

Terrorism Risk Insurance Data Call **State Property Supplement**

2020 Data Collection

June 2020

Summary

The State Property Supplement (“Supplement”) to the terrorism insurance data call serves multiple regulatory and oversight objectives with respect to the affordability and availability of insurance coverage for acts of terrorism, as well as helping regulators monitor insurers’ financial exposure to terrorism risk. Data reporting requirements were added to the 2015 reauthorization of the Terrorism Risk Insurance Program to monitor the geographic location of risk, premiums and cost of coverage, take-up rates, and the availability of private reinsurance.

Before 2018, the States and Treasury collected data individually concerning terrorism risk insurance. Beginning in 2018, the States and Treasury moved to a consolidated approach. As a result, most of the information requested by the States in prior years has been condensed into the Joint Reporting Template required to be submitted to Treasury and the States. However, the States have retained a portion of the prior template they used for companies to submit ZIP code level information for commercial property lines on an annual basis in addition to the Joint Reporting Template. This year, the amount of data being requested has been reduced, with fewer variables to report on a ZIP code level.

The Supplement captures data for commercial property coverage for acts of terrorism in force or sold during the prior year. It captures both terrorism coverage mandated by TRIA and all other types of coverage for terrorism (for example, events not certified as terrorist acts under TRIA). Terrorism is defined broadly as all intentional illegal acts of violence carried out by non-state actors that have a primarily political purpose.

Questions or concerns about the Supplement, including questions about individual data elements, should be directed to TRIAHELP@naic.org.

Instructions:

Files must be submitted in csv format at <https://myportal.dfs.ny.gov/> by September 30, 2020.

Premium should be reported on a **direct** basis (before assumed and ceded reinsurance). All premium written for each combination of elements within the same ZIP code should be aggregated and reported on a single line. Multiple records may exist for each ZIP code and line of business combination due to varying policy types and terrorism coverage types.

An example of reported data is provided in the following sample csv file: http://www.naic.org/documents/industry_terrorism_risk_data_call_sample_file.csv

This sample file is not intended to represent an insurer's entire book of business, but rather, to illustrate how to compile the data.

Because the data is being reported in csv format, the size requirements for character lengths may vary. Sizes listed in the tables below are suggestions only. Do not include commas in any of the data elements.

The following file name format must be used for initial files:

NAIC company code: 5 digits

File name extension: .CSV

Example of original file name: "12345.CSV"

The following file name format must be used if files must be resubmitted for any reason:

NAIC company code: 5 digitsR

File name extension: .CSV

Example of refile name: "12345R.CSV"

Table Layout:

Element Number	Element Name	Business Name	Size	Format
1	YEAR	Data year	4	Number - YYYY
2	COCODE	NAIC company code	5	Number
3	COTYPE	Company type	1	Alpha
4	LOB	Line of business	2	Number
5	STABBR	State abbreviation	2	Alpha
6	ZIP	ZIP code	5	Number
7	POLTYPE	Policy type	2	Number

8	<u>COVTYPE</u>	Terrorism coverage type	1	Alpha
9	<u>PRWTERR</u>	Direct written premium for terrorism coverage	14	Number
10	<u>PRWTOT</u>	Direct premium written total	14	Number
11	<u>TERREXP</u>	Exposure: terrorism coverage provided	14	Number
12	<u>NOTERREXP</u>	Exposure: terrorism coverage declined	14	Number
13	<u>TOTEXP</u>	Exposure: total	14	Number

Definitions:

YEAR – Data year. Calendar year for the data reported. This is the same basis as the financial annual statement. This should only be for **2019**.

COCODE – NAIC company code. Five-digit NAIC company code for reporting entity.

COTYPE – Company type. Use one of the company type codes shown below.

Company Type Code	Description
L	Licensed company
E	Excess & surplus lines
R	Risk Retention Group
C	Captive
P	Pool (i.e., a risk-sharing pool)
O	Other

LOB – Line of business. Report the line number representing the line of business. Definitions should correspond to the state page (page 19) of the P&C Financial Annual Statement.

Line Number	Line	Annual Statement Line of Business
01	Commercial Fire & Allied Lines Corresponds to the commercial portion of business reported on FAS line 01 & 02.1	01 & 02.1
05.1	Commercial multiple peril (non-liability portion)	05.1
27	Boiler and machinery	27

As per federal regulations, include the commercial portion of hybrid policies that combine both commercial and non-commercial coverages, and with more than 25 percent of premium associated with commercial coverage.

STABBR – State abbreviation. Two-character US Postal Service state abbreviation, including the District of Columbia. The state should be the physical location of each exposure.

