

## OIC Rules Coordinator

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**From:** Larry Bowman <larrycbowman@gmail.com>  
**Sent:** Friday, January 9, 2026 7:45 PM  
**To:** OIC Rules Coordinator  
**Subject:** R2025-05 3rd PPD comment  
**Attachments:** Comparative State Standards regarding Matching and Uniform Appearance.pdf

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### External Email

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Dear Rules Coordinator,

My name is Larry Bowman. I am the Mayor of the City of Airway Heights, a licensed Public Adjuster (PA), and have served as an owner or corporate officer for multiple construction organizations in Washington State. With over 15 years of experience assisting policyholders through claims as both a PA and a General Contractor, I offer comments on Draft R 2025-05 from a unique perspective that combines municipal interest, consumer advocacy, and technical construction expertise.

I appreciate the Office of the Insurance Commissioner's efforts to clarify and update minimum standards in this draft. I support the overall direction of the text but propose two critical additions to WAC 284-30-330 to address significant gaps in accountability and equitable settlements.

### **Proposal 1: Require Licensing for Staff Adjusters at Large Carriers**

I am deeply concerned by the current "two-tiered" system of competency in our state. Currently, Independent Adjusters and Public Adjusters are required to pass rigorous examinations and maintain Continuing Education (CE) credits to ensure they are up-to-date on Washington statutes, building codes, and insurance regulations. However, staff adjusters employed by carriers are exempt from these requirements under RCW 48.17.010(1)(c).

This exemption creates a dangerous disparity, particularly with large national carriers. A homeowner is often led to believe that the staff adjuster "assigned" to their claim is a verified expert. In reality, that adjuster may have little formal training, or worse, may have been trained in a state with significantly more relaxed laws and requirements than Washington.

Furthermore, these adjusters are often not physically "sent" to the loss location but are "assigned" to the file from a remote desk in another state. I frequently encounter out-of-state adjusters attempting to adjudicate Washington claims without any foundational knowledge of our specific consumer protection laws, RCW's, WAC's, 2021 IRC or local construction practices.

**The Economic Cost of Incompetence:** Beyond consumer harm, this lack of local competency creates a financial burden for both homeowners and carriers. When an out-of-state adjuster misapplies Washington law or mishandles a claim due to ignorance of local rules, it inevitably leads to avoidable

disputes. These technical errors force policyholders to hire attorneys or public adjusters to correct mistakes that never should have happened, often pushing claims into unnecessary and costly litigation. By requiring licensure and competency, the OIC can reduce this administrative burden on the courts and lower long-term costs for carriers by reducing the frequency of litigation caused by adjuster error.

To resolve this, I recommend adding a new subsection to WAC 284-30-330:

**"(24) Assigning or allowing a claim to be adjusted by any person who does not hold a valid Washington insurance adjuster license, unless the person is a salaried employee of the insurer exempted under RCW 48.17.010(1)(c). Effective [one year after adoption], this exemption shall no longer apply to staff adjusters employed by insurers with annual direct written premiums in Washington exceeding \$100 million, who must obtain and maintain a valid Washington insurance adjuster license authorizing them to represent the insurer to ensure equivalent standards of competency and accountability."**

This proposal targets the large carriers who dominate the market, ensuring their staff meets the same baseline qualifications as the rest of the industry. If the OIC determines that a statutory amendment to RCW 48.17 is required to enforce this rule, I formally urge the OIC to recommend such legislation in the next session to close this competency gap.

## **Proposal 2: Mandate "Matching" for Uniform Appearance**

A pervasive issue in property claims is the refusal of insurers to pay for matching materials, resulting in "patchwork" repairs that devalue the property. I frequently encounter carriers asserting that materials need only be "functionally" similar (e.g., "a purple shingle replacing a white one", actually suggested by a carrier adjuster), rather than aesthetically similar.

**Reducing Litigation and the Doctrine of *Contra Proferentem*:** Currently, carriers rely on vague definitions of "like kind and quality" to deny matching, forcing policyholders into litigation to protect their assets. In these disputes, the legal doctrine of *contra proferentem* applies. This doctrine dictates that because the insurance company drafted the contract, any ambiguity in the policy language—such as the definition of "like kind and quality"—must be interpreted against the drafter and in favor of the policyholder.

