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**Addendum: for use with District of Columbia Property and Casualty online ExamFX courses and study guides versions 27508en and 27509en, per exam content outline updates effective 9/1/2023.**

The following are **content additions** or **revisions**, as indicated, to supplement your existing text.

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**PROPERTY & CASUALTY**

**District of Columbia Laws, Rules & Regulations for All Lines**

**A. Insurers – General Definitions**

**3. Admitted and Nonadmitted and Certificate of Authority – additions to the existing text**

Prior to the revocation or suspension of a Certificate of Authority, the Commissioner must provide an insurer with a **30-day notice** and an opportunity for a full hearing. If the Commissioner determines that further transactions on the part of an insurer would be hazardous to the public, insureds, or creditors, the Commissioner may revoke or suspend a Certificate of Authority without notice.

In addition to revocation or suspension of a Certificate of Authority, the Commissioner may impose a penalty of no more than **\$10,000** for violating state regulations or **\$25,000** for intentional violations.

**B. Commissioner of Insurance, Securities and Banking**

**3. Notice of Hearings – addition to the existing text**

Upon receiving a cease and desist notice from the Commissioner, a person may request a hearing to determine the legitimacy of the notice. If the person does not request a hearing within **15 days** of the notice, the cease and desist order will remain in effect.

If the Commissioner determines after a hearing that a person has violated the Insurance Code, or if a hearing is waived, the Commissioner may:

- Issue a cease and desist;
- Prohibit the guilty party from engaging in the business of insurance;
- Impose a fine of no more than **\$10,000** per day of violation or twice the amount of money received by reason of violation;
- Require paying restitution and any other losses or damages incurred by another person; and/or
- Require paying for costs resulting from the hearing and any related investigations.

The Commissioner may request the Office of the Attorney General to seek judicial enforcement of the Commissioner's orders.

## **C. Licensing Requirements**

### **1. Producer**

#### **Exemptions from Licensing** – *new subtopic*

A license is not required of any officer, director or employee of an insurer or organizations employed by insurers, provided they are not directly or indirectly involved with the actual sale of an insurance contract and **do not** receive any commission.

The following individuals are NOT required to hold licenses as insurance producers:

- A director or employee of an insurer, provided that the person does not receive any commission on policies written, or whose activities are limited to executive, administrative, managerial, or clerical;
- The director or employee of a special agent assisting insurance producers by providing technical advice and assistance to licensed insurance producers;
- A person who secures and furnishes information for group insurance or performs administrative services related to mass-marketed property and casualty insurance;

- An employer or association engaged in the administration or operation of a program of employee benefits for the employer's or association's own employees;
- Employees of insurers or organizations engaging in the inspection, rating or classification of risks, or in the supervision of the training of insurance producers and who are not individually engaged in the sale of insurance;
- A person whose activities in this state are limited to advertising without the intent to solicit insurance;
- A nonresident who sells, solicits or negotiates a contract of insurance for commercial property and casualty risks to an insured with risks located in more than one state insured under that contract; or
- A salaried full-time employee who counsels or advises his or her employer relative to the insurance interests of the employer or subsidiaries.

## **D. Unfair Trade Practices**

### **3. Rebating** – *updated dollar amount*

Note that educational materials, promotional materials, or articles of merchandise that cost less than **\$75** are not considered "valuable consideration," and therefore, are allowed.

## **PROPERTY**

### **District of Columbia Laws, Rules, and Regulations for Property & Casualty**

#### **C. The District of Columbia Property Insurance Facility (DCIF) –** *addition to the existing text*

Property insurers who fail to comply with the DCIF's participation requirements or other rules of the program may be subject to a penalty of **\$200** for each violation and suspension or revocation of the insurer's Certificate of Authority.

## **CASUALTY**

### **District of Columbia Laws, Rules, and Regulations for Casualty**

#### **A. Workers Compensation**

##### **1. Benefits** – *addition to the existing text*

Workers compensation claims must be filed with the Mayor within **1 year** of an employee or beneficiary becoming aware, or should have reasonably been aware, of an injury or death. If compensation has already been paid, a claim may be filed within 1 year of the last payment. A claim submitted after the time limit may be considered after a hearing.

The Mayor has the authority to request a court to appoint a guardian or representative for minors or individuals who are mentally incompetent. The appointed party is responsible for performing the duties necessary to claim compensation benefits on the person's behalf.

##### **Safe Workspace Program** – *new topic*

A **safe workplace program** refers to a voluntary program implemented by an employer to promote safety within the workplace. To be certified, the program must include certain elements. These include a formal written safety policy developed by a safety committee consisting of an equal number of management representatives and employee representatives. The employee representatives must be elected by their peers and serve during work hours. The functions of this committee include conducting annual workplace inspections, holding regular meetings with written records, and making recommendations to the employer on how to eliminate workplace hazards and unsafe practices.

The program must also provide appropriate training on hazard assessment and control, accident and incident identification, and the role of the federal and local Occupational Safety and Health Administration.

Certified employers are eligible for a **5% premium discount** on their workers compensation policy. To maintain the premium discount, insured employers must obtain certification for each of the four years in which the discount is granted.