US State	Abbr.	US State	Abbr.	US State	Abbr.
Alabama	AL	Kentucky	KY	North Dakota	ND
Alaska	AK	Louisiana	LA	Ohio	OH
Arizona	AZ	Maine	ME	Oklahoma	OK
Arkansas	AR	Maryland	MD	Oregon	OR
California	CA	Massachusetts	MA	Pennsylvania	PA
Colorado	CO	Michigan	MI	Rhode Island	RI

Connecticut	CT	Minnesota	MN	South Carolina	SC
Delaware	DE	Mississippi	MS	South Dakota	SD
District of Columbia	DC	Missouri	MO	Tennessee	TN
Florida	FL	Montana	MT	Texas	TX
Georgia	GA	Nebraska	NE	Utah	UT
Hawaii	HI	Nevada	NV	Vermont	VT
Idaho	ID	New Hampshire	NH	Virginia	VA
Illinois	IL	New Jersey	NJ	Washington	WA
Indiana	IN	New Mexico	NM	West Virginia	WV
Iowa	IA	New York	NY	Wisconsin	WI
Kansas	KS	North Carolina	NC	Wyoming	WY

ZIP – ZIP code. Five-digit ZIP code of the physical location of the insured exposure. The ZIP code should correspond to the state abbreviation.

Note: Exemptions may be offered on a case-by-case basis. E-mail your request with company information including the NAIC company code and an explanation of the reason you cannot provide ZIP code data to triahelp@naic.org.

POLTYPE – Policy type for terrorism coverage. Code indicating type of policy and coverage:

Code	Description
01	Stand-alone terrorism coverage, not sold as an endorsement to any underlying policy.
02	Terrorism coverage sold as an endorsement to an underlying policy, for which a separate premium is recorded for terrorism coverage.
03	Terrorism coverage sold as part of an underlying policy, for which a separate premium is NOT recorded. This includes policies that do not exclude terrorism coverage.
04	Invalid – Do not use.
05	Terrorism coverage declined.

COVTYPE – Terrorism coverage type. Code indicating type of terrorism coverage:

Code	Description
A	Certified
B	Non-certified
C	Both
D	Terrorism coverage declined

Records with POLTYPE 01, 02, or 03, which indicate that terrorism coverage is in effect, should have COVTYPE A, B, or C. POLTYPE 05 (terrorism coverage declined) is consistent only with COVTYPE D (terrorism coverage declined).

PRWTERR – Direct premium written for terrorism coverage. This amount only reflects the terrorism premium, i.e. policy types 01 and 02 that provide an explicit or separate premium charge for the terrorism portion of the coverage. For POLTYPE 01 records (stand-alone terrorism policies for which 100 percent of premium is for terrorism coverage) PRWTERR should equal PRWTOT. For POLTYPE 02 records (an identifiable portion of the premium was for terrorism coverage) PRWTERR should be greater than zero but strictly less than PRWTOT. For POLTYPE 03 or 05 records (terrorism coverage does not have an identifiable premium or terrorism coverage was declined) PRWTERR should equal zero.

PRWTOT – Direct premium written total. This amount reflects all premium associated with a policy, including premium for terrorism coverage.

TERREXP – Terrorism coverage provided. This amount reflects the total terrorism exposure for all policies where terrorism coverage was provided in a stand-alone policy or an endorsement to property coverage. Include the total amount of the reporting insurer's policy exposure (and thus do not include amounts within a policyholder's deductible, etc.) If the terrorism coverage includes a sublimit or limit smaller than the total policy exposure, include the sublimit or terrorism specific exposure less the terrorism deductible (if applicable). If the policy provides standalone coverage or the terrorism limit is the same as the policy limit, include the total policy exposure here. Use the limits of the property insurance to calculate the insurer's exposure. If the policy has an aggregate limit, use the aggregate limit. If the policy is subject to a per occurrence limit and not an aggregate limit, use the single occurrence limit.

Include policies of POLTYPE 01, 02, and 03. POLTYPE 05 records should have a "0" for TERREXP.

NOTERREXP – Terrorism coverage declined. This amount reflects the total property exposure for all policies where terrorism coverage was declined by the policyholder or a sublimit of terrorism coverage was selected by the insured so the terrorism exposure is less than the total policy exposure. For example, if a policy was written for \$1 million and coverage was declined, please include the full \$1 million here. If, a \$1 million policy was written with a \$500,000 sublimit for terrorism, report the \$500,000 (less terrorism deductible if applicable) in TERREXP, the total policy limit of \$ 1 million (less policy deductible) should be reported in TOTEXP and the remainder between those two should go in NOTERREXP.

Include policies of POLTYPE 05. POLTYPE 01, 02, and 03 records should have a "0" or the difference between TOTEXP and TERREXP for NOTERREXP.

TOTEXP – Total property exposure. This amount reflects the total property exposure for all POLTYPE records. Include the total amount of the reporting insurer's policy exposure (and thus do not include amounts within a policyholder's deductible, etc.) Use the limits of the property insurance to calculate the insurer's exposure. If the policy has an aggregate limit, use the aggregate limit. If the policy is subject to a per occurrence limit and not an aggregate limit, use the single occurrence limit.