



Natural Catastrophe Risk and Resilience (EX) Task Force

October 6, 2026

Roll Call and Welcome

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STATE/TERRITORY

California
Alabama
Alaska
Connecticut
Delaware
Kentucky
Maryland
Minnesota
Missouri
North Dakota
Virginia
Washington
Wisconsin

NAIC Support Staff: Aaron Brandenburg/Butch Kinerney

1. Hear Report of its Working Groups
 - A. Pre-Disaster Mitigation and Risk Modeling (EX) Working Group
 - Commissioner Timothy J. Temple (LA)*
 - B. Severe Peril (EX) Working Group
 - Director Heather Carpenter (AK)*

Pre-Disaster Mitigation & Risk Modeling Working Group

Recent Activities and Key Developments

Residential Mitigation Grant Program Model Law

- Gives states a flexible framework for residential mitigation grants.
- Keep programs voluntary, peril-agnostic, and adaptable to local hazards and markets.
- Comments supported grants but exposed differences on discounts, standards, funding, data, and scope.
- Open issues: multifamily and rentals; verification; eligibility; “rebuild stronger”; regulatory discretion.
- Preserve state flexibility while strengthening evidence, verification, and data safeguards.
- Treat premium benchmarks as reference points—not absolute floors.

BOTTOM LINE: Drafting now centers on a few consequential policy choices before final consideration.

Connecting Mitigation Investment to Insurance Outcomes

- Pilot tested whether marsh restoration can reduce flood risk and influence insurance decisions.
- Analysis found measurable reductions in hazard and expected loss near the project.
- Homeowners and agents still lack a repeatable path to insurance recognition.
- Scaling requires standardized data, repeatable analysis, identified beneficiaries, and funding.
- The Working Group is linking property- and community-level mitigation to modeling, underwriting, and pricing.

BOTTOM LINE: The challenge is making demonstrated risk reduction visible and usable in insurance markets.

How Catastrophe Models Reflect Mitigation

- Moody's and Verisk explained how models incorporate mitigation and secondary risk characteristics.
- Evidence combines claims, engineering, building codes, research, and post-event observations.
- Better property-level data helps isolate and validate mitigation benefits.
- “No-damage” structures can be as informative as loss records.
- Models inform—but do not determine—rates, discounts, and coverage.
- Actuarial, underwriting, and product teams translate model results into decisions.

BOTTOM LINE: Broader recognition requires credible data and defensible engineering evidence.

Broader Working Group Priorities and Emerging Regulatory Tools

- Predicted Loss Reports: faster modeled insight during severe storms and hurricanes.
- Funding Resource Guide: connect regulators with mitigation and resilience funding.
- Fraud prevention: address AI-generated evidence, cyber fraud, cloned sites/apps, and organized schemes.
- Priority actions: pre-event education, coordination, and data sharing.
- Direction: integrate modeling, mitigation science, regulatory data, and state implementation.

BOTTOM LINE: The focus is shifting from information gathering to practical tools for state resilience.

Severe Peril Working Group

Recent Activities and Key Developments

Flood Insurance Blueprint — Priorities and Direction

- Turns the national resilience strategy into practical state action
- Prioritizes awareness, consumer protection, behavioral research and mitigation incentives
- Focuses tactics on take-up, producer engagement, consumer tools and local messaging
- Moves risk communication beyond FEMA zones through trusted local partners
- Also working to update NAIC materials

BOTTOM LINE: The Blueprint has moved from a broad list of ideas to a regulator-driven set of priorities focused on closing the flood protection gap through better information, stronger consumer protections and practical outreach.

Flood Blueprint Moves into Implementation

- Four regulator workstreams shift the Blueprint from strategy to delivery
- QuickConnect equips departments to coordinate locally relevant outreach
- Consumer and producer engagement improves materials, incentives and flood conversations
- Research targets take-up, affordability, innovation, risk data and market growth

BOTTOM LINE: The Blueprint is now an implementation program — with specific products, regulator teams and research activities designed to turn flood-risk awareness into measurable action.

