may desire to designate for such purpose of notice:

Form.

5. Such notice given by or in behalf of the insured or beneficiary, as the case may be, to the insurer at.....or to any authorized agent of the insurer, with particulars sufficient to identify the insured, shall be deemed to be notice to the insurer. Failure to give notice within the time provided in this policy shall not invalidate any claim if it shall be shown not to have been reasonably possible to give such notice and that notice was given as soon as was reasonably possible.

Forms for
furnishing
proof of
loss.

(6) A standard provision relative to furnishing forms for the convenience of the insured in submitting proof of loss as follows:

Form.

6. The insurer upon receipt of such notice, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not so furnished within fifteen days after the receipt of such notice, the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, character and extent of the loss for which claim is made.

Filing
proof of
loss.

(7) A standard provision relative to filing proof of loss which shall be in such one of the following forms as may be appropriate to the indemnities provided:

Form.

(A) 7. Affirmative proof of loss must be furnished to the insurer at its said office within ninety days after the date of the loss for which claim is made.

(B) 7. Affirmative proof of loss must be furnished to the insurer at its said office within ninety days after the termination of the period of disability for which the company is liable. Form.

(C) 7. Affirmative proof of loss must be furnished to the insurer at its said office in case of claim for loss of time from disability within ninety days after the termination of the period for which the insurer is liable, and in case of claim for any other loss, within ninety days after the date of such loss. Form.

(8) A standard provision relative to examination of the person of the insured and relative to autopsy which shall be in the following form: Examination of person and autopsy.

8. The insurer shall have the right and opportunity to examine the person of the insured when and so often as it may reasonably require during the pendency of claim hereunder, and also the right and opportunity to make an autopsy in case of death where it is not forbidden by law. Form.

(9) A standard provision relative to the time within which payments other than those for loss of time on account of disability shall be made, which provision may be in either of the following two forms and which may be omitted from any policy providing only indemnity for loss of time on account of disability. The insurer shall insert in the blank space either the word "immediately" or appropriate language to designate such period of time, not more than sixty days, as it may desire; form (A) to be used in policies which do not provide indemnity for loss of time on account of disability and form (B) to be used in policies which do so provide. Time for payments.

(A) 9. All indemnities provided in this policy will be paid after receipt of due proof. Form.

(B) 9. All indemnities provided in this policy for loss other than that of time on account of dis- Form.

ability will be paid after receipt of due proof.

Periodical payments of indemnity.

(10) A standard provision relative to periodical payments of indemnity for loss of time on account of disability, which provision shall be in the following form, and which may be omitted from any policy not providing for such indemnity. The insurer shall insert in the blank space of the form any period of time not exceeding sixty days.

Form.

10. Upon request of the insured and subject to due proof of loss all accrued indemnity for loss of time on account of disability will be paid at the expiration of each during the continuance of the period for which the insurer is liable, and any balance remaining unpaid at the termination of such period will be paid immediately upon receipt of due proof.

Indemnity payments.

(11) A standard provision relative to indemnity payments which may be in either of the two following terms: Form (A) to be used in policies which designate a beneficiary and form (B) to be used in policies which do not designate any beneficiary other than the insured:

(A) 11. Indemnity for loss of life of the insured is payable to the beneficiary if surviving the insured, and otherwise to the estate of the insured. All other indemnities of this policy are payable to the insured.

Form.

(B) 11. All the indemnities of this policy are payable to the insured.

Cancellation of policy by insured.

(12) A standard provision providing for cancellation of the policy at the instance of the insured which shall be in the following form:

Form.

12. If the insured shall at any time change his occupation to one classified by the insurer as less hazardous than that stated in the policy, the insurer, upon written request of the insured and surrender

of the policy, will cancel the same and will return to the insured the unearned premium.

(13) A standard provision relative to the rights of the beneficiary under the policy which shall be in the following form and which may be omitted from any policy not designating a beneficiary:

Rights of beneficiary.

13. Consent of the beneficiary shall not be requisite to surrender or assignment of this policy or to change of beneficiary, or to any other changes in the policy.

Form.

(14) A standard provision limiting the time within which suit may be brought upon the policy as follows:

Limitation of time for suit on policy.

14. No action at law or in equity shall be brought to recover on this policy prior to the expiration of sixty days after proof of loss has been filed in accordance with the requirements of this policy, nor shall such action be brought at all unless brought within two years from the expiration of the time within which proof of loss is required by the policy.

Form.

(15) A standard provision relative to time limitations of the policy as follows:

Time limitations.

