



Mike Kreidler- Insurance commissioner

As required by

The Washington State Administrative Procedures Act

Chapter 34.05 RCW

Matter No. **R 2021-03**

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

Relating to the adoption of

Resident Adjuster Continuing Education Requirements

**September 24, 2021**

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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 reason's 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**

Section 2, chapter 22, Laws of 2021 (SHB 1037) necessitates resident adjusters have continuing education requirements, therefore, the Commissioner concluded rulemaking to further clarify resident Independent Adjusters and Public Adjusters continuing education protocols. The intent is to match the National Association of Insurance Commissioners standard of 24 continuing education hours, including 3 hours of ethics, every two years. Having Washington state resident independent adjusters and public insurance adjusters have continuing education requirements is in alignment with other states. It is a benefit for our Washington state consumers to have a workforce that is continuing to receive updates on their profession. Finally, it will help our resident adjusters that work in other states find it easier to satisfy their continuing education requirements in those states if they are offered here in their home state.

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

On June 21, 2021, the Commissioner filed a CR-101 pre-proposal public notice of intent to adopt rules. The comment period was open through July 31, 2021. No comments were received.

On June 23, 2021, the Commissioner issued a working draft of the amended rules relating to resident adjuster continuing education requirements, notified Property & Casualty insurance stakeholders, and requested comment. The comment period was open through July 15, 2021. No comments were received.

On August 17, 2021, the Commissioner filed a CR-102 proposed rule making. The comment period was open through September 22, 2021. No comments were received.

On September 23, 2021, the Commissioner held a public hearing to hear testimony on the proposed rule. Several people attended the public hearing and no testimony was provided. The hearing summary in in Appendix A.

The responsiveness summary chart included in Section 5 addresses the comments received.

**Section 4: Differences Between Proposed and Final Rule**  
None.

**Section 5: Responsiveness Summary**  
No comments received

**Section 6: Implementation Plan**

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

After the permanent rule is filed and adopted with the Office of the Code Reviser:

- Policy staff will distribute copies of the final rule and the Concise Explanatory Statement to all interested parties through the State’s Govdelivery email system.
- The CR 103 documents and adopted rule will be posted on the Office of the Insurance Commissioner’s website.
- Questions will be addressed by Office of the Insurance Commissioner’s staff as follows:

Type of Inquiry	Division
Consumer assistance	Consumer Advocacy
Rule Content	Policy
Authority for rules	Policy
Enforcement of rule	Consumer Protection (Producer Licensing & Oversight Unit) and Legal Affairs
Market Compliance	Consumer Protection (Producer Licensing & Oversight Unit) and Legal Affairs

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

The agency will meet with and provide assistance to property insurers and any affected adjuster.

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

The agency has drafted notice and informational webpage that can be found on the OIC website for adjusters. It will send an email notification to resident adjusters. The agency will meet with and provide assistance to property insurers and any affected adjuster.

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

The agency will monitor resident adjuster licensing renewals and new application for compliance. The agency will monitor the market to better understand how continuing education for resident adjuster has improved the profession and therefore Washington state consumers that rely on these services.

Appendix A

CR-102 Hearing Summary

**Summarizing Memorandum**

**To: Mike Kreidler  
Insurance Commissioner**

**From: David Forte  
Presiding Official, Hearing on Rule-making**

**Matter No. R 2021-03**

**Topic of Rule-making:** Resident Adjuster Continuing Education Requirements

This memorandum summarizes the hearing on the above-named rule making, held on September 23, 2021 at Zoom Meeting ID: 865 0564 7302 over which I presided in your stead.

The following agency personnel were present:  
Jeff Baughman, Darryl Colman

**In attendance:**  
Jean Leonard, Karen Lang, Stacey Lowry

**Contents of the presentations made at hearing: No testimony given**

**The hearing was adjourned.**

*SIGNED this 23<sup>rd</sup> day of September, 2021*



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*David Forte, Presiding Official*