Real-Time Event Reporting and Severe Peril Analytics

- Accelerates modeled-loss intelligence after severe storms
- Combines storm footprints, exposure, market share and policy data
- Highlights roof condition, deductibles and claim severity as major loss drivers
- Gives regulators faster visibility into emerging losses and carrier exposure

BOTTOM LINE: The Working Group is pairing long-term resilience work with faster event intelligence so regulators can better understand both emerging losses and the underlying drivers of severe-peril risk.

State Experience and Innovation Inform the Blueprint

- Pennsylvania provides a coordinated model for outreach, education, mitigation and innovation
- State actions span a Flood Ombudsman, producer education, disclosure and incentives
- Penn State research supports audience-specific, locally relevant risk messaging
- Cross-state experience helps regulators scale proven practices instead of rebuilding them

BOTTOM LINE: State experience is serving as a proving ground for the Blueprint, allowing the Working Group to scale promising ideas in education, mitigation, producer engagement and product innovation.

Investigated Other Flood Insurance-Related Topics

- Received briefing from Munich RE on flood endorsement product they are offering to 46 states now
- Received briefing from FEMA/NFIP on new data sharing agreements that we will bring to the entire Task Force
- Severe Peril Working Group also has a new charge for next year – to coordinate with GRLC on any sort of Congressional or Agency action impacting NFIP

BOTTOM LINE: Beyond the Blueprint, the Working Group is examining all facets of NFIP and Private Flood insurance to assist regulators in closing the insurance gap

2. Receive an Update on the NAIC Catastrophe Center of Excellence Current and Future Activities and Initiatives

–Eli Russo (NAIC)

