

their respective subdivision for as long as such codes and standards are enforced.

Passed the Senate March 16, 1981.

Passed the House April 16, 1981.

Approved by the Governor May 14, 1981.

Filed in Office of Secretary of State May 14, 1981.

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## CHAPTER 199

[Senate Bill No. 3250]

### SURPLUS LINE BROKER'S LICENSE—RESIDENCY

AN ACT Relating to insurance; and amending section .15.07, chapter 79, Laws of 1947 as last amended by section 3, chapter 102, Laws of 1980 and RCW 48.15.070.

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

Section 1. Section .15.07, chapter 79, Laws of 1947 as last amended by section 3, chapter 102, Laws of 1980 and RCW 48.15.070 are each amended to read as follows:

Any ((~~person~~)) resident of this state deemed by the commissioner to be competent and trustworthy, and while maintaining an office at a designated location in this state, may be licensed as a surplus line broker(~~(, as follows:))~~ in accordance with this section.

(1) Application to the commissioner for the license shall be made on forms furnished by the commissioner.

(2) The license fee shall be one hundred dollars for each license year during any part of which the license is in force. The annual renewal date shall be determined by the commissioner. The commissioner shall adopt a rule providing for the proration, on a quarterly basis, of the license fee. The proration shall be applicable only: (a) To applicants who apply for a license after the expiration of the first quarter of any license year, or (b) to licensees whose licenses would exist for less than nine months as a result of the adoption of the annual renewal date.

(3) Prior to issuance of license the applicant shall file with the commissioner a bond in favor of the state of Washington in the penal sum of twenty thousand dollars, with authorized corporate sureties approved by the commissioner, conditioned that he will conduct business under the license in accordance with the provisions of this chapter and that he will promptly remit the taxes provided by RCW 48.15.120. The licensee shall maintain such bond in force for as long as the license remains in effect.

(4) Every applicant for a surplus line broker's license or for the renewal of a surplus line broker's license shall file with the application or request for renewal a bond in favor of the people of the state of Washington, executed by an authorized corporate surety approved by the commissioner, in the amount of fifty thousand dollars and shall be the bonding requirement for

new licensees. The licensee shall maintain such bond in force while so licensed. The bond may be continuous in form, and total aggregate liability on the bond may be limited to the amount stated in the bond. The bond shall be contingent on the accounting by the surplus line broker to any person requesting such broker to obtain insurance, for moneys or premiums collected in connection therewith. A bond issued in accordance with RCW 48.17.250 or with this subsection will satisfy the requirements of both RCW 48.17.250 and this subsection if the limit of liability is not less than the greater of the requirement of RCW 48.17.250 or the requirement of this subsection.

(5) Any bond issued pursuant to subsection (3) or (4) of this section shall remain in force until the surety is released from liability by the commissioner, or until the bond is canceled by the surety. Without prejudice to any liability accrued prior to such cancellation, the surety may cancel the bond upon thirty days' advance notice in writing filed with the commissioner.

Passed the Senate February 27, 1981.

Passed the House April 16, 1981.

Approved by the Governor May 14, 1981.

Filed in Office of Secretary of State May 14, 1981.

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## CHAPTER 200

[Senate Bill No. 3262]

### SCHOOL BUS DRIVERS—CERTIFICATION CANCELLATION—DUE PROCESS HEARING

AN ACT Relating to education; and amending section 4, chapter 153, Laws of 1969 ex. sess. as amended by section 89, chapter 158, Laws of 1979 and RCW 28A.04.131.

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

Section 1. Section 4, chapter 153, Laws of 1969 ex. sess. as amended by section 89, chapter 158, Laws of 1979 and RCW 28A.04.131 are each amended to read as follows:

In addition to other powers and duties, the state board of education shall adopt rules and regulations governing the training and qualifications of school bus drivers. Such rules and regulations shall be designed to insure that persons will not be employed to operate school buses unless they possess such physical health and driving skills as are necessary to safely operate school buses: PROVIDED, That such rules and regulations shall insure that school bus drivers are provided a due process hearing before any certification required by such rules and regulations is cancelled: PROVIDED FURTHER, That such rules and regulations shall not conflict with the authority