ENGROSSED SUBSTITUTE HOUSE BILL 2330

State of Washington 68th Legislature 2024 Regular Session

By House Consumer Protection & Business (originally sponsored by Representatives Reeves, Ryu, Timmons, Reed, Springer, and Ramel)

READ FIRST TIME 01/31/24.

1 AN ACT Relating to wildfire risk; creating a new section; and 2 providing an expiration date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

<u>NEW SECTION.</u> Sec. 1. (1) A work group to study and make
recommendations on wildfire mitigation and resiliency standards is
hereby created. The work group membership shall be composed of:

7 (a) The insurance commissioner or his or her designee, who shall8 serve as the cochair of the work group;

9 (b) The commissioner of public lands for the department of 10 natural resources or his or her designee, who shall serve as the 11 cochair of the work group;

12 (c) Four representatives from the property and casualty insurance 13 industry, to be selected by the insurance commissioner and 14 commissioner of public lands for the department of natural resources, 15 or their designees through an application process, which must be 16 completed by July 15, 2024;

17 (d) One representative from the insurance institute for business 18 and home safety;

(e) One representative from local emergency management asnominated by the Washington state emergency management council;

21 (f) The following ex officio members:

1 (i) One member from each of the two largest caucuses of the house 2 of representatives, appointed by the speaker of the house of 3 representatives; and

4 (ii) One member from each of the two largest caucuses of the 5 senate, appointed by the president of the senate; and

6 (g) Other state agency representatives or stakeholder group 7 representatives, at the discretion of the work group, for the purpose 8 of participating in specific topic discussions or subcommittees.

9 (2) Staff support for the work group must be provided by the 10 office of the insurance commissioner.

11 (3) The work group shall study and develop recommendations for 12 the following:

(a) (i) Coordinating the department of natural resources' existing wildfire property mitigation standards, or development of standards, with nationally recognized, science-based, wildfire mitigation standards, and (ii) aligning state wildfire property mitigation standards with nationally recognized, science-based, wildfire mitigation standards;

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(b) Enhancing wildfire mitigation at the community level;

(c) Sharing of relevant data between appropriate state agencies and the insurance industry with respect to successful implementation of existing wildfire mitigation efforts, including the identification of gaps in existing wildfire mitigation that may be addressed through (a) (i) of this subsection (3) and wildfire risk assessment tools, which must include coordination with the department of health regarding its environmental health disparities map;

(d) Increasing transparency with consumers regarding wildfire hazard and risk, including through additional consumer disclosures for insurance nonrenewals related to wildfire risk, which must focus on decreasing nonrenewals and be informed by data obtained by the insurance commissioner; and

32 (e) Establishing a grant program to provide grants to Washington 33 homeowners for purposes including, but not limited to, retrofitting 34 residential property to resist loss due to wildfire and evaluating 35 whether residential property meets nationally recognized, science-36 based, wildfire mitigation standards. The work group must include 37 recommendations for:

(i) A grant program framework that will promote a decrease in the number of nonrenewals of consumer general casualty insurance or property insurance policies; and 1 (ii) Whether and how local fire protection districts may 2 collaborate with the grant program administrator.

3 (4) The work group shall submit, in compliance with RCW 4 43.01.036, a report of recommendations to the legislature, the 5 insurance commissioner, and the department of natural resources, by 6 December 1, 2024.

7 (5) This section expires December 31, 2024.

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