



NW Insurance Council



NAMIC
NATIONAL ASSOCIATION OF
MUTUAL INSURANCE COMPANIES



**American Property Casualty
Insurance Association**
INSURING AMERICA apci.org

March 23, 2021

Joint Statement from:

The American Property Casualty Insurance Association
The National Association of Mutual Insurance Companies
The Northwest Insurance Council

“On behalf of insurance companies that write the vast majority of auto, home and renters insurance policies in Washington, our associations and our members strongly oppose the unilateral action taken today by Washington Insurance Commissioner Mike Kreidler, action that exceeds his authority, defies the legislature, and robs consumers of the benefits of a highly competitive private market.

“Commissioner Kreidler is attempting to prohibit risk-based rating tools that have been in place for nearly 20 years for the benefit of consumers and to circumvent the Washington Legislature by taking an action the Legislature recently rejected.

“Commissioner Kreidler’s arbitrary and capricious actions will harm the majority of hard-working insurance consumers in Washington, who today pay less for auto, home, and renters insurance because of the use of credit-based insurance scores to effectively predict risk and set accurate rates.

“Commissioner Kreidler is eliminating a tool that enables insurers to provide more affordable rates for many Washington drivers, homeowners, and renters at a time when they need them most.

“Equally important, when a legislative solution was on the table to help consumers facing extraordinary life circumstances like financial setbacks due to COVID, Kreidler stood in the way, insisting on an “all-or-nothing” ban.

“These actions exceed the statutory authority of the Commissioner, violate the separation of powers between the executive and legislative branches of government, and could be in direct conflict with the existing statutes that regulate, but clearly allow, credit information to be considered by insurers.

“What’s more, these actions could cause significant market disruptions at a time when the business community is working together on long-term economic recovery.

“In the end, it is Washington consumers who will suffer, at the very worst time for the state’s economy and family budgets. The nature of the Commissioner’s action and the related market disruption warrant a forceful response, which is under active consideration. We will aggressively pursue all legal avenues to redress this abuse of authority.”

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