



New Regulations for Insurance Agents

Here is a sampling of the new rules that IIABW is advocating on with the Office of the Insurance Commissioner.

Privacy Statements Proposed Rule

IIABW cowrote a letter with the American Council of Life Insurers (ACLI), American Insurance Association (AIA), National Association of Mutual Insurance Companies (NAMIC), and Property Casualty Insurers Association of America (PCIAA) to advocate in support of a proposed rule which would reduce the frequency most agencies would be required to send their customers privacy statements. Congress recently passed a law which eliminated financial institutions' obligation to provide privacy notices each year if they had not changed its privacy policies.

We argued that simplifying the annual privacy notice requirements benefits agencies insurance licensees by reducing the cost of sending out annual statements as well as benefits customers by making it easier for them to know if the policies have changed.

Uninsured Motorists Proposed Rule

The OIC is considering passing a rule which would amend the rejection of underinsured motorist insurance coverage requirement (RCW 48.22.030(4)) to include the following language, *"In order to provide for an informed decision of the potential consequences of rejecting Underinsured motorist coverage; the undersigned acknowledges they understand that without Underinsured motorist coverage there is exposure to the risk of not being fully compensated for injury and/or damages when involved in an accident with a driver of an underinsured vehicle."*

IIABW is working with the OIC to ensure the new rule meets its goal of educating the customer and also protects the agent from burdensome regulations and increased E & O exposure. We welcome any feedback on this issue.

New Credit Scoring Rule

Beginning January 1, 2017, a new rule will go into effect requiring insurers that use credit history for rating personal lines to update the credit history and resulting insurance score no less often than once every three years. The insurer must update all information necessary to determine the insurance score, including updating credit information on policyholders who were previously classified as "no hit" or "no score."