

WSR 23-20-123
PROPOSED RULES
OFFICE OF THE
INSURANCE COMMISSIONER

[Insurance Commissioner Matter R2023-01—Filed October 4, 2023, 8:56 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 23-15-110.

Title of Rule and Other Identifying Information: Implementation of SHB 1266 (chapter 27, Laws of 2023).

Hearing Location(s): On November 8, 2023, at 9:00 a.m., via Zoom meeting. Detailed information for attending the Zoom meeting posted on the office of the insurance commissioner (OIC) website <https://www.insurance.wa.gov/implementation-shb-1266-r-2023-01>.

Date of Intended Adoption: November 10, 2023.

Submit Written Comments to: David Forte, P.O. Box 40260, Olympia, WA 98504-0260, email rulescoordinator@oic.wa.gov, fax 360-586-3109, by November 9, 2023.

Assistance for Persons with Disabilities: Contact Katie Bennett, phone 360-725-7013, fax 360-586-2023, TTY 360-586-0241, email Katie.Bennett@oic.wa.gov, by November 7, 2023.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: OIC is considering rule making to amend current WAC to align with SHB 1266 (chapter 27, Laws of 2023). In doing so, it should provide clarity to insurance producers on which address of record OIC would utilize when communicating with them.

Reasons Supporting Proposal: SHB 1266 (chapter 27, Laws of 2023) clarified how OIC may communicate with licensees. OIC is considering rules to update what address of record OIC may use when communicating with licensees.

Statutory Authority for Adoption: RCW 48.02.060 and 48.17.005.

Statute Being Implemented: Chapter 27, Laws of 2023.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Mike Kreidler, insurance commissioner, governmental.

Name of Agency Personnel Responsible for Drafting: David Forte, 302 Sid Snyder Avenue S.W., Suite 200, Olympia, WA 98501, 360-725-7268; Implementation: Todd Dixon, 5000 Capitol Boulevard S.E., Tumwater, WA 98501, 360-725-7000; and Enforcement: Charles Malone, 5000 Capitol Boulevard S.E., Tumwater, WA 98501, 360-725-7000.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. OIC has determined that under RCW 34.05.328 (5)(b)(iv), the content of the rule is explicitly and specifically dictated by statute. Because the content of this rule is specifically dictated by chapter 27, Laws of 2023, a cost-benefit analysis is not required.

This rule proposal, or portions of the proposal, is exempt from requirements of the Regulatory Fairness Act because the proposal:

Is exempt under RCW 19.85.025(3) as the rule content is explicitly and specifically dictated by statute.

Explanation of exemptions: OIC has determined that under RCW 19.85.025(3), the content of the rule is explicitly and specifically dictated by statute (provided under RCW 34.05.210 (4)(e)). Because the content of this rule is specifically dictated by SHB 1266, a small business economic impact statement is not required. SHB 1266, signed

into law in 2023, clarified how OIC may communicate with licensees. This rule making aligns which address of record OIC will rely on to communicate with licensees. The proposed rule adopts language from SHB 1266 to align both WAC 284-17-005 and 284-17-065 with statute. The content of the rule is specifically dictated by statute.

Scope of exemption for rule proposal:

Is fully exempt.

October 4, 2023
Mike Kreidler
Insurance Commissioner

OTS-4825.1

AMENDATORY SECTION (Amending WSR 11-04-067, filed 1/28/11, effective 2/28/11)

WAC 284-17-005 Address of record. (1) The address of record used by the commissioner will be:

(a) ~~((For disciplinary orders,))~~ The last U.S. mailing address provided by the person or business entity to the commissioner (~~(~~+~~~~

~~(b) For all other matters, the last email address provided by the person or business entity to the commissioner. This will be the email address listed in the mailing address section of the commissioner's licensing data base [database].)~~ for all notices, orders, or written communication, including any notification of investigation, notification of audit and findings resulting from such audit, or written communication pursuant to RCW 48.17.475 (2)(c)(ii).

(b) The last email address of record, listed in the mailing address section of the commissioner's licensing database, may only be used, if:

(i) The communication is not required to be sent to the person's mailing address pursuant to RCW 48.17.450(2) or 48.15.103(4);

(ii) The person has affirmatively consented to receive communications from the commissioner by email; and

(iii) The email from the commissioner does not require a response.

NOTE: However, if a response is required by the commissioner, then the email must comply with the requirements of RCW 48.17.475 (2)(b) or 48.15.103 (8)(b), whichever is applicable, before it is sent.

(2) Licensees must advise the commissioner of any change of address within ~~((thirty))~~ 30 days after a change of address. This includes any change in the person's residence, mailing, business or email address. Failure to advise the commissioner of a change of address may subject a licensee to disciplinary action under RCW 48.17.530 and 48.17.560.

[Statutory Authority: RCW 48.15.015 and 48.17.005. WSR 11-04-067 (Matter No. R 2010-07), § 284-17-005, filed 1/28/11, effective 2/28/11. Statutory Authority: RCW 48.02.060, 48.17.005. WSR 09-02-073 (Matter No. R 2008-06), § 284-17-005, filed 1/6/09, effective 7/1/09.]

AMENDATORY SECTION (Amending WSR 11-04-067, filed 1/28/11, effective 2/28/11)

WAC 284-17-065 Required email address for licensing transactions. (1) Each applicant, individual or business entity licensee, insurance education provider, and insurer must provide the commissioner with a valid email address. ~~((As provided in WAC 284-17-005 (1)(b), the email address will be the official contact address for all communication regarding licensing processes.))~~ The following do not need to comply with the provisions of RCW 48.17.450(3) and 48.15.103(3) (affirmative consent and require a response):

(a) Email communication sent to an applicant before the issuance of license; or

(b) Auto-generated email communication regarding license applications or license renewal processes.

(2) Each applicant, individual or business entity licensee, insurance education provider, and insurer must notify the commissioner of any change to their email address within ~~((thirty))~~ 30 days after the change.

(3) This section applies to an insurer when appointing, terminating, or renewing the appointment of a licensee.

[Statutory Authority: RCW 48.15.015 and 48.17.005. WSR 11-04-067 (Matter No. R 2010-07), § 284-17-065, filed 1/28/11, effective 2/28/11.]