NAIC CAT Risk Management Center of Excellence: *Vision Discussion*

October 6, 2026

Presenters

Jeff Czajkowski, Managing Director, Insurance Research, Analytics & Policy

Elisabetta Russo, Director of P&C Technical Advisory Services



From Limited Data to Informed Decisions

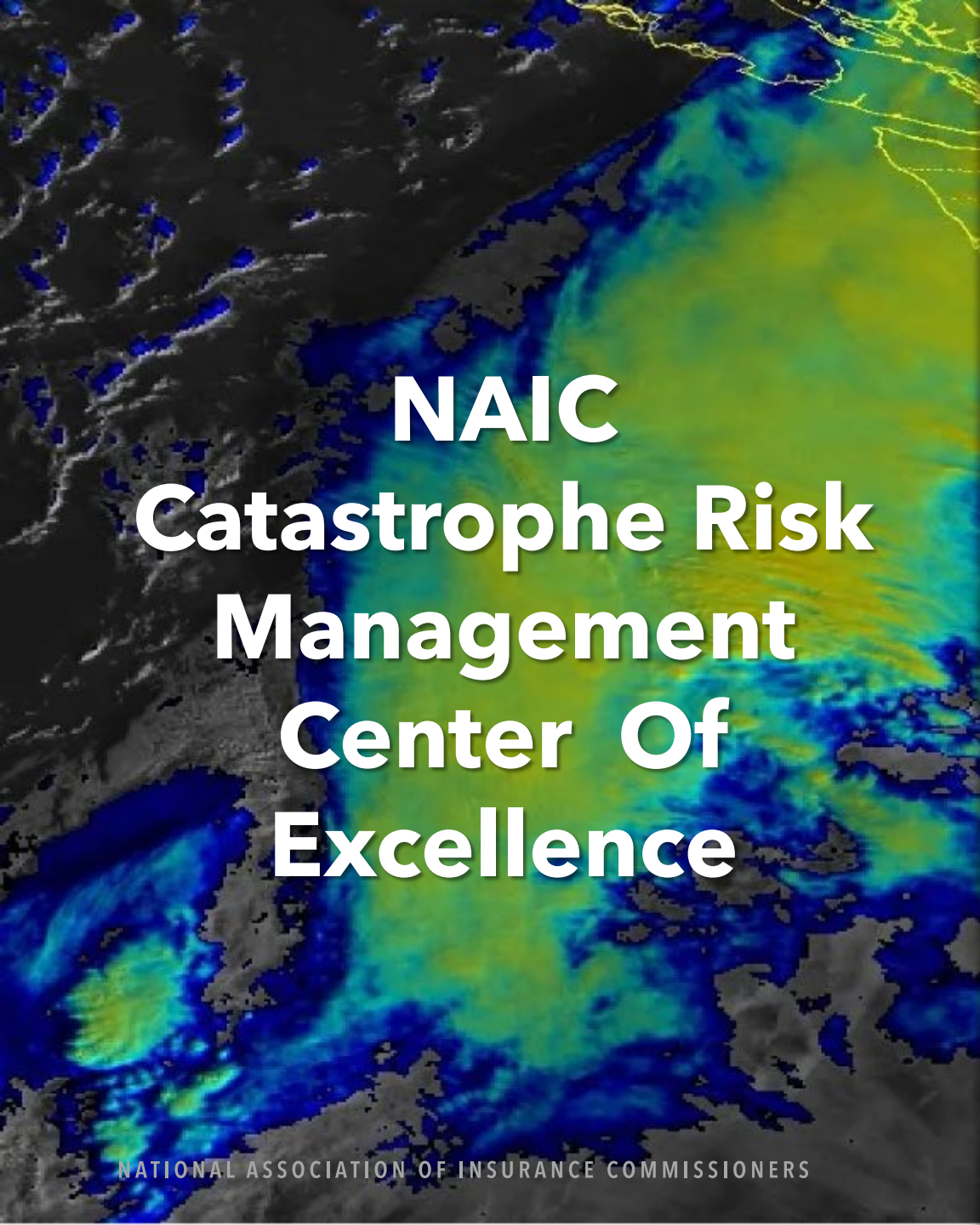
Before

- Limited data & information on:
 - Risk Assessment
 - Risk mitigation
 - Catastrophe models
 - Reinsurance
- Limited Technical Expertise



Current

- Risk Maps
- Mitigation Grant Programs
- Catastrophe Modeling Capabilities
- Forward-looking solvency tools
- Technical Training & Research



NAIC Catastrophe Risk Management Center Of Excellence

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

- ***Mission Statement:***

The purpose of the NAIC Catastrophe Risk Management Center of Excellence is to provide state insurance regulators with the necessary technical expertise, tools, and information to effectively regulate their markets.

- ***Two Hubs with Specialists in:***

Cat Risk Modeling and Cat Risk Resilience

- ***Established since July 2022***

Established Partnerships



Foreign Regulators



IBHS, Smart Home America and FLASH



CAT Vendors



RAA and ABIR

Best Practices for CAT Risk Management

Future Vision of the CAT COE



Robust Data & Governance
(Multi-Family Homes,
Ancillary Perils)



Lead Program Design
& Implementation
Support for State
Mitigation Grant
Programs

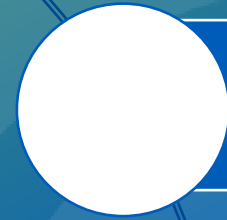


Public Communication,
Resilience Education &
Economic Impact Analysis

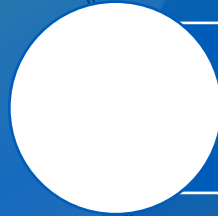
End Goal: Tailoring *Know Your CAT* to Your State



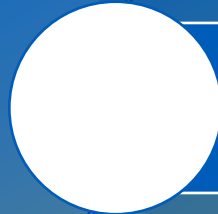
Solvency & Rating



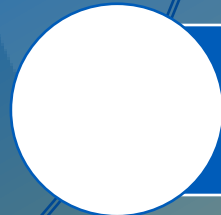
RBC RCAT & Climate Analytics



CAT & Climate Training for Financial Regulators

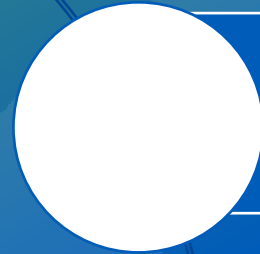


P&C Reinsurance Training for Financial Regulators

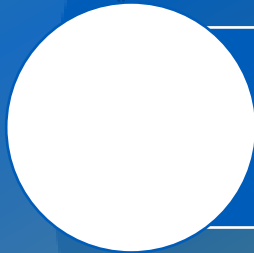


Use of CAT Models in Pricing Training for Rate Review Regulators

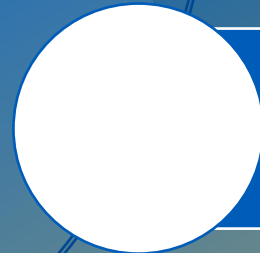
Risk Modeling & Event Response



CAT Risk Data Packets
(using Home Owner Market Data Call)