15. If any time limitation of this policy with respect to giving notice of claim or furnishing proof of loss is less than that permitted by the law of the state in which the insured resides at the time this policy is issued, such limitation is hereby extended to agree with the minimum period permitted by such law. No such policy shall be so issued or delivered which contains any provision (1) relative to cancellation at the instance of the insurer; or (2) limiting the amount of indemnity to a sum less than the amount stated in the policy and for which the premium has been paid; or, (3) providing for the deduction of any premium from the amount paid in settlement of claim; or, (4) relative to other insurance by the same insurer; or, (5) relative to the age limits of the policy; unless such provisions

Form.

which are hereby designated as optional standard provisions, shall be in the words and in the order in which they are hereinafter set forth, but the insurer may at its option omit from the policy any such optional standard provision. Such optional standard provisions if inserted in the policy shall immediately succeed the standard provisions named in this section.

(1) An optional standard provision relative to cancellation of the policy at the instance of the insurer as follows:

Cancellation
of policy
by insurer.

16. The insurer may cancel this policy at any time by written notice delivered to the insured or mailed to his last address, as shown by the records of the insurer, together with cash or the insurer's check for the unearned portion of the premiums actually paid by the insured, and such cancellation shall be without prejudice to any claim originating prior thereto.

Form.

(2) An optional standard provision relative to reduction of the amount of indemnity to a sum less than that stated in the policy as follows:

Reduction
of indemnity.

17. If the insured shall carry with another company, corporation, association or society other insurance covering the same loss without giving written notice to the insurer, then in that case the insurer shall be liable only for such portion of the indemnity promised as the said indemnity bears to the total amount of like indemnity in all policies covering such loss, and for the return of such part of the premium paid as shall exceed the pro rata for the indemnity thus determined.

Form.

(3) An optional standard provision relative to deduction of premium upon settlement of claim as follows:

Deduction
of premium
on settlement
of claim.

18. Upon the payment of claim hereunder any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

Form.

(4) An optional standard provision relative to other insurance by the same insurer which shall be in such one of the following forms as may be appropriate to the indemnities provided, and in the blank spaces of which the insurer shall insert such upward limits of indemnity as are specified by the insurer's classification of risks, filed as required by section 187 of this act.

Other insurance by same insurer.

(A) 19. If a like policy or policies, previously issued by the insurer to the insured be in force concurrently herewith, making the aggregate indemnity in excess of \$....., the excess insurance shall be void and all premiums paid for such excess shall be returned to the insured.

Form.

(B) 19. If a like policy or policies, previously issued by the insurer to the insured be in force concurrently herewith, making the aggregate indemnity for loss of time on account of disability in excess of \$..... weekly, the excess insurance shall be void and all premiums paid for such excess shall be returned to the insured.

Form.

(C) 19. If a like policy or policies, previously issued by the insurer to the insured be in force concurrently herewith, making the aggregate indemnity for loss other than that of time on account of disability in excess of \$....., or the aggregate indemnity for loss of time on account of disability in excess of \$..... weekly, the excess insurance of either kind shall be void and all premiums paid for such excess shall be returned to the insured.

Form.

(5) An optional standard provision relative to the age limits of the policy which shall be in the following form and in the blank spaces of which the insurer shall insert such number of years as it may elect:

Age limits.

20. The insurance under this policy shall not cover any person under the age of years nor over the age of years. Any premium paid

Form.

to the insurer for any period not covered by this policy will be returned upon request.

SEC. 4. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-c, to read as follows:

Adds § 187-c
to Chap. 49,
Laws 1911.

Section 187-c. No policy of insurance against loss or damage from the sickness, or the bodily injury or death of the insured by accident shall be issued or delivered in this state if it contains any provision contradictory, in whole or in part, of any of the provisions of section 187-b of this act designated as "Standard provisions" or as "Optional standard provisions"; nor shall any endorsement or attached papers vary, alter, extend, be used as a substitute for, or in any way conflict with any of the said "Standard provisions" or the said "Optional standard provisions"; nor shall such policy be so issued or delivered if it contains any provision purporting to make any portion of the charter, constitution or by-laws of the insurer a part of the policy unless such portion of the charter, constitution or by-laws shall be set forth in full in the policy, but this prohibition shall not be deemed to apply to any statement of rates or classification of risks filed with the insurance commissioner in accordance with the provisions of section 187 of this act.

No policy to
be delivered
containing
provisions
contradictory
of law.

SEC. 5. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-d, to read as follows:

Adds § 187-d
to Chap. 49,
Laws 1911.

Section 187-d. The falsity of any statement in the application for a policy of insurance against loss or damage from the sickness, or the bodily injury or death of the insured by accident shall not bar the right to recovery thereunder unless such false statement was made with actual intent to deceive or unless it materially affected either the acceptance of the risk or the hazard assumed by the insurer.

