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United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, DC 20510-6175

October 13, 2026

Commissioner Marie Grant
Chair, Homeowners Market Data Call (C) Working Group
National Association of Insurance Commissioners
1100 Walnut Street, Suite 1000
Kansas City, MO 64106

**Re: Official Comment on Proposed List of Data Elements to be Included in
Homeowners Market Data Call Working Group Report**

Dear Commissioner Grant:

As Chairman of the U.S. Senate Committee on the Budget during the 119th Congress, I convened over a dozen hearings and produced a staff report on climate-related risks to the insurance industry. We came to a simple conclusion: increasing cost and unavailability of homeowners' insurance tracks climate risk, which varies among communities. Only localized data will accurately demonstrate where and how climate risk is stressing insurance markets and local economies.

The National Association of Insurance Commissioners' (NAIC) most recent Homeowners Market Data Call (HMDC), per a document dated September 17, 2026 indicates that it will share its findings only "by state; year; policy type... and new/renewed policies" and would reduce claim frequency and severity only to "multiyear averages."¹ Such statewide and multiyear averages are insufficient to tell an accurate story about how and where climate change is affecting the U.S. homeowners' insurance market.

In December 2024, the Senate Budget Committee published *county*-level nonrenewal data; the next month, the Treasury Department published a *zip code*-level analysis.² Private sector entities like First Street are now modeling climate risk for nearly every property in the country and

¹ Homeowners Market Data Call Working Group, "Potential Metrics from Homeowners Market Data Call, Grouped by Questions to Answer within a Public Report," National Association of Insurance Commissioners (Sep. 17, 2026).

² U.S. Senate Committee on the Budget, Majority Staff, *Next to Fall: The Climate-Driven Insurance Crisis Is Here—and Getting Worse* (Washington, DC: U.S. Senate Committee on the Budget, Dec. 17, 2024), <https://www.budget.senate.gov/download/next-to-fall-the-climate-driven-insurance-crisis-is-here-and-getting-worse>; Federal Insurance Office, U.S. Department of the Treasury, *Analyses of U.S. Homeowners Insurance Markets, 2018–2022: Climate-Related Risks and Other Factors* (Washington, DC: U.S. Department of the Treasury, Jan. 2025), https://home.treasury.gov/system/files/311/Analyses_of_US_Homeowners_Insurance_Markets_2018-2022_Climate-Related_Risks_and_Other_Factors_0.pdf.

making the results available down to the zip code, census tract, and county level.³ The HMDC Working Group data call is mandatory for insurers in 50 participating jurisdictions, spans eight years of policies, and reaches down to the zip code level.⁴ However, the proposed statewide and multiyear averaging would obscure the localized detail that makes the data call valuable and flatten how fast losses are climbing. I strongly urge that your final public report present its findings not only statewide and averaged over multiple years but also at the county- or zip code-level and on an annual basis.⁵

I. Climate risk is driving insurers out of communities, with cascading risks to the mortgage and residential real estate markets.

Wildfires, hurricanes, and hailstorms are driving up insurers' losses. Insurers pass those losses on to homeowners through higher premiums and deductibles, thinner coverage, and nonrenewals.⁶ My Budget Committee investigation, based on data collected from insurers representing approximately 65 percent of the national homeowners' insurance market share, found that nonrenewals and premiums rose together and that nonrenewals were highest where climate risk is highest.⁷ A subsequent Treasury Department report largely confirmed the findings of my investigation. Working with the NAIC and state regulators, the Treasury Department gathered data from more than 330 insurers covering 246 million policies. Its report demonstrated that, from 2018 to 2022, average premiums rose 8.7 percent faster than inflation. Claims in the riskiest areas averaged about \$24,000, against about \$19,000 in the safest.⁸

There are multiple serious warnings that problems in the insurance market will cascade into mortgage and property markets. Lenders will not write a mortgage on a home that cannot be insured. A home that cannot be mortgaged loses value, and falling home values drain Americans' household wealth. *The Economist*, citing an analysis by the financial firm MSCI, has warned that climate change could wipe out 9 percent of the value of the world's housing by 2050, roughly \$25 trillion.⁹

The Economist is not alone. Alarms on the climate change-driven insurance crisis are coming from influential and respected economists and financial professionals.¹⁰ Former Federal Reserve Chair Jerome Powell has testified that because of climate risk, within 10 to 15 years, people in

³ Diana Olick, "Every Home in America Now Has a Wildfire Threat Score, and Some Areas See a 200% Jump in Risk," *CNBC*, May 16, 2022, <https://www.cnbc.com/2022/05/16/first-street-foundation-scores-wildfire-risk-for-every-home-in-america.html>; First Street, "Score Summaries," First Street Data Documentation, accessed Oct. 13, 2026, <https://docs.firststreet.org/bulk-data/bulk-data-access/aggregate-data/score-summaries>.

