

SUBJECT: Time limit for filing appeals of insurance department actions

COMMITTEE: Insurance — favorable, without amendment

VOTE: 9 ayes — Smithee, Van de Putte, Averitt, Bonnen, Burnam, Eiland, G. Lewis, Olivo, Wise
0 nays

WITNESSES: None

BACKGROUND : The State Office of Administrative Hearings (SOAH) conducts administrative hearings required under the Insurance Code. Procedures for SOAH hearings are laid out in the Administrative Procedures Act (APA). Under the APA, a party to a contested hearing has 20 days to file an appeal. The Insurance Code requires parties to file an appeal within 15 days.

DIGEST: HB 1902 would eliminate the provision in the Insurance Code that requires parties in a contested hearing to file an appeal within 15 days.

HB 1902 would take effect September 1, 1997.

SUPPORTERS SAY: HB 1902 would eliminate a conflict in current law that has created confusion among parties in contested administrative hearings about insurance issues. There is no clear reason why the Insurance Code requires parties in these cases to file an appeal in 15 days rather than the 20 days specified in the APA, which is used for other appeal procedures. The 20-day requirement is sufficient to ensure that appeals are filed in a timely manner.

OPPONENTS SAY: No apparent opposition.