

R 2021-15 FAIR (fair access to insurance requirements) plan committee members

Stakeholder Draft | July 13, 2021

Comments due to OIC at rulescoordinator@oic.wa.gov by August 5, 2021

WAC 284-19-140 Administration.

(1) This program shall be administered by a governing committee (referred to as the committee) of the facility, subject to the supervision of the commissioner, and operated by a manager appointed by the committee.

(2) The committee consists of nine members, including ~~five-six~~ insurers, ~~elected from each of the as~~ following:

(a) ~~American Insurance Association~~ All property and casualty insurers represented by a trade Association(s) (one member) shall designate or elect three members;

~~(b) Property Casualty Insurers Association of America (two members);~~

~~(c)~~ All other stock insurers shall elect one member by a majority vote counted on a weighted basis in accordance with each insurer's premiums written and the aggregate premiums written for all insurers in this respective group (one member); and

~~(d)~~ All other nonstock insurers shall elect one member by a majority vote counted on a weighted basis in accordance with each insurer's premiums written and the aggregate premiums written for all insurers in this respective group (one member);

(d) A sixth member ~~shall~~ must be an insurer designated as the service insurer under the program, ~~and~~ the commissioner shall designate a sixth member if there is more than one service insurer;

(e) The other three members are individuals who are appointed by the commissioner to serve, none of whom have a direct or indirect interest in any insurer except as a

policyholder; ~~The individual members serve for a period of one year or until their successors are appointed.~~

(f) Not more than one insurer in a group under the same management or ownership shall serve on the committee at the same time; and

(g) One of the six insurers on the governing committee ~~shall~~ must be a domestic insurer.

(3) The governing committee may issue operating procedures and other directives to carry out the purposes of this plan and directives of the commissioner.

(4) Each person serving on the committee or any subcommittee, each member of the facility, and each officer and employee of the facility shall be indemnified by the facility against all costs and expenses actually and necessarily incurred in connection with the defense of any action, suit, or proceeding in which he or she is made a party by reason of being or having been a member of the committee, or a member or officer or employee of the facility except in relation to matters as to which he or she has been judged in such action, suit, or proceeding to be liable by reason of willful misconduct in the performance of duties as a member of the committee, or a member or officer or employee of the facility. This indemnification does not apply to any loss, cost, or expense on insurance policy claims under the program. Indemnification is not exclusive of other rights to which such member or officer may be entitled as a matter of law.

(5) Members on the committee serve for a period of one year or until successors are elected, designated or appointed, as applicable.

WAC 284-19-150 Annual and special meetings.

(1) There shall be an annual meeting of the insurers on a date fixed by the committee.

~~The three associations (WAC 284-19-140(2)) shall designate or elect their representatives to the committee. The two nonassociation groups of companies shall elect their respective representatives by a majority vote counted on a weighted basis in accordance with each insurer's premiums written and the aggregate premiums written for all insurers in the respective groups of companies. Representatives on the committee shall serve for a period of one year or until successors are elected or designated.~~

(2) A special meeting may be called at a time and place designated by the committee or upon the written request to the committee of any ten insurers, not more than one of which may be a group under the same management or ownership.

(3) Twenty days' notice of the annual or special meeting ~~shall~~must be given in writing by the committee to the insurers. A majority of the insurers constitutes a quorum. Voting by proxy is permitted. Notice of any meeting ~~shall~~must be accompanied by an agenda for the meeting.

(4) Any matter, including amendment of this program, may be proposed and voted upon by mail, provided the procedure is unanimously authorized by the members of the committee present and voting at any meeting of the committee. If approved by the committee, notice of any proposal is mailed to the insurers not less than twenty days prior to the final date fixed by the committee for voting.

(5) At any regular or special meeting at which the vote of the insurers is or may be required on any proposal, including amendment to this program, or any vote of the insurers which may be taken by mail on any proposal, such votes ~~shall~~must be cast and counted on a weighted basis in accordance with each insurer's premiums written. A proposal becomes effective when approved by at least two-thirds of the votes cast on the weighted basis, except amendments to this program that will require administrative action by the commissioner.