RULE-MAKING ORDER

CR-103P (May 2009)
(Implements RCW 34.05.360)

Agency: Office of the Insurance Commissioner

Permanent Rule Only

Effective date of rule:
Permanent Rules
X **31 days after filing.**
☐ **Other (specify)** _____ **(If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)**

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?
☐ **Yes** X **No** **If Yes, explain:**

Purpose:
This proposed rule will amend language and add a new section to WAC 284-20-300 to require that the following statement is included in any rejection form when a motorist is rejecting underinsured motorist coverage, "In order to provide for an informed decision of the potential consequences of rejecting underinsured motorist coverage; the undersigned acknowledges that by rejecting underinsured motorist coverage there is exposure to the risk of not being sufficiently insured for injury and/or damages when involved in an accident with a driver of an underinsured vehicle."

Insurance Commissioner Matter No. R 2016-18

Citation of existing rules affected by this order:
Repealed:
Amended: WAC 284-20-300
Suspended:

Statutory authority for adoption: RCW 48.02.060(3)(a), RCW 48.22.030(4)

Other authority:

PERMANENT RULE (Including Expedited Rule Making)
Adopted under notice filed as WSR **16-17-124** on August 23, 2016.
Describe any changes other than editing from proposed to adopted version: None

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

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Date adopted: November 10, 2016

NAME (TYPE OR PRINT)
Mike Kreidler

SIGNATURE
Mike Kreidler

TITLE
Insurance Commissioner

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: November 10, 2016
TIME: 10:58 AM

WSR 16-23-056

(COMPLETE REVERSE SIDE)

Note: If any category is left blank, it will be calculated as zero. No descriptive text.

Count by whole WAC sections only, from the WAC number through the history note. A section may be counted in more than one category.

The number of sections adopted in order to comply with:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New _____ Amended _____ Repealed _____

The number of sections adopted in the agency's own initiative:

New Amended 1 Repealed _____

The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New Amended 1 Repealed _____

The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New		Amended	1	Repealed	_____

AMENDATORY SECTION (Amending WSR 10-10-058, filed 4/29/10, effective 5/30/10)

WAC 284-20-300 Mandatory offering of personal injury protection and required language when underinsured motorist coverage is rejected. (1) Insurers issuing an automobile liability insurance policy must offer the minimum personal injury protection coverage limits required in RCW 48.22.095, and must make available, if requested, additional personal injury protection limits as defined in RCW 48.22.100. Insurers may also offer other personal injury protection limits, in addition to these required offerings.

(2) If the named insured rejects personal injury protection coverage, the insurer must promptly delete the coverage after the insurer receives the rejection notice from the named insured. The insurer must retain a copy of the rejection notice or request to delete coverage with the policy record.

(3) The written rejection of underinsured motorist coverage, as allowed by RCW 48.22.030(4), must include the following statement, "In order to provide for an informed decision of the potential consequences of rejecting underinsured motorist coverage; the undersigned acknowledges that by rejecting underinsured motorist coverage there is exposure to the risk of not being sufficiently insured for injury and/or damages when involved in an accident with a driver of an underinsured vehicle." Such notice shall be prominently placed above the signature area and be bold.

(4) Insurers may use electronic forms, electronic signatures and electronic attestations, in accordance with 15 U.S.C. Sec. 7001, to comply with this rule. The insurer must maintain an auditable compliance record and provide this information to the commissioner upon request.

((~~(4)~~)) (5) This section does not apply to corporations, partnerships, or any other nonhuman entity named as the insured.