



Mike Kreidler- Insurance commissioner

As required by

The Washington State Administrative Procedures Act

Chapter 34.05 RCW

Matter No. **R 2023-04**

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

Relating to the adoption of

**Insurance Producers Pre-licensing Education**

**October 17, 2023**

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## **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**

Passage of HB 1061 (2023) amends RCW 48.17.090 by eliminating the requirement that an applicant for a resident insurance producer license complete a pre-licensure course of study for the lines of authority for which the person applied. For purposes of clarification, a definition from repealed WAC 284-17-505 was preserved and listed under WAC 284-17-001.

The purpose of this rule is to align existing rule language including Chapter 284-17 WAC with newly amended RCW 48.17.090.

## **Section 3: Rule Development Process**

On July 19, 2023, the OIC filed a proposal statement of inquiry (CR-101) to provide notice to interested parties of potential rulemaking.

On September 6, 2023, the OIC filed a proposed rulemaking (CR-102) to begin formal rulemaking.

On October 18, 2023, the OIC filed the CR-103P to adopt these rules, which become effective on November 18, 2023.

## **Section 4: Differences Between Proposed and Final Rule**

There are no differences between the CR-102 proposed rulemaking language and the final CR-103P adopted text.

## Section 5: Responsiveness Summary

Comments	Consideration
Insurance producers should not have less initial education than other professionals i.e., cosmetologists. Cosmetologists are required to obtain a license, and this typically requires some education.	<p>The passage of HB 1061 eliminated the requirement for resident producer applicants to complete pre-licensing education prior to becoming licensed in the state of Washington. Although, the pre-licensing course study requirement was eliminated by law, producer applicants seeking a license in Washington state may still utilize pre-licensing course studies and applicants are still required to pass all applicable state producer licensing exams prior to becoming licensed.</p> <p>The purpose of this rulemaking was to remove rule language referencing pre-licensing education in Chapter 284.17 WAC following the passage of HB 1061 to ensure existing state insurance rules align with state law.</p>

## Section 6: Implementation Plan

### A. Implementation and enforcement of the rule.

There are no anticipated effects due to the changes to existing rules, as the content of R 2023-04 rulemaking is explicitly and specifically dictated by statute.

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

- Policy and Legislative Affairs Division staff will distribute the final rule and the Concise Explanatory Statement (CES) to all interested parties by posting and sharing the documents through the OIC’s standard rule making listserv.
- The Rules Coordinator will post the CR-103P documents on the OIC’s website.
- OIC staff will address questions as follows:

Type of Inquiry	Division
<b>Consumer assistance</b>	Consumer Protection
<b>Rule content</b>	Policy and Legislative Affairs
<b>Authority for rules</b>	Policy and Legislative Affairs
<b>Enforcement of rule</b>	Legal Affairs
<b>Market Compliance</b>	Company Supervision

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

- Policy and Legislative Affairs Division staff will distribute the final rule and the Concise Explanatory Statement (CES) to all interested parties by posting and sharing the documents through the OIC's standard rule making listserv.
- The Rules Coordinator will post the CR-103P on the OIC's website.

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

The OIC will monitor consumer and industry inquiries related to the implementation of this rule.

**Appendix A**

**CR-102 Hearing Summary**

**Summarizing Memorandum**

**To: Mike Kreidler  
Insurance Commissioner**

**From: Andrew Davis, Policy Analyst  
Presiding Official, Hearing on Rulemaking**

**Matter No. R 2023-04**

**Topic of Rulemaking: Insurance Producers Pre-licensing Education**

This memorandum summarizes the hearing on the above-named rulemaking, held via Zoom (ID# 828 8804 8898) on October 10, 2023, at 10am over which I presided in your stead.

**The following agency personnel were present:**

Policy & Rules Manager, Ariele Page Landstrom  
Insurance Attorney, Deanna Ogo  
Administrative Assistants, Jesse Wolff and Blake Melancon  
Lisa Borchert, Functional Program Analyst 4

**In attendance and testifying:**

Osa Winter, American Online Insurance School

**Contents of the presentations made at hearing:**

Osa Winter, representing American Online Insurance School, testified in opposition by stating that it is a scary world when a cosmetologist has more initial education than the person who sells life and health insurance or financial products like annuities. Cosmetologist are required to obtain a license to provide various beauty and treatment services related to nails and hair and this typically requires some education.

**The hearing was adjourned.**

*SIGNED this 17 day of October 2023,*



*Andrew Davis, Presiding Official*