



Mike Kreidler- Insurance commissioner

As required by

The Washington State Administrative Procedures Act

Chapter 34.05 RCW

Matter No. **R2023-01**

**CONCISE EXPLANATORY STATEMENT; RESPONSIVENESS
SUMMARY; RULE DEVELOPMENT PROCESS; AND
IMPLEMENTATION PLAN**

Relating to the adoption of

Implementation of SHB 1266 (Chapter 27, Laws of 2023)

November 13, 2023

TABLE OF CONTENTS

Section 1	Introduction	pg. 3
Section 2	Reasons for adopting the rule	pg. 3
Section 3	Rule development process	pg. 3
Section 4	Differences between proposed and final rule	pg. 3
Section 5	Responsiveness summary	pg. 4
Section 6	Implementation plan	pg. 4
Appendix A	Hearing Summary	pg. 5

Section 1: Introduction

Revised Code of Washington (RCW) 34.05.325 (6) requires the Office of Insurance Commissioner (OIC) to prepare a “concise explanatory statement” (CES) prior to filing a rule for permanent adoption. The CES shall:

1. Identify the Commissioner's reasons for adopting the rule;
2. Describe differences between the proposed rule and the final rule (other than editing changes) and the reasons for the differences; and
3. Summarize and respond to all comments received regarding the proposed rule during the official public comment period, indicating whether or not the comment resulted in a change to the final rule, or the Commissioner's reasoning in not incorporating the change requested by the comment; and
4. Be distributed to all persons who commented on the rule during the official public comment period and to any person who requests it.

Section 2: Reasons for Adopting the Rule

Substitute House Bill 1266 (Chapter 27, Laws of 2023) clarified how the Commissioner may communicate with licensees. The Commissioner amended rules to update what *address of record* the Commissioner may use when communicating with licensees.

Section 3: Rule Development Process

On July 19th, 2023, the Commissioner filed a CR-101 Preproposal Statement of Inquiry and later published under WSR 23-15-110. The public comment period was open until August 9th, 2023. No comments were received.

On August 1st, 2023, the Commissioner provided interested parties a draft of proposed rule language and made it available to the public. The public comment period was open until August 15th, 2023. No comments were received.

On October 4th, 2023, the Commissioner filed a CR-102 Proposed Rule Making and later published under WSR 23-15-123. The public comment period was open until November 9th, 2023. No comments were received.

On November 8th, 2023, the Commissioner held a public hearing and heard testimony on the proposed rule. A summary of the hearing is provided in Appendix A. Three people were in attendance and zero provided comment.

Section 4: Differences Between Proposed and Final Rule

None.

Section 5: Responsiveness Summary

No comments received.

Section 6: Implementation Plan

A. Implementation and enforcement of the rule.

After the permanent rule is adopted and filed with the Office of the Code Reviser:

- The Policy Division staff will distribute copies of the final rule and the Concise Explanatory Statement to all interested parties and to its standard rule making listserv.
- The CR 103 documents will be posted by the Rule Coordinator on the Office of the Insurance Commissioner's website.
- The Office of the Insurance Commissioner will review consumer and licensee inquiries and documents shared.
- The Office of the Insurance Commissioner will update licensee interaction checklists relating to *address of record*.

B. How the Agency intends to inform and educate affected persons about the rule.

- The Policy Division staff will distribute copies of the final rule and the Concise Explanatory Statement to all interested parties and to its standard rule making listserv.
- The CR 103 documents will be posted by the Rule Coordinator on the Office of the Insurance Commissioner's website.

Type of Inquiry	Division
Consumer assistance	Consumer Protection
Rule content	Policy
Authority for rules	Policy
Enforcement of rule	Legal Affairs
Market Compliance	Company Supervision

C. How the Agency intends to promote and assist voluntary compliance for this rule.

- Policy Division staff will distribute copies of the final rule to all interested parties and to its standard rule making listserv.
- The Rule Coordinator will post the CR 103 documents on the Office of the Insurance Commissioner's website.

D. How the Agency intends to evaluate whether the rule achieves the purpose for which it was adopted.

The Office of the Insurance Commissioner will monitor licensee communication methods.

