



FORMS – FILED AND APPROVED

JUNE 1, 2020

GENERAL LIABILITY

LI-GL-2020-096

WASHINGTON PLUMBING CONTRACTOR ENDORSEMENTS FILED AND APPROVED

KEY MESSAGE

Washington plumbing contractor endorsements in response to 2020 Wash. Laws ____ (former S.B. 6170) filed and approved.

Filing ID: CL-2020-OPCC1

Effective Date: November 1, 2020

BACKGROUND

In referenced circular [LI-GL-2020-076](#), we announced our initial review of 2020 Wash. Laws ____ (former S.B. 6170), which, in part, introduces various requirements applicable to a "plumbing contractor".

Filing CL-2020-OPCC1 was submitted jointly by ISO and the Washington Surveying and Rating Bureau (WSRB). The attached explanatory memorandum references the Businessowners and Commercial General Liability lines of business. However, refer to the WSRB for approval information (including effective date) on this revision for the Businessowners line of business.

This circular provides approval information for the Commercial General Liability line of business.

ISO ACTION

In response to the requirements of 2020 Wash. Laws ____ (former S.B. 6170), we have introduced Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage endorsement CG 25 49 to be used with plumbing contractor risks.

Refer to the attached explanatory material for complete details about the filing.

INSURANCE DEPARTMENT ACTION

The Insurance Department has approved this revision as filed.

EFFECTIVE DATE

General Liability only:

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies **written** on or after November 1, 2020.

COMPANY ACTION

General Liability only:

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Insurance Department.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number CL-2020-OPCC1, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

RATING SOFTWARE IMPACT

New attributes being introduced with this revision:

- New forms are being introduced.

POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular LI-CL-2019-057 contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

REVISION DISTRIBUTION

We will issue a Notice to Portfolioholders with an edition date of 11-20 (or the earliest possible subsequent date), along with any new and/or revised forms.

RELATED RULES REVISION

We are announcing in a separate circular the filing and approval of a corresponding rules revision. Please refer to the Reference(s) block for identification of that circular.

REFERENCE(S)

- LI-GL-2020-097 (06/01/2020) Washington Rules Revisions Filed And Approved
- LI-GL-2020-076 (04/06/2020) Washington Former S.B. 6170 Concerning Insurance Requirements For Plumbing Contractors Under Review
- LI-CL-2019-057 (12/10/2019) Revised Lead Time Requirements Listing

ATTACHMENT(S)

- Filing CL-2020-OPCC1
 - Final copy of CG 25 49 11 20
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CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular, please contact:
Shawn Olivacce
Compliance and Product Services
201-469-2800
liability@verisk.com
Shawn.Olivacce@verisk.com
- Other issues for this circular, please contact Customer Support:
E-mail: info@verisk.com
Phone: 800-888-4476

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Washington Plumbing Contractor Endorsements Introduced

Applicable Lines of Business

This filing applies to the following lines of business:

- ◆ Businessowners
- ◆ Commercial General Liability

About This Filing

This filing introduces Washington-specific endorsements in response to 2020 Wash. Laws ____ (former S.B. 6170).

New Forms

We are introducing the following forms:

- ◆ BP 10 87 11 20 – Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage
- ◆ CG 25 49 11 20 – Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage

Related Filing(s)

CL-2020-RPCC1 (Rules)

Background

2020 Wash. Laws ____ (former S.B. 6170), in part, introduces various requirements applicable to a "plumbing contractor", which is newly defined under RCW 18.106.010 as:

"...any person, corporate or otherwise, who engages in, or offers or advertises to engage in, any plumbing work covered by the provisions of this chapter by way of trade or business, or any person, corporate or otherwise, who employs anyone, or offers or advertises to employ anyone, to engage in any plumbing work as defined in this section. The plumbing contractor is responsible for ensuring the plumbing business is operated in accordance with rules adopted under this chapter."

