



PROPOSED RULE MAKING

CR-102 (June 2012)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Office of the Insurance Commissioner

- Preproposal Statement of Inquiry was filed as WSR 17-12-063
 Expedited Rule Making--Proposed notice was filed as WSR _____; or
 Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1).

- Original Notice
 Supplemental Notice to WSR

Continuance of WSR _____

Title of rule and other identifying information:

Obsolete citations to insurer investments under chapter 48.13 RCW.

Insurance Commissioner Matter No. R 2017-02

Hearing location(s):

Office of the Insurance Commissioner
301 Sid Snyder Ave. SW, Olympia WA 98501

Date: September 7, 2017 Time: 10:00AM

Date of intended adoption: September 8, 2017
(Note: This is **NOT** the effective date)

Submit written comments to:

Name: Jim Tompkins
Address: PO Box 40260
Olympia, WA 98504-0260
e-mail rulescoordinator@oic.wa.gov
Fax: 360-586-3109 by (date) September 6, 2017

Assistance for persons with disabilities:

Contact: Lorie Villaflores by , September 6, 2017
TTY (360) 586-0241 or (360) 725-7087

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The Commissioner will consider adopting rules to amend/repeal obsolete statutory citations to domestic insurer investments.

Reasons supporting proposal: In 2011 Chapter 188, Laws of 2011 (SHB 1257) was enacted repealing the then existing chapter 48.13 RCW and replaced it with new sections. As a result there are several sections in Title 284 WAC that contain statutory citations to sections in chapter 48.13 RCW that were repealed.

Statutory authority for adoption: RCW 48.02.060 and RCW 48.13.171(1)

Statute being implemented: Chapter 48.13 RCW

Is rule necessary because of a:

- Federal Law? Yes X No
 Federal Court Decision? Yes X No
 State Court Decision? Yes X No
 If yes, CITATION:

DATE
August 1, 2017

NAME (type or print)
Mike Kreidler

SIGNATURE

TITLE
Insurance Commissioner

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: August 01, 2017

TIME: 4:44 PM

WSR 17-16-161

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:
None

Name of proponent: (person or organization) Mike Kreidler, Insurance Commissioner

Private
 Public
 Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting..... Jim Tompkins	PO Box 40260, Olympia, WA 98504-0260	(360) 725-7036
Implementation.... Steve Drutz	PO Box 40255, Olympia, WA 98504-0255	(360) 725-7209
Enforcement..... Doug Hartz	PO Box 40255, Olympia, WA 98504-0255	(360) 725-7214

Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?

Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared.

The proposed rule acts to update WAC references, standardize wording, and remove redundant language. Because it does not impose any new requirements on the businesses being regulated no SBEIS statement is required.

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone

fax

e-mail

No: Please explain: This proposed rule acts to update WAC language to conform to statute and clarify/correct portions of existing rules. No new burdens/benefits are imposed by the rule. In accordance with RCW 34.05.328 (5)(b)(iii), (iv) and (v) no cost benefit analysis is required.

AMENDATORY SECTION (Amending WSR 93-19-010, filed 9/1/93, effective 10/2/93)

WAC 284-13-280 Real estate appraisals. (~~((1) Except as provided in subsection (2) of this section, for purposes of RCW 48.13.120(1) and 48.13.140, an insurer may rely on an appraisal that is less than one year old.~~

~~(2))~~) An insurer may not rely on an appraisal if the insurer knows or should know that the appraisal is not reliable. An appraisal may be "not reliable" because it was incorrect when done, because conditions affecting the property have changed, or for other reasons.

AMENDATORY SECTION (Amending WSR 82-23-010, filed 11/5/82, effective 1/1/83)

WAC 284-44-330 Agreement guaranteed by a deposit of cash or securities. (1) If, pursuant to RCW 48.44.030, the agreement is guaranteed by a deposit of cash or securities, ~~((such))~~ the deposit ~~((shall))~~ must be in an amount equal to the greater of (i) one hundred fifty thousand dollars, or (ii) one-twelfth of the total sum of money received during the preceding calendar year as prepayment for health care services, except as provided by WAC 284-44-340.

(2) Securities eligible for ~~((such))~~ the deposit ~~((shall be))~~ are those set forth in RCW ~~((48.13.040, 48.13.050, 48.13.080, 48.13.100, 48.13.200, and 48.13.220. The commissioner may, upon advance approval, allow other securities to be included as deposits pursuant to RCW 48.13.250))~~ 48.13.009 (12), (14), and 48.13.061 (2) and (4).

(3) In determining the value to be assigned to securities for compliance with the depository requirements, market value ~~((shall be))~~ is the measurement.

REPEALER

The following sections of the Washington Administrative Code are repealed:

- | | |
|----------------|--|
| WAC 284-16-100 | Investments—Encumbrance—Interpretation of RCW 48.13.130. |
| WAC 284-16-110 | F.H.A. mortgage loans and investments. |