

WSR 24-13-082
PREPROPOSAL STATEMENT OF INQUIRY
OFFICE OF THE
INSURANCE COMMISSIONER

[Insurance Commissioner Matter R 2024-06—Filed June 17, 2024, 12:20 p.m.]

Subject of Possible Rule Making: Producer and adjuster licensing requirements.

Statutes Authorizing the Agency to Adopt Rules on this Subject: RCW 48.02.060 (3) (a) and 48.17.005.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: This proposed rule consists of both substantive and technical changes to producer and adjuster licensing requirements under chapter 284-17 WAC. It would ensure that insurance rules are clear, relevant, and aligned with Title 48 RCW and with the planned National Insurance Producer Registry (NIPR) interface enhancement.

The first substantive change simplifies limited line credit insurance producer licensing by amending WAC 284-17-009. With this change, limited line credit insurance will automatically be included for producers who hold a life, disability, property, or casualty line of authority, streamlining the licensing process by eliminating the need for separate requests.

Another substantive update allows insurance agencies to add a new designated responsible licensed producer (DRLP) during the license renewal process if the current DRLP is inactive. This change addresses a concern raised by NIPR regarding WAC 284-17-443, which currently prohibits new affiliations during the renewal process. This prohibition is problematic for agencies with only one affiliate who becomes inactive. Finally, the rule proposes to amend WAC 284-17-490 (5) (b) to simplify the fee structure associated with the cancellation of producer licenses, thereby resolving complex fee calculation issues and preventing delays in the NIPR interface enhancement project.

The proposed rule's technical changes remove outdated language in WAC 284-17-720 (2) (b) that exempted crop adjusters from continuing education (CE) requirements, aligning with a 2022 rule mandating CE for all licensed resident adjusters. The rule deletes references to prelicensing education (PLE) requirements for insurance producers, following the 2023 law that eliminated the PLE requirement. Finally, the rule removes obsolete references to specific dates related to the implementation of required electronic submissions for licensing processes, as all licensing is now conducted electronically.

Other Federal and State Agencies that Regulate this Subject and the Process Coordinating the Rule with These Agencies: None.

Process for Developing New Rule: Written comment period begins on June 20, 2024, and closes on August 2, 2024.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting Rules Coordinator, 302 Sid Snyder Avenue S.W., Olympia, WA 98504, phone 360-725-7171, fax 360-586-3109, TTY 360-586-0241, email rulescoordinator@oic.wa.gov, website www.insurance.wa.gov.

June 17, 2024
Mike Kreidler
Insurance Commissioner