



JURISDICTION: US – WASHINGTON

AUTHORITY: WASHINGTON STATE OFFICE OF THE INSURANCE COMMISSIONER

Background

Washington's first state legislature created the office during the 1889-90 session. The [Washington State Office of the Insurance Commissioner](#) protects insurance consumers and oversees the insurance industry. It makes sure insurance companies follow the rules and people get the coverage they have paid for. Some areas that it covers are:

- Holding down costs to consumers by reviewing insurers' proposed rates;
- [Answering questions](#)/investigating problems from more than 100,000 consumers each year;
- Recovering millions of dollars a year for consumers with insurance disputes or delays;
- Licensing and auditing the 34 [insurers](#) based in Washington and monitoring the other 2,439 that do business here;
- Evaluating, [licensing](#) and monitoring the more than 180,000 individuals and businesses that sell insurance here;
- Collecting more than \$1.2 billion a biennium for the state's general operating budget; and
- Maintaining a [state-wide network of volunteers](#) who advise thousands of consumers on health care issues.

Sustainability objectives

On November 3 2020, Commissioner Kreidler won his state-wide election in Washington for a sixth 4-year term as Washington State Insurance Commissioner, with over 67 percent of the vote. (Already before this election Commissioner Kreidler was the longest-serving insurance commissioner in the US.) Addressing climate change remains a key priority for him.

In his role as chair of the National Association of Insurance Commissioners (NAIC) Climate Risk and Resilience Working Group, Commissioner Kreidler continued to advance the insurance and climate agenda in the second half of 2020. Owing to his efforts, together with those of select other insurance commissioners, the count of insurance companies that responded to the NAIC annual Climate Risk Disclosure Survey with a TCFD report rose from one in 2019 to 8 in 2020.

Commissioner Kreidler has also encouraged two organizations to study the results of the Survey, which requires the largest insurers operating in the United States to either respond annually to an 8-question survey or to submit a TCFD report. (This survey has been conducted since 2010, and the responses of individual companies are publicly available on the California Insurance Department website.) One organization, the Center for Insurance Policy and Research, has circulated its study for comment by state insurance regulators, and will release the study publicly in early 2021. The other organization, the American Academy of Actuaries, is also set to release its analysis of the Survey responses in early 2021.

In addition, in his role as chair of the climate working group, Commissioner Kreidler has recently hosted a webinar for the investor organization Ceres to discuss its own recent report on addressing climate as a systemic risk, as well as a similar recent report by the Commodity Futures Trading Commissioner. Also, he hosted another webinar for the Yale Program for Climate Change Communication, so US insurance regulators could learn how to communicate most effectively to



their citizens on climate change. Large numbers of state insurance regulators and staff across the US, and many insurance industry professionals, attended these webinars.

Commissioner Kreidler also encouraged the NAIC to update the work that it did in 2014, to include climate change in the Financial Condition Examiners Handbook, and he initiated a dialog with rating agencies on including climate change into their work with insurers.

In late 2020, the NAIC elevated climate change as a priority by formally creating an executive-level Task Force on climate. Commissioner Kreidler has encouraged this move, and will be active in achieving results on all five of the new Task Force's work streams.

As he has done bi-annually for nearly the last decade, Commissioner Kreidler hosted a "Climate Summit 2020" on October 7 2020. This year, because of the pandemic, the Summit was held virtually.

The Summit highlighted for the national audience the perspectives of Washington State. Fawn Sharp, president of the Quinault Indian Nation and the National Congress of American Indians, delivered the keynote, and the Commissioner moderated a panel with Congressman Kilmer and State Senator Rolfes. Microsoft and Amazon presented on their climate change commitments, University of Washington's climate scientist Amy Snover, a top climate scientist at the US Department of Energy, an expert from the Woodrow Wilson Center on climate change and national security, and representatives from the Yale Program on Climate Change Communication and Harvard's Environmental & Energy Law Program also made presentations. We also heard from top international financial services representatives from RBC Global Asset Management and Zurich North America. A link to the presentations can be found here:

https://www.youtube.com/channel/UCaoW6grit2tA78O_54q26Gw/

The audience included many US insurance regulators, a large swath of the U.S. insurance industry, including many large insurers, insurance trade associations, and professional associations such as the American Academy of Actuaries, as well as Washington State government officials, municipal officials, the national and Washington State insurance and climate change media, and the national and state climate activist community. To date, approximately 2,000 individuals have watched the Climate Summit.

Membership of any other initiatives/networks working on sustainability

- NAIC
- UNEP FI PSI

Recent engagement with SIF

The Office of the Insurance Commissioner is currently a member of the drafting team of the SIF/IAIS Application Paper on the Supervision of Climate-related Risks in the Insurance Sector. This paper is in the final stages of public review and is expected to be finalized in early 2021.

