

MAY 21, 2020

Compliance Circulation Notification

Plumbing Contractors Endorsement

Circular Number

BP-2020-03

Effective Date

These changes are applicable to all policies effective on or after

November 1, 2020

WSRB Reference Filing Numbers

CL-2020-OPCC1

CL-2020-RPCC1

Got Questions?

Compliance Department
2101 4th Avenue, Suite 300
Seattle, WA 98121

206.273.7161

wsrbcompliance@wsrb.com

Changes

These filings introduce a Washington-specific Businessowners endorsement and rules in response to a 2020 Washington law that impacts plumbing contractors.

Company Action

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.

In all correspondence with the Insurance Department regarding this revision, include the WSRB Reference Filing Number, not this Circular number.

Manual Distribution

Insurance Services Office, Inc. will print and distribute revised manual pages prior to the effective date. A complete copy of the filing is available on the WSRB website using the Compliance Filings Library. Circular notification is available by e-mail only.

Register to receive electronic notification at the Compliance Filings Library page inside the Members section at [wsrb.com](https://www.wsrb.com)

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|-----------------------------|---|------------------------|--|
| State: | Washington | Filing Company: | Washington Surveying and Rating Bureau |
| TOI/Sub-TOI: | 05.0 CMP Liability and Non-Liability/05.0002 Businessowners | | |
| Product Name: | Washington Plumbing Contractors | | |
| Project Name/Number: | Washington Plumbing Contractors/CL-2020-RPCC1 | | |

Filing at a Glance

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|---------------------------|--|
| Company: | Washington Surveying and Rating Bureau |
| Product Name: | Washington Plumbing Contractors |
| State: | Washington |
| TOI: | 05.0 CMP Liability and Non-Liability |
| Sub-TOI: | 05.0002 Businessowners |
| Filing Type: | Rate/Rule |
| Date Submitted: | 05/14/2020 |
| SERFF Tr Num: | WSRB-132379900 |
| SERFF Status: | Closed-Approved |
| State Tr Num: | 391824 |
| State Status: | Approved |
| Co Tr Num: | CL-2020-RPCC1 |
| Co Status: | Approved |
| Effective Date | 11/01/2020 |
| Requested (New): | |
| Effective Date | |
| Requested (Renewal): | |
| Author(s): | Jim Antush |
| Reviewer(s): | Dan Forsman (primary) |
| Disposition Date: | 05/15/2020 |
| Disposition Status: | Approved |
| Effective Date (New): | 11/01/2020 |
| Effective Date (Renewal): | |
| Destruction Date: | |

State: Washington **Filing Company:** Washington Surveying and Rating Bureau
TOI/Sub-TOI: 05.0 CMP Liability and Non-Liability/05.0002 Businessowners
Product Name: Washington Plumbing Contractors
Project Name/Number: Washington Plumbing Contractors/CL-2020-RPCC1

General Information

Project Name: Washington Plumbing Contractors
Project Number: CL-2020-RPCC1
Reference Organization:
Reference Title:
Filing Status Changed: 05/15/2020
State Status Changed: 05/15/2020
Created By: Jim Antush
Corresponding Filing Tracking Number: CL-2020-OPCC1

Status of Filing in Domicile:
Domicile Status Comments:
Reference Number:
Advisory Org. Circular:
Company Status Changed: 05/15/2020
Deemer Date:
Submitted By: Jim Antush

Filing Description:

This filing revises Washington-specific rules to complement the Washington Plumbing Contractors endorsement being filed concurrently.

The rules included in this filing are for Businessowners coverage only. The Commercial General Liability coverage referenced in the Explanatory Memorandum and shown in the marked-up copy of the rules has been filed separately by the Insurance Services Office, Inc. (ISO).