Consequently, when policyholders are forced to sue over mismatched repairs, they almost inevitably win because the ambiguity favors them. However, reaching this resolution requires expensive litigation that wastes judicial resources and delays recovery. By codifying a clear "Reasonably Uniform Appearance" standard, the OIC removes the ambiguity that leads to these disputes, aligning regulations with established case law and preventing claims from escalating into unnecessary lawsuits.

**Indemnification Must Be Paramount:** A home is often a consumer's largest and most valuable investment. Allowing insurers to leave that investment with a mismatched, patchwork appearance fails to restore the policyholder to their pre-loss condition. We must ensure that the "protection" purchased by the consumer actually protects the asset's value.

Washington is currently behind states like **California, Kentucky, Iowa, Tennessee, and Utah**, which mandate replacement to achieve a "reasonably uniform appearance" without deferring to policy

exclusions. To prevent this unfair practice, I recommend adding a new subsection to WAC 284-30-330, such as:

**"(25) In settling a first-party property damage claim, failing to replace damaged items with materials of like kind and quality that result in a reasonably uniform appearance within the line of sight of the damaged area. If matching materials are not available, the insurer shall replace the items in the immediate area to ensure a reasonably uniform appearance."**

For your reference, I have attached a summary of similar "Matching" and "Uniform Appearance" statutes and regulations currently enforced in these other states, as well as the NAIC Model Regulation language.

Thank you for considering these proposals to protect Washington consumers. I am available at **509-530-9548** for any questions regarding these comments.

Sincerely,



**Larry Bowman**

Community Leader & Youth Sports Advocate

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Airway Heights, WA

## 1. FLORIDA

- **Statute:** Fla. Stat. § 626.9744(2)
- **Key Standard:** "Reasonably Uniform Appearance"
- **Relevance:** Florida explicitly mandates that if materials don't match, the insurer must replace the Undamaged items in adjacent areas.
- **Text:** *"When a loss requires replacement of items and the replaced items do not match in quality, color, or size, the insurer shall make reasonable repairs or replacement of items in adjoining areas. In determining the extent of the repairs or replacement of items in adjoining areas, the insurer may consider the cost of repairing or replacing the undamaged portions of the property, the degree of uniformity that can be achieved without such cost, the remaining useful life of the undamaged portion, and other relevant factors."*

## 2. CALIFORNIA

- **Regulation:** Cal. Code Regs. tit. 10, § 2695.9(a)(2)
- **Key Standard:** "Reasonably Uniform Appearance"
- **Relevance:** California requires that if a replacement isn't an exact match, the insurer must replace the entire "line of sight" area to ensure uniformity.
- **Text:** *"When a loss requires replacement of items and the replaced items do not match in quality, color, or size, the insurer shall repair or replace all such items in the damaged area so as to conform to a reasonably uniform appearance."*

## 3. KENTUCKY

- **Regulation:** 806 KAR 12:095 § 9(1)(b)
- **Key Standard:** "Reasonably Uniform Appearance"
- **Relevance:** Kentucky uses language almost identical to the NAIC model, protecting the aesthetic value of the property.
- **Text:** *"If a loss requires replacement of items and the replaced items do not reasonably match in quality, color, or size, the insurer shall replace all items in the area so as to conform to a reasonably uniform appearance. This applies to interior and exterior losses. The insured shall not bear any cost over the applicable deductible, if any."*

## 4. IOWA

- **Regulation:** Iowa Admin. Code r. 191-15.44(1)(b)
- **Key Standard:** "Reasonably Uniform Appearance"
- **Relevance:** Iowa mandates matching for both interior and exterior losses to prevent patchwork repairs.
- **Text:** *"When a loss requires replacement of items and the replaced items do not match in quality, color, or size, the insurer shall replace as much of the item as is necessary to result in a reasonably uniform appearance within the same line of sight. This subrule applies to interior and exterior losses."*

## 5. NAIC MODEL REGULATION

- **Source:** National Association of Insurance Commissioners, Unfair Property/Casualty Claims Settlement Practices Model Regulation (MDL-900), Section 9.
- **Relevance:** This is the national standard that Washington's regulations are largely based on. Adopting matching language brings Washington into alignment with the model act.
- **Text:** *"When a loss requires replacement of items and the replaced items do not match in quality, color or size, the insurer shall replace all such items in the area so as to conform to a reasonably uniform appearance."*