Washington Land Title Association

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Washington State Office of the Insurance Commissioner
VIA Email to: rulescoordinator@oic.wa.gov

Dear Commissioner's office:

The Washington Land Title Association (WLTA) writes to comment on the September 25, 2025 Second Prepublication Draft of R2025-05 entitled Clarifying and Updating the Minimum Standards for Claims Handling. WLTA's members include many title insurers (underwriters) and title agents licensed to do business in the State of Washington.

The proposed changes to Washington Administrative Code (WAC) 284-30-340 – File and record documentation continues to be concerning to the WLTA. The proposed language continues to require an insurer to produce all claim file documents and communications to an insured within 15 business days of an insured's request. The proposed rule allows the insurer to withhold "legally privileged" material, "third-party financial information", and documents specifically related to investigation of criminal activity, but this exception is still insufficient to protect third parties from potential harm.

Again, a title insurer's claim file may include non-public information documents related not only to a seller's finances, but also other third-party communications involving, for example, realtors, brokers, or neighbors, that are related to the insured transaction. *Such information is typically produced by the title insurer pursuant to a valid subpoena - a legal process which may require judicial review and notice to a third party*. Even as written in the second prepublication draft, WAC 284-30-340 allows an insured to usurp the legal process established to protect the information of third parties from dissemination. The additional language requiring a privilege log does nothing to mitigate this risk and instead may result in unintended consequences such as increased litigation.

The proposed changes also impose a significant administrative burden on title insurers' claims adjusters. Title insurance claims can take several months to investigate and resolve, resulting in a claim file that is hundreds, and sometimes thousands, of pages in length. Time spent reviewing an entire claim file for privileged documents, third-party financial information, and records specifically related to investigation of criminal activity may detract from time spent resolving the insured's claim. The privilege log requirement adds to this administrative burden.

For the reasons explained above, the WLTA requests that title insurers be exempt from the proposed changes to Washington Administrative Code (WAC) 284-30-340.

Thank you for the opportunity to provide input.

Ashley Callahan
President
Washington Land Title Association

cc: WLTA Board