Company and Contact

Filing Contact Information

Jim Antush, VP, Compliance & Actuarial Services
jim.antush@wsrb.com
2101 4th Avenue
Suite 300
Seattle, WA 98121
206-273-7161 [Phone]
206-217-9329 [FAX]

Filing Company Information

| | | |
|--|-------------------------|-------------------------------|
| Washington Surveying and Rating Bureau | CoCode: | State of Domicile: Washington |
| 2101 4th Avenue, Suite 300 | Group Code: | Company Type: Rating |
| Seattle, WA 98121 | Group Name: | Organization - Property |
| (206) 217-9772 ext. [Phone] | FEIN Number: 74-3049163 | State ID Number: 1425 |

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

State Specific

Is the Co Tracking # field populated on the General Information Tab? (yes/no): Yes
Form Tab Only - Are the Form # and Form Description fields populated corresponding to the attached form? (yes/no): N/A

DIVISION TEN – BUSINESSOWNERS

16. MANDATORY FORMS, COVERAGE AND LIMITS

Paragraph **B.2.b.** is replaced by the following:

B. Forms

2. Condominium Association Coverage Endorsement BP 17 01

b. Endorsement

Use Endorsement **BP 17 01**, except substitute Washington Changes – Condominium Association Coverage Endorsement **BP 17 09**, for all condominiums created after July 1, 1990 that contain at least one residential unit; or for any condominium association whose bylaws and declarations conform with the Washington Condominium Act of 1990.

The following is added to Paragraph **B.:**

9. Washington Changes Endorsement BP 01 06

Attach Washington Changes Endorsement **BP 01 06** to all policies.

10. Washington Changes – Domestic Abuse Endorsement BP 04 73

Attach Washington Changes – Domestic Abuse Endorsement **BP 04 73** to all policies.

11. Washington Changes – Defense Costs Endorsement BP 06 12

Attach Washington Changes – Defense Costs Endorsement **BP 06 12** to all policies.

12. Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage Endorsement BP 10 87

a. When coverage is being provided to a plumbing contractor as defined under RCW 18.106.010, use Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage Endorsement **BP 10 87**. When Endorsement **BP 10 87** is attached, do not enter a Liability and Medical Expenses limit in the Businessowners Policy Declarations.

b. Refer to company for rating.

Washington Rules Revision

Applicable Lines of Business

This filing applies to the following lines of business:

- ◆ Businessowners
- ◆ Commercial General Liability

About This Filing

This filing revises the Washington-specific rules exceptions in Division Ten - Businessowners and Division Six - Commercial General Liability of the Commercial Lines Manual (CLM) to complement the Washington Plumbing Contractors Changes endorsements being introduced in the related forms revision.

Revised Rules

We are revising the following rules:

- ◆ Division Ten – Businessowners
 - Rule 16. Mandatory Forms, Coverage And Limits

We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes.

Revised Classifications

We are revising Washington-specific Commercial General Liability exceptions for the following classifications under:

- ◆ Contractors (94444); and
- ◆ Refrigeration Systems or Equipment – dealers and distributors and installation, servicing or repair – commercial (98636)

We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes.

New Classifications

We are introducing Washington-specific Commercial General Liability exceptions for the following classifications under:

- ◆ Air Conditioning Systems or Equipment – dealers or distributors and installation, servicing or repair (91111);
- ◆ Appliances and Accessories installation, servicing or repair – commercial (91150);
- ◆ Appliances and Accessories – Installation, servicing or repair – household (91155);
- ◆ Boiler Inspection, Installation, Cleaning or Repair (91250);
- ◆ Heating or Combined Heating and Air Conditioning Systems or Equipment – dealers or distributors and installation, servicing or repair – no liquefied petroleum gas (LPG) equipment sales or work (95647);
- ◆ Heating or Combined Heating and Air Conditioning Systems or Equipment – dealers or distributors and installation, servicing or repair (95648);
- ◆ Plumbing – commercial and industrial (98482);
- ◆ Plumbing – residential or domestic (98483);
- ◆ Steam Pipe or Boiler Insulation (99165); and
- ◆ Water Softening Equipment – installation, servicing or repair (99948)

Related Filing(s)

- ◆ CL-2020-OPCC1 (Forms)

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.

Forms filing CL-2020-OPCC1 introduces Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage endorsements BP 10 87 and CG 25 49, in response to 2020 Wash. Laws ____ (former S.B. 6170) to accommodate the split limit requirements outlined in the law.

Explanation of Changes

We are revising the Washington-specific Businessowners exception to Rule 16. in order to reference and instruct on the usage of Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage endorsement BP 10 87.

In addition, we are introducing and revising Washington-specific Commercial General Liability exceptions to the above-mentioned classifications in order to reference and instruct on the usage of Washington Plumbing Contractors Changes – Split Limits Of Insurance For Bodily Injury And Property Damage endorsement CG 25 49.

Rating is on a refer to company basis.

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