

WSR 23-18-014
OFFICE OF THE
INSURANCE COMMISSIONER
[Filed August 24, 2023, 4:24 p.m.]

EMERGENCY ORDER NO. 23-01

TO: ALL INSURERS AUTHORIZED OR ADMITTED TRANSACT PROPERTY INSURANCE BUSINESS IN WASHINGTON STATE AND ALL ENTITIES REGULATED BY THE INSURANCE COMMISSIONER.

FROM: MIKE KREIDLER, INSURANCE COMMISSIONER.

RE: PROVIDING RELIEF TO WASHINGTON CONSUMERS FROM 2023 WILDFIRES BY ADDRESSING GRACE PERIODS FOR NONPAYMENT OF PREMIUM AND TEMPORARILY PROHIBITING CANCELLATION AND NONRENEWAL OF PROPERTY INSURANCE POLICIES.

PURSUANT TO RCW 48.02.060(4), the Insurance Commissioner of the state of Washington (Insurance Commissioner) orders all insurers, insurance producers, surplus line brokers, and other entities regulated by the Insurance Commissioner (hereafter "Regulated Entities"), as follows:

A. Between August 19, 2023, and October 17, 2023, all Regulated Entities transacting any property insurance business shall provide grace periods of no less than forty-five (45) days for nonpayment of premium and shall waive otherwise applicable charges and fees associated with nonpayment of premium, such as late fees and reinstatement fees.

B. Between August 19, 2023, and October 17, 2023, no property insurer shall cancel a policy issued for nonpayment of premium, unless specifically directed to do so by the insured.

C. Between August 19, 2023, and October 17, 2023, the 45-day notice period for nonrenewal notices in RCW 48.18.2901 (1)(a)(i) is suspended during the state of emergency. No property insurer shall issue a notice of nonrenewal less than 120 days before the expiration date of the policy.

BASIS

1. On August 19, 2023, the Governor issued Proclamation 23-05 declaring an emergency related to the 2023 Wildfires. The proclamation provides in pertinent part as follows:

I, Jay Inslee, Governor of the state of Washington, as a result of the aforementioned situation and under Chapters 38.52 and 43.06 RCW, do hereby proclaim that a State of Emergency exists in all areas of the state of Washington, and direct the plans and procedures in the Washington State Comprehensive Emergency Management Plan be implemented. State agencies and departments are directed to utilize state resources and to do everything reasonably possible to assist affected political subdivisions in an effort to respond to and recover from the event.

2. The 2023 Wildfires has harmed or threatened to harm the property, safety and welfare of Washington citizens who have lost homes and other property or whose lives or employment have been otherwise disrupted by the 2023 Wildfires in the state of Washington.

3. The geographical extent of this state of emergency includes areas affected by the Gray Fire and Oregon Road fire, including zip codes 99004, 99022, 99009, and 99003.

4. RCW 48.02.060 (4)(b) & (c) provides in pertinent part that, when the Governor proclaims a state of emergency under RCW 43.06.010(12), the Insurance Commissioner may issue an order that addresses any or all of the following matters related to insurance policies issued in this state: (b) grace periods for payment of insurance premiums and performance of other duties by insureds; and (c) temporary postponement of cancellations or nonrenewals.

5. RCW 48.02.060(5) provides that an order by the Insurance Commissioner under subsection (4) of this section may remain effective for not more than sixty (60) days unless the Insurance Commissioner extends the termination date for the order for an additional period of not more than thirty (30) days. The Insurance Commissioner may extend the order if, in the Insurance Commissioner's judgment, the circumstances warrant an extension. An order of the Insurance Commissioner under subsection (4) of this section is not effective after the related state of emergency is terminated by proclamation of the Governor under RCW 43.06.210. The order must specify, by line of insurance: (a) the geographic areas in which the order applies, which must be within but may be less extensive than the geographic area specified in the Governor's proclamation of a state of emergency and must be specific according to an appropriate means of delineation, such as the United States postal service zip codes or other appropriate means; and

(b) the date on which the order becomes effective and the date on which the order terminates.

6. Emergency action by the Insurance Commissioner is necessary to protect the property, safety and welfare of Washington citizens affected by the 2023 Wildfires in the state of Washington.

ORDER

NOW, THEREFORE, the Insurance Commissioner hereby activates the provisions of RCW 48.02.060 (4)(b) & (c) in order to protect the property, safety and welfare of Washington citizens affected by the 2023 Wildfires in the state of Washington, as set forth above. The geographical extent of this Emergency Order is the areas affected by the Gray Fire and Oregon Road fire, including zip codes 99004, 99022, 99009, and 99003.

This Order shall remain in effect until October 17, 2023, subject to the further order of the Insurance Commissioner extending its effect.

THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED at Olympia, Washington, this 24th day of August, 2023.

Mike Kreidler
Insurance Commissioner