

WSR 21-24-101
PERMANENT RULES
OFFICE OF THE
INSURANCE COMMISSIONER

[Insurance Commissioner Matter No. R 2021-20—Filed December 1, 2021, 9:26 a.m., effective January 1, 2022]

Effective Date of Rule: January 1, 2022.

Purpose: The current state law on out-of-state title records storage requires title insurance companies and agents, who are conducting business of an escrow agent, to keep adequate records of all transactions, and these records must be maintained in Washington, unless otherwise approved by the commissioner (RCW 48.29.190 (1)(a)).

Rule making is required to outline the process for title insurance companies and agents to request approval under RCW 48.29.190 (1)(a) and detail the requirements for title insurance companies and agents to store title records outside of Washington.

Citation of Rules Affected by this Order: Amending WAC 284-29-160.

Statutory Authority for Adoption: RCW 48.02.060 (3)(a), 48.29.005, and 48.29.190 (1)(a).

Adopted under notice filed as WSR 21-21-102 on October 19, 2021.

A final cost-benefit analysis is available by contacting Tabba Alam, P.O. Box 40260, Olympia, WA 98504-0260, phone 360-725-7170, fax 360-586-3109, email rulescoordinator@oic.wa.gov, website www.insurance.wa.gov.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at the Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 1, Repealed 0.

Date Adopted: December 1, 2021.

Mike Kreidler
Insurance Commissioner

OTS-3397.1

AMENDATORY SECTION (Amending WSR 09-20-070, filed 10/5/09, effective 11/5/09)

WAC 284-29-160 Recordkeeping. (1) A title insurance agent must keep and maintain complete and accurate records of the names and business addresses of those persons who have had a financial interest in the title insurance agent who are reasonably known or reasonably believed by the title insurance agent to be producers.

(2) A title insurance agent must keep and maintain records of its title orders sufficient to identify the source of the title orders.

(3) The records required by WAC 284-29-100 through 284-29-160 must be kept by the title insurance agent for a period of three years after the end of the year being reported upon.

(4) All records of a title insurance agent kept pursuant to WAC 284-29-100 through 284-29-160 must be available to the commissioner or the commissioner's representative during regular business hours.

(5) Title insurance companies and agents shall store these records in this state, unless otherwise approved by the commissioner in accordance with RCW 48.29.190.

(a) Title insurance companies and agents must request approval from the commissioner prior to storing their records outside of the state. Requests shall be emailed to prodcomp@oic.wa.gov.

(b) The commissioner will review and consider approval of the out-of-state title records storage if the records are readily accessible, securely stored, and maintained by the required statutory terms.

(c) If the title insurance company or agent plans to change the approved location of the out-of-state record storage, notification to the commissioner is required and reapproval must be granted prior to the change.

(d) Out-of-state record storage must comply with the security and data breach reporting requirements in WAC 284-04-625.

[Statutory Authority: RCW 48.02.060, 48.29.005, and 48.29.015. WSR 09-20-070 (Matter No. R 2008-22), § 284-29-160, filed 10/5/09, effective 11/5/09.]