

**Chapter 284-33 WAC**  
**RISK REDUCTION FOR PROPERTY INSURANCE**

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**WAC**

284-33-005	Definitions.
284-33-010	Purpose and scope.
284-33-015	Conditions of the risk reduction program, pilot risk reduction program, and disaster or emergency response activity.
284-33-020	Notice to insureds participating in risk reduction program.
284-33-030	Goods and services.
284-33-040	Pilot program filing.
284-33-050	Identifying disaster or emergency response activity.

**WAC 284-33-005 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise:

(1) A "risk reduction program" means a program by a property insurance company to reduce either the probability of loss or extent of loss, or both, from a covered event as described in RCW 48.18.558(1) by supplying its named insured with either goods or services, or both, as described in WAC 284-33-030(1).

(2) "Commercial property insurance" means insurance pertaining to a business, profession, occupation, nonprofit organization, or public entity for the line of property insurance as defined in RCW 48.11.040.

[Statutory Authority: RCW 48.02.60 [48.02.060] and 48.18.559. WSR 18-24-084 (R 2018-11), § 284-33-005, filed 12/3/18, effective 1/3/19.]

**WAC 284-33-010 Purpose and scope.** The purpose of this chapter is to implement RCW 48.18.558, 48.18.559, and 48.19.530 for property insurance by establishing rules:

(1) For property insurers' risk reduction programs for covered events, except commercial property insurance;

(2) For property insurers' pilot risk reduction programs for covered events, except commercial property insurance; and

(3) To identify which property insurers' disaster or emergency response activities for covered events are exempt from RCW 48.18.558, 48.19.530, 48.30.140, and 48.30.150.

[Statutory Authority: RCW 48.02.60 [48.02.060] and 48.18.559. WSR 18-24-084 (R 2018-11), § 284-33-010, filed 12/3/18, effective 1/3/19.]

**WAC 284-33-015 Conditions of the risk reduction program, pilot risk reduction program, and disaster or emergency response activity.**

(1) Each insurer conducting any risk reduction program, pilot risk reduction program, or disaster or emergency response activity must maintain records regarding the insured's involvement with the risk reduction program, pilot risk reduction program, or disaster or emergency response activity for three years after its conclusion, and the record must be made available to the commissioner upon request.

(2) If the commissioner finds that a risk reduction program, pilot risk reduction program, or disaster or emergency response activity is in violation of any provision of either Title 48 RCW or 284 WAC, or both, the commissioner may order the insurer to end the risk reduction program, pilot risk reduction program, or disaster or emergency response activity.

[Statutory Authority: RCW 48.02.60 [48.02.060] and 48.18.559. WSR 18-24-084 (R 2018-11), § 284-33-015, filed 12/3/18, effective 1/3/19.]

**WAC 284-33-020 Notice to insureds participating in risk reduction program.** (1) The insurer must provide a clear and conspicuous notice to the named insured participating in either a risk reduction program, pilot risk reduction program, or both, that accurately describes the right to opt out. The notice must:

(a) Identify and describe all risk reduction programs being offered to the insured;

(b) State the goods provided in a program are owned by the named insured, even if the insurance is subsequently canceled or nonrenewed;

(c) Inform the named insured they may opt out of a program at any time;

(d) State that if an insured opts out of a program the premium cost of the policy may change; and

(e) Include a reply form that contains the opt out notice information.

(2) If an insurer communicates with the insured electronically, the insurer may deliver the reply form and opt out notice information electronically, as an electronic form, and the insured may reply to the opt out option via electronic signatures and electronic attestation, in accordance with 15 U.S.C. Sec. 7001 and chapter 48.185 RCW. Electronic communication shall have the same force and effect as paper communications.

(3) The notice to opt out must be included at policy inception or, if the policy is already in effect, at the beginning of a risk reduction program or pilot risk reduction program.

(4) If a named insured elects to opt out of a risk reduction program and later requests to rejoin, an insurer must allow the named insured to rejoin at the earliest reasonable time available in the program.

(5) If a named insured elects to opt out of a pilot risk reduction program, an insurer may allow the insured to rejoin if the opportunity is available.

[Statutory Authority: RCW 48.02.60 [48.02.060] and 48.18.559. WSR 18-24-084 (R 2018-11), § 284-33-020, filed 12/3/18, effective 1/3/19.]

**WAC 284-33-030 Goods and services.** (1) All goods or services, or both, that are approved by the commissioner to be included within a property insurer's risk reduction program, or pilot risk reduction program, or both, must be implemented by the insurer to reduce either the probability of damage or extent of damage, or both, by a peril covered under the property policy, and may include:

(a) Smoke alarms;

(b) Fire extinguishers;

(c) Natural gas detectors;

(d) Brush and other wildfire fuel source removal services;

(e) Water monitors;

(f) Water shut off systems;

(g) Earthquake strapping;

(h) Locking mechanisms to secure property;

(i) Lightning protection devices;

(j) Security lighting;  
(k) Security camera systems;  
(l) Home safety monitoring systems; and  
(m) Other goods or services, or both, the commissioner may approve through a form filing.

(2) A voucher provided from the insurer to the insured for either goods or services, or both, is only permissible for those items as described in subsection (1) of this section and must fully redeem either the goods or services, or both, being used in the risk reduction program.

(3) Under RCW 48.18.559, the commissioner may increase the value of goods and services permitted under RCW 48.18.558. The limit to the value of goods and services to be provided is increased to seven thousand five hundred dollars in value in aggregate in any twelve-month period if the insurer:

(a) Submits a rate filing with the information required by RCW 48.19.530; and

(b) Includes an explanation and exhibit in the filing showing that the present value of the expected reduction in claims costs arising from the goods and services, over the service life of the goods and services, is greater than, or equal to, the total cost to the insurer of the goods and services.

[Statutory Authority: RCW 48.02.060(3) and 48.18.559. WSR 20-23-004 (R 2020-01), § 284-33-030, filed 11/5/20, effective 1/1/21. Statutory Authority: RCW 48.02.60 [48.02.060] and 48.18.559. WSR 18-24-084 (R 2018-11), § 284-33-030, filed 12/3/18, effective 1/3/19.]

**WAC 284-33-040 Pilot program filing.** (1) To qualify as a pilot program as described in RCW 48.18.558(6), a form for the pilot risk reduction program must be filed with and approved by the commissioner prior to offer to insured.

(2) Within the submitted form of the pilot risk reduction program, the insurer must provide the same information it offers its participants of the pilot risk reduction program, including:

(a) The intent of the pilot risk reduction program;

(b) A description of either the goods or services, or both, offered in the pilot risk reduction program; and

(c) The intended start date of the pilot risk reduction program.

[Statutory Authority: RCW 48.02.60 [48.02.060] and 48.18.559. WSR 18-24-084 (R 2018-11), § 284-33-040, filed 12/3/18, effective 1/3/19.]

**WAC 284-33-050 Identifying disaster or emergency response activity.** To be exempt from RCW 48.18.558, 48.19.530, 48.30.140, and 48.30.150, all disaster or emergency response activity by property insurers must be as a result of imminent threat of damage to an insured's covered property and must be undertaken to either prevent or mitigate, or both, damage from a covered event to the insured's property and may include:

(1) Wildfire suppression and defense measures; and

(2) Floodwater diversion and sandbagging.

[Statutory Authority: RCW 48.02.60 [48.02.060] and 48.18.559. WSR 18-24-084 (R 2018-11), § 284-33-050, filed 12/3/18, effective 1/3/19.]