⁴ National Association of Insurance Commissioners, *Overview: 2026 Homeowners Market Data Call* (Kansas City, MO: NAIC, 2026), <https://content.naic.org/sites/default/files/cmte-c-home-market-data-call-overview.pdf>.

⁵ For the avoidance of doubt, such a publication can—and should—be done with adequate measures to protect insurance companies' proprietary information. See *infra* Section 4.

⁶ Federal Insurance Office, *Analyses of U.S. Homeowners Insurance Markets*, 1–2, 7, 14; Senate Committee on the Budget, *Next to Fall*, 1, 5.

⁷ Senate Committee on the Budget, *Next to Fall*, 1–2.

⁸ Federal Insurance Office, *Analyses of U.S. Homeowners Insurance Markets*, 1, 3.

⁹ "Global Warming Is Coming for Your Home," *The Economist*, Apr. 11, 2024, <https://www.economist.com/leaders/2024/04/11/global-warming-is-coming-for-your-home>.

¹⁰ Senator Sheldon Whitehouse, "Recent Climate Warnings," see Appendix.

some regions of the country will be unable to get a mortgage.¹¹ First Street has warned that climate change could erase \$1.4 trillion in U.S. real estate value by 2055 as insurance grows more expensive and harder to find.¹² Eric Andersen, President of the insurance brokerage Aon, testified to the Senate Budget Committee that “[j]ust as the U.S. economy was over exposed to mortgage risk in 2008, the economy today is over exposed to climate risk.”¹³ A decade ago, Mark Carney, then Governor of the Bank of England, warned insurers that “once climate change becomes a defining issue for financial stability, it may already be too late.”¹⁴ The homeowners’ insurance market is an early indicator of trouble for the broader economy, and the HMDC Working Group’s final report should show *specifically* when and where the alarms are sounding.

II. Statewide averages hide the crisis.

Insurers set prices, choose risks, and drop policies home by home and neighborhood by neighborhood, considering local exposure to wind, rising sea levels, wildfires, hail, and more. A statewide average would lump the coastal Florida Keys with inland Gainesville, or wildfire-prone Malibu with cooler San Francisco, masking trouble in local communities’ coverage.

The data collected from prior efforts show what a finer lens can reveal. According to the Treasury Department’s study, homeowners in the riskiest zip codes paid an average annual premium of \$2,321 per year—82 percent more than those in the safest zip codes. Their nonrenewal rates were about 80 percent higher, and the gap widened over the study period.¹⁵ The Budget Committee’s county-level data tell the same story. In 2023, the Texas statewide nonrenewal rate was 0.83 percent. Yet in Chambers County, on Galveston Bay, the rate was 3.34 percent—four times the state’s average. Virginia came in at 0.95 percent—squarely in the middle of the pack—but coastal counties like Accomack, Hampton, and Norfolk each soared to over 2 percent, with Accomack reaching 3.99 percent. Statewide figures hide every one of these hot spots.¹⁶

The Working Group’s own questions recognize the need for finer data, asking whether insurers “have concentrated their underwriting exposures in geographic areas that are exposed to catastrophic events” and whether they are “moving into or out of certain geographic areas.” It

¹¹ *The Semiannual Monetary Policy Report to the Congress: Hearing Before the S. Comm. on Banking, Housing, and Urban Affairs*, 119th Cong. (Feb. 11, 2025) (testimony of Jerome H. Powell, Chair, Board of Governors of the Federal Reserve System); see also “Fed’s Powell Says Some Areas of U.S. May Be ‘Uninsurable’ in Next Decade,” *ABA Banking Journal*, Feb. 2025, <https://bankingjournal.aba.com/2025/02/feds-powell-says-some-areas-of-u-s-may-be-uninsurable-in-next-decade/>.

¹² First Street Foundation, “Climate-Driven Population Shifts and Insurance Increases Are Set to Erase \$1.4 Trillion in American Real Estate Value,” press release, Feb. 3, 2025, <https://firststreet.org/press/climate-driven-population-shifts-and-insurance-increases-are-set-to-erase-14-trillion-in-american-real-estate-value>.

¹³ *Risky Business: How Climate Change Is Changing Insurance Markets: Hearing Before the S. Comm. on the Budget*, 118th Cong. (Mar. 22, 2023) (testimony of Eric Andersen, President, Aon), <https://www.budget.senate.gov/imo/media/doc/Mr.%20Eric%20Andersen%20-%20Testimony%20-%20Senate%20Budget%20Committee.pdf>.