2020 Wash. Laws ____ (former S.B. 6170), in part, amends the definition of "plumbing" under RCW 18.106.010 as follows, as illustrated with deleted text struck through and new text underlined:

"...that craft involved in installing, altering, repairing and renovating potable water systems, liquid waste systems, and medical gas piping systems within a building as defined by the plumbing code as adopted and amended by the state building code council, and includes all piping, fixtures, pumps, and plumbing appurtenances that are used for rainwater catchment and reclaimed water systems within a building. ~~Installation in a water system of water softening or water treatment equipment is not within the meaning of plumbing as used in this chapter.~~"

Regarding insurance requirements with respect to "plumbing contractors", 2020 Wash. Laws ____ (former S.B. 6170) adds a new section to chapter 18.106 RCW, which states, in part, that:

"[a]t the time of plumbing contractor licensing and subsequent license renewal, the applicant shall furnish insurance or financial responsibility in the form of an assigned account in the amount of fifty thousand dollars for injury or damages to property, and one hundred thousand dollars for injury or damage including death to any one person, and two hundred thousand dollars for injury or damage including death to more than one person."

The above changes go into effect on June 11, 2020.

Explanation of Changes

In response to the requirements of 2020 Wash. Laws ____ (former S.B. 6170), we are introducing Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage endorsements BP 10 87 and CG 25 49 to be used with plumbing contractor risks. The new endorsements amend the limits of insurance provision to expressly accommodate the specific limit requirements outlined in the law.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WASHINGTON PLUMBING CONTRACTORS CHANGES – SPLIT LIMITS OF INSURANCE FOR BODILY INJURY AND PROPERTY DAMAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

	Limits Of Insurance
Each Person Bodily Injury Limit	\$
Each Occurrence Bodily Injury Limit	\$
Each Occurrence Property Damage Limit	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Paragraph 5. under Section III – Limits Of Insurance is replaced by the following:

5. Subject to Paragraph 2. or 3. above, whichever applies:

- a.** The Each Occurrence Bodily Injury Limit shown in the Schedule is the most we will pay for the sum of damages under Coverage **A** and medical expenses under Coverage **C** because of all "bodily injury" arising out of any one "occurrence";
- b.** The Each Occurrence Property Damage Limit shown in the Schedule is the most we will pay for the sum of damages under Coverage **A** because of all "property damage" arising out of any one "occurrence"; and

c. Subject to the Each Occurrence Bodily Injury Limit described in Paragraph **a.** above, the Each Person Bodily Injury Limit shown in the Schedule of this endorsement is the most we will pay for the sum of all damages because of all "bodily injury" sustained by any one person as the result of any one "occurrence".

B. If the Limits of Insurance required for licensed plumbing contractors, as set forth in Washington Code Chapter 18.106, are increased during the policy period, the Limits Of Insurance provided in the Schedule of this endorsement are hereby amended as needed to conform to Washington law.

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A. Paragraph **5.** under **Section III – Limits Of Insurance** is replaced by the following:

5. Subject to Paragraph **2.** or **3.** above, whichever applies:

- a.** The Each Occurrence Bodily Injury Limit shown in the Schedule is the most we will pay for the sum of damages under Coverage **A** and medical expenses under Coverage **C** because of all "bodily injury" arising out of any one "occurrence";
- b.** The Each Occurrence Property Damage Limit shown in the Schedule is the most we will pay for the sum of damages under Coverage **A** because of all "property damage" arising out of any one "occurrence"; and

c. Subject to the Each Occurrence Bodily Injury Limit described in Paragraph **a.** above, the Each Person Bodily Injury Limit shown in the Schedule of this endorsement is the most we will pay for the sum of all damages because of all "bodily injury" sustained by any one person as the result of any one "occurrence".

B. If the Limits of Insurance required for licensed plumbing contractors, as set forth in Washington Code Chapter 18.106, are increased during the policy period, the Limits Of Insurance provided in the Schedule of this endorsement are hereby amended as needed to conform to Washington law.