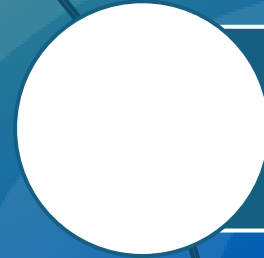


Mitigation Grant Prioritization

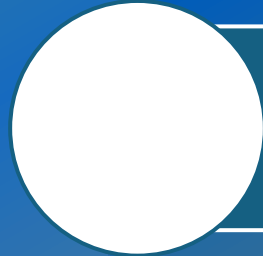


Real-Time Event Response Dashboard

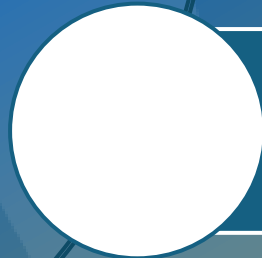
Resilience Support



Support to 25 states with mitigation grant programs



Development of the Residential Mitigation Grant Program Model Act



Creation of Mitigation Discount Tables & Economic Impact Analysis Methodology

Applied Research



DISCUSSION

- Most Valuable Services?
- Service Gaps?

The background of the image features several concentric circles in various shades of blue and green, creating a layered, ripple-like effect. The logo itself is centered and consists of the letters 'NAIIC' in a bold, white, sans-serif font. The final 'C' is stylized with a thick, curved line that forms a partial circle around it, and a small registered trademark symbol (®) is located to its upper right.

NAIIC[®]

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3. Discuss the NAIC Partnerships on Natural Catastrophe Issues

A. IBHS Partnership Evolution Update

–*Jeff Czajkowski and Brian Powell (NAIC)*

B. Potential Task Force Partnership with SmarterSafer.org

–*Chris Brown (SmarterSafer.org)*



A National Coalition for Environmentally Responsible, Fiscally Sound Natural Catastrophe Policy

www.smartersafer.org

Who We Are

SmarterSafer.org brings together a diverse chorus of voices, including environmental groups, consumer and taxpayer advocates, insurers, mitigation experts, and housing organizations, united around one goal: natural catastrophe policy that is environmentally responsible, fiscally sound, and protects public safety.

The Coalition believes the federal government has a role in helping communities and homeowners undertake mitigation to safeguard against natural disasters, while opposing measures that put lives at risk at taxpayers' expense.

SmarterSafer works to ensure Congress does not incentivize living in harm's way, and instead advances policies that protect people, the environment, and taxpayers alike.

30+

Member organizations

6

Sectors represented

What We Stand For

SmarterSafer.org Statement of Principles

1 Build Smarter

Properties in high-hazard areas should be built, replaced, or repaired to modern codes that reflect real disaster exposure.

2 Encourage Safety

Government incentives should promote risk-avoidance and mitigation against wind, flood, wildfire, and earthquake.

3 Use Nature

Preserve coastal areas and natural buffers that protect both the public and ecosystems from storms.

4 Insure Based on Risk

Public and private insurance premiums should reflect actual risk exposure, neither excessive nor inadequate.

5 Assume Responsibility

State disaster-risk pooling programs should stay state-financed, not shifted to federal loans or reinsurance.

6 Target Government Assistance

Aid should support mitigation and means-tested households, not subsidize new development in high-risk areas.

Perils We Address

SmarterSafer advances cross-peril, pre-disaster resilience policy across five priority areas



Flood

The costliest disaster type in the U.S. Priorities include long-term NFIP reauthorization, mitigation funding, and modernized flood maps.



Wildfire

Longer fire seasons and expanding wildland-urban interfaces call for ignition-resistant building and coordinated federal policy.



Severe Storms

The U.S. sees more tornadoes than any nation on earth. Priorities include wind-resistant building standards and faster recovery funding.