¹⁴ Mark Carney, “Breaking the Tragedy of the Horizon – Climate Change and Financial Stability” (speech, Lloyd’s of London, London, Sept. 29, 2015), 4, <https://www.bankofengland.co.uk/-/media/boe/files/speech/2015/breaking-the-tragedy-of-the-horizon-climate-change-and-financial-stability.pdf>.

¹⁵ Federal Insurance Office, *Analyses of U.S. Homeowners Insurance Markets*, 3.

¹⁶ Senate Committee on the Budget, *Next to Fall*, annex, tables 1–3, 5.

proposes to compare “policies in force compared to risk indices” and to count the “percentage of policies in high-risk zones.”¹⁷ Answering these questions requires county- or zip code-level data.

The proposed data elements document suggests using the FEMA National Risk Index and catastrophe modeling to gauge risk. But those tools both map risk by county, census tract, or finer. The Treasury Department already demonstrated a better approach: it sorted zip codes by risk and reported premiums, nonrenewals, claims, and loss ratios for each group.¹⁸ The same could be done county by county, as my Budget Committee report did.

III. Multiyear averages hide how fast the crisis is growing.

The proposed data elements call for “year-by-year tables of results” for most measures but make an exception for the ones that track losses. Claim frequency and severity “should be multiyear averages,” and losses paid relative to premiums would be shown as a “[r]olling 3-5 year average.”¹⁹ Those are the very measures that often best track the damage from climate change-driven events.

That damage is not just rising; it is escalating. By one estimate, insured losses from U.S. natural disasters now routinely approach \$100 billion a year, compared with \$4.6 billion in 2000. My Budget Committee investigation found a link between climate risk and nonrenewals that “became more pronounced over time.”²⁰ Florida’s nonrenewal rate nearly quadrupled from 2018 to 2023.²¹

To be clear, catastrophe losses do swing from year to year, and averages have their place. The final report should publish both yearly figures and averages.

IV. Regulators can publish county- and zip code-level data safely.

My Budget Committee investigation published county-level findings by aggregating and anonymizing insurers’ company-specific data, much of which was collated from the same information insurers had already reported to the NAIC at a zip code-level. In January 2025, the Treasury Department did the same at the zip code-level, publishing findings and data collected during its earlier collaboration with the NAIC.²² The HMDC holds data at the zip code-level, and because zip codes roll up into counties, the final Working Group report can provide data at either level.

Standard safeguards protect confidential business information. Aggregating county- or zip code-level data reveals no individual company’s rates or underwriting models. Withholding figures

¹⁷ NAIC Homeowners Market Report Working Group, “Potential Metrics.”

¹⁸ Federal Insurance Office, *Analyses of U.S. Homeowners Insurance Markets*, 2.

¹⁹ NAIC Homeowners Market Report Working Group, “Potential Metrics.”

²⁰ Senate Committee on the Budget, *Next to Fall*, 13.

²¹ Senate Committee on the Budget, *Next to Fall*, 20; annex, table 5.

²² Federal Insurance Office, *Analyses of U.S. Homeowners Insurance Markets*, 6; U.S. Department of the Treasury, “U.S. Department of the Treasury Report: Homeowners Insurance Costs Rising, Availability Declining as Climate-Related Events Take Their Toll,” press release JY2791, Jan. 16, 2025, <https://home.treasury.gov/news/press-releases/jy2791>.

for counties or zip codes with too few insurers or policies, or merging thinly populated zip codes or counties with neighboring ones, can protect anomalies whereby only one company operates in a particular area, as we did in the dataset released with my Budget Committee report. No insurance companies have reported any proprietary concerns.

* * *

At the conclusion of this data call, state regulators will hold the most comprehensive picture of the homeowners' insurance market ever assembled, and the final public report should show it. That means findings for every county or zip code, sorted by risk, so that the public can see which communities are under the most strain. Yearly figures should sit alongside the multiyear averages so that readers can see how fast losses are climbing—not just how high they have been. Standard safeguards can protect companies' proprietary information, as my Budget Committee investigation and the Treasury Department report have shown. A report masking local data behind statewide and multiyear averages would blind homeowners, lenders, and communities to actual local risk. The final public report should put this data to full use and show the public, legislators, and businesses the actual risk profile that state regulators will be able to see.

Sincerely,



Sheldon Whitehouse
United States Senator
Ranking Member
Committee on Environment
and Public Works

cc: Commissioner Michael Yaworsky
Chair, Homeowners Market Data Call (C) Task Force