False
statement
not to bar
recovery.

The acknowledgment by any insurer of the receipt of notice given under any policy covered by sections 187, 187-a and 187-c, or the furnishing of forms for filing proofs of loss, or the acceptance of such proofs, or the investigation of any claim thereunder shall not operate as a waiver of any of the rights of the insurer in defense of any claim arising under such policy.

Acknowledgment of notice, or furnishing forms, or acceptance of proofs, no waiver of rights of insurer.

No alteration of any written application for insurance by erasure, insertion or otherwise, shall be made by any person other than the applicant without his written consent, and the making of any such alteration without the consent of the applicant shall be a misdemeanor. If such alteration shall be made by any officer of the insurer, or by any employee of the insurer with the insurer's knowledge or consent, then such act shall be deemed to have been performed by the insurer thereafter issuing the policy upon such altered application.

Alteration of application.

Alteration by agent.

SEC. 6. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-e, to read as follows:

Adds § 187-e to Chap. 49, Laws 1911.

Section 187-e. A policy of insurance against loss or damage from the sickness, or the bodily injury or death, of the insured by accident, issued in violation of sections 187, 187-a, 187-b, 187-c and 187-d of this act shall be held valid but shall be construed as provided in said sections and when any provision in any such policy is in conflict with any provisions of said sections the rights, duties and obligations of the insurer, the policy holder and the beneficiary shall be governed by the provisions of said sections.

Policy issued in violation of law is valid.

SEC. 7. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-f, to read as follows:

Adds § 187-f to Chap. 49, Laws 1911.

Section 187-f. Nothing in sections 187, 187-a, 187-b, 187-c, 187-d and 187-e of this act shall apply to or affect any policy of liability or workmen's com-

Liability or workmen's compensation insurance, associations, police or fire department or group insurance not affected.

pensation insurance or any general or blanket policy of insurance issued to any municipal corporation or department thereof, or to any employer whether a corporation, co-partnership, association or individual, or to any police or fire department, underwriter's corps, salvage bureau, or to any association of fifty or more members having a constitution or by-laws and formed in good faith for purposes other than that of obtaining insurance where not less than seventy-five per centum of the members or employees are insured for their individual benefit against specified accidental bodily injuries or sickness while exposed to the hazards of the occupation or otherwise in consideration of a premium intended to cover the risks of all the persons insured under such policy.

Adds § 187-g to Chap. 49, Laws 1911.

SEC. 8. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-g, to read as follows:

Life or endowment or supplemental insurance contracts not affected.

Section 187-g. Nothing in this act shall apply to or in any way affect contracts of life or endowment insurance or contracts supplemental thereto, where such contracts or supplemental contracts contain no provisions relating to accident or health insurance except accidental death benefits and except such as operate to safeguard such insurance against lapse, or to give a special surrender value or an annuity providing for payments during the lifetime of the insured, with or without reduction of the sum insured in the event that the insured shall be totally and permanently disabled from any cause: *Provided*, That no such supplemental contract shall be issued or delivered to any person in this state unless and until a copy of the form thereof has been submitted to and approved by the insurance commissioner, under such reasonable rules and regulations as he shall make concerning the provisions in such contracts and their submission to and approval by him.

Supplemental contract to be submitted to insurance commissioner for approval.

SEC. 9. That chapter 49 of the Laws of 1911 be amended by adding thereto a new section, to be known as section 187-h, to read as follows:

Adds § 187-h to Chap. 49, Laws 1911.

Section 187-h. The provisions of this act contained in clause (5) of section 187-a and clauses (2), (3), (8) and (12) of section 187-b may be omitted from transportation ticket policies sold only at transportation company ticket offices by transportation company employees.

Transportation ticket policies may omit provisions.

Passed the House February 4, 1929.

Passed the Senate March 6, 1929.

Approved by the Governor March 20, 1929.

CHAPTER 125.

[H. B. 97.]

NOXIOUS WEEDS.

AN ACT relating to noxious weeds and providing for the creation and organization of weed districts, the election of directors therefor, and defining their powers and duties and repealing certain acts relating thereto.

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

SECTION 1. The boards of county commissioners of the respective counties may create a weed district or districts within their counties and enlarge any district, or reduce any district or create or combine or consolidate the districts, or divide or create new districts, from time to time, in the manner hereinafter provided, for the purpose of destroying, preventing and exterminating, or to prevent the introduction, propagation, cultivation or increase of, any particular weed, weeds or plants, or all weeds or plants, including scotch broom, which are now or may hereafter be classed by the department of agriculture of the State of Washington as noxious weeds, or plants detrimental to or destructive of crops,

County commissioners may create districts for destruction.