Earthquake

Incentives should promote mitigation and risk-based insurance for seismic risk, just as for wind, flood, and wildfire.



Infrastructure

Roads, bridges, dams, and stormwater systems built for yesterday's climate need resilience standards and mitigation investment.

F Flood

Flooding is the most expensive type of natural disaster in the U.S., with rising seas and more frequent extreme weather driving risk higher every year. The National Flood Insurance Program (NFIP) is under growing financial strain, having borrowed billions from taxpayers to cover claims. SmarterSafer advocates for a long-term NFIP reauthorization to secure its sustainability and better protect vulnerable communities.

#1

Costliest natural disaster type in the United States

Policy Priorities

- Fund mitigation, with emphasis on green and nature-based infrastructure
- Modernize floodplain mapping using best-available technology and data
- Expand private-sector participation in flood insurance and coverage options
- Phase out NFIP subsidies for new construction in high-risk zones
- Require disclosure of flood history and risk to homebuyers and renters

Warmer, drier conditions and longer fire seasons are driving more intense, more frequent wildfires. As development spreads into wildland areas, more communities sit at the wildland-urban interface, raising the stakes for preparedness, building practices, and mitigation. Beyond property loss, wildfire smoke poses serious public-health risks, particularly for vulnerable populations.

WUI

Wildland-Urban Interface growth is the central driver of rising wildfire losses

Policy Priorities

- Create interagency coordination to reduce program friction on wildfire risk reduction
- Support ignition-resistant construction, defensible space, and updated hazard data
- Establish federal utility-hardening standards for wildland fire mitigation
- Expand FEMA-eligible activities to cover downstream wildfire-related risks
- Require all-hazard risk disclosure in real-estate transactions

Severe Storms, Earthquake & Infrastructure

S Severe Storms

The U.S. experiences more severe storms and tornadoes than any other country, with the danger zone expanding well beyond the traditional “Tornado Alley.”

- Strengthen wind-resistant building standards
- Modernize tornado warning systems
- Accelerate disaster-recovery fund delivery

E Earthquake

SmarterSafer’s principles call for risk-avoidance incentives and mitigation across the full range of natural disasters, including seismic risk.

- Promote risk-based insurance pricing
- Encourage seismic mitigation incentives
- Support consistent cross-peril policy

I Infrastructure

Roads, bridges, dams, and stormwater systems were built without accounting for today’s climate extremes, leaving critical systems dangerously exposed.

- Set enhanced design and resiliency standards
- Grow climate-resilient infrastructure funding
- Use forward-looking data in building codes

Coalition Members

30+ organizations spanning six sectors

Environmental Organizations

- Center for Climate and Energy Solutions
- ConservAmerica
- Natural Resources Defense Council
- National Wildlife Federation
- Surfrider Foundation
- The Nature Conservancy

Consumer & Taxpayer Advocates

- R Street
- National Taxpayers Union
- Taxpayers for Common Sense
- Taxpayers Protection Alliance

Mitigation & Housing

- Natural Hazard Mitigation Association
- Habitat for Humanity
- National Housing Conference
- National Leased Housing Association

Insurer Interests

- American Property Casualty Insurance Assoc.
- Association of Bermuda Insurers & Reinsurers
- Chubb
- Liberty Mutual Group
- NAMIC
- National Flood Association
- Reinsurance Assoc. of America
- SwissRe
- USAA

Allied Organizations

- Allianz of America
- American Consumer Institute
- Center for Clean Air Policy
- Cotality
- Friends of the Earth
- Institute for Liberty
- Zurich
- American Conservation Coalition

SMARTERSAFER.ORG
Americans for Smart Natural Catastrophe Policy

“Mitigate before disaster. Reduce repeated losses. Reward responsible risk reduction. Improve resilience while protecting taxpayers.”

www.smartersafer.org

4. Discuss 2027 Charges for the Task Force and its Working Groups

Attachment

–*Commissioner Ricardo Lara (CA)*

5. Discuss Any Other Matters Brought Before the Task Force

–Commissioner Ricardo Lara (CA)

6. Adjournment



Thank you



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