

Chapter 284-29B WAC

RATING ORGANIZATIONS FOR TITLE INSURANCE

WAC

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WAC 284-29B-010 Licensing requirement for rating organizations for title insurance. In addition to the information required by RCW 48.29.410, an application for a license as a rating organization for title insurance must include:

(1) An agreement that it is subject to the jurisdiction of the state of Washington and governed by Title 48 RCW.

(2) An agreement to maintain the records of the rating organization in a form that is accessible to the commissioner for examination and statutory and rule compliance purposes.

(3) The designation of a records custodian who can provide access to the records of the rating organization, including the custodian's address, phone number, and email address.

(4) A designation of an individual officer of the rating organization for title insurance to be the primary contact on behalf of the organization and be in charge of the organization's compliance with the insurance laws and rules of this state. The designation must include this individual's address, phone number, and email address.

[Statutory Authority: RCW 48.02.060, 48.29.005, 48.29.450 and 2017 c 103. WSR 18-16-060 (Matter No. R 2017-06), § 284-29B-010, filed 7/26/18, effective 8/26/18.]

WAC 284-29B-020 Licensing fee for rating organizations for title insurance. The licensing fee for a rating organization for title insurance is two hundred fifty dollars.

[Statutory Authority: RCW 48.02.060, 48.29.005, 48.29.450 and 2017 c 103. WSR 18-16-060 (Matter No. R 2017-06), § 284-29B-020, filed 7/26/18, effective 8/26/18.]

WAC 284-29B-030 Examination of rating organizations for title insurance. (1) As often as the commissioner deems advisable and at least once in five years, the commissioner shall fully examine each rating organization for title insurance.

(2) A licensed rating organization for title insurance must reimburse the state upon presentation of an itemized statement for the actual travel expenses of the commissioner's examiners, their reasonable living expense allowance, and their per diem compensation, including salary and the employer's cost of employee benefits, at a reasonable rate approved by the commissioner, incurred on account of the examination.

(3) Every rating organization for title insurance being examined, its officers, employees, and representatives must produce and make freely accessible to the commissioner the

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accounts, records, documents, and files in his or her possession or control relating to the subject of the examination, and must otherwise facilitate the examination.

[Statutory Authority: RCW 48.02.060, 48.29.005, 48.29.450 and 2017 c 103. WSR 18-16-060 (Matter No. R 2017-06), § 284-29B-030, filed 7/26/18, effective 8/26/18.]

WAC 284-29B-040 Requirements for a licensed rating organization for title insurance to update its rate filings. (1) A licensed rating organization for title insurance must periodically update and file with the commissioner its title insurance base rates, or their equivalent. Each base rate or equivalent filing must be submitted to the commissioner no later than two and one-half years after the effective date of the last approved base rate filing, with a proposed effective date no later than three years after the effective date of its last approved base rate filing.

(2) This section does not prohibit a rating organization for title insurance from updating and filing with the commissioner changes to its title insurance rates, manual of rules and rates, rating plans, rate schedules, minimum rates, class of rates, or rating rules at any time.

(3) After the commissioner has approved a rating organization for title insurance's filing of rates, manuals of rules and rates, rating plans, rate schedules, minimum rates, classes of rates, and rating rules and the filing has become effective, the new rates in the filing supersede all earlier corresponding rates filed by that rating organization for title insurance. Insurers must not use rating organization for title insurance rates that have been superseded.

(4) Rates, manuals of rules and rates, rating plans, rate schedules, minimum rates, classes of rates, and rating rules filed by a rating organization for title insurance and approved by the commissioner are considered no longer effective three years after the effective date of the rating organization for title insurance's most recent approved base rates, or their equivalent, filing.

(5) In the event that a rating organization for title insurance fails to timely file to update its base rates, or their equivalent, under subsection (1) of this section or fails to receive approval for an update to its base rates, or their equivalent, before its rates become no longer effective, title insurers that are members of the rating organization for title insurance would not have any rates in effect. In this event, each title insurer:

(a) May continue using the rating organization for title insurance's rates for up to one year after the date specified in subsection (4) of this section; and

(b) Must submit to the commissioner a new filing of title insurance rates under RCW 48.29.147 with a proposed effective date at most one year after the rating organization for title insurance's rates become no longer effective. The title insurer must submit this filing to the commissioner at least one hun-

dred twenty days before the proposed effective date of the filing. This filing will not be required if the title insurer is using new rates filed by the rating organization for title insurance and approved by the commissioner.

[Statutory Authority: RCW 48.02.060, 48.29.005, 48.29.450 and 2017 c 103. WSR 18-16-060 (Matter No. R 2017-06), § 284-29B-040, filed 7/26/18, effective 8/26/18.]

WAC 284-29B-190 Effect of new rates on outstanding commitments for title insurance. (1) Prior to issuing their title insurance policies, either directly or through a duly appointed title insurance agent, title insurers generally issue title insurance commitments as defined in RCW 48.29.010 (3)(f) which are effective for a period no longer than ninety days (RCW 48.18.230).

(2) When the commitment states a specified policy amount and premium and the transaction closes within ninety days from the date of the issuance of the commitment:

(a) The title insurer may use the rate that was in effect on the date the commitment was issued and stated in the commitment even if new rates have become effective in the interim; or

(b) If the proposed policy amount and premium change from that specified in the original commitment, then the title insurer may use the rate that was in effect on the date the commitment was issued even if new rates have become effective in the interim.

(3) If the commitment does not state a specified policy amount and premium, then the rates in effect upon the issuance of any supplement or amendment to the commitment or amended commitment setting forth the policy amount and premium must be used.

[Statutory Authority: RCW 48.02.060, 48.29.005, 48.29.450 and 2017 c 103. WSR 18-16-060 (Matter No. R 2017-06), § 284-29B-190, filed 7/26/18, effective 8/26/18.]