

WSR 21-13-134  
PREPROPOSAL STATEMENT OF INQUIRY  
OFFICE OF THE  
INSURANCE COMMISSIONER

[Insurance Commissioner Matter R 2021-04—Filed June 22, 2021, 10:50 a.m.]

Subject of Possible Rule Making: Prohibiting the depreciation of labor on property claims.

Statutes Authorizing the Agency to Adopt Rules on this Subject: RCW 48.02.060, 48.27.020, 48.18.120.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: The practice of depreciating labor costs on insurance payments for property damage claims floats a significant part of the labor repair costs to the consumer and their repair contractor, unfairly shifting a burden to the consumer during the repair process. The commissioner has seen a steady rise of policy forms that are writing this practice into their definition of actual cash value. The commissioner will consider rule making to prohibit the depreciation of labor on property claims.

Process for Developing New Rule: Submit written comments by July 31, 2021.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting David Forte, 302 Sid Snyder Avenue S.W., Olympia, WA 98504, phone 360-725-7042, fax 360-586-3109, TTY 360-586-0241, email rulescoordinator@oic.wa.gov, website www.insurance.wa.gov.

June 22, 2021  
Mike Kreidler  
Insurance Commissioner