PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE

Draft Pending Adoption

Draft: 12/17/25

Property and Casualty Insurance (C) Committee
Hollywood, Florida
December 11, 2025

The Property and Casualty Insurance (C) Committee met in Hollywood, FL, Dec. 11, 2025. The following Committee members participated: Michael Conway, Chair (CO); Michael Yaworsky, Co-Vice Chair (FL); Larry D. Deiter, Co-Vice Chair (SD); Mark Fowler (AL); Jimmy Harris represented by Chris Erwin (AR); Ricardo Lara (CA); Jared Kosky (CT); Ann Gillespie represented by Adam Flores (IL); Timothy J. Temple (LA); Grace Arnold represented by Julia Dreier (MN); Mike Chaney represented by David Browning (MS); James E. Brown (MT); Alice T. Kane represented by Marella Quintana (NM); and Kaj Samsom represented by Rosemary Raszka (VT). Also participating was: Gennady Stolyarov (NV).

1. <u>Adopted its Nov. 21 and Summer National Meeting Minutes</u>

The Committee met Nov. 21 and took the following action: 1) adopted its 2026 proposed charges.

Commissioner Fowler made a motion, seconded by Commissioner Yaworsky, to adopt the Task Force's Nov. 21 (Attachment One) and Aug. 12 (*see NAIC Proceedings – Summer 2025, Property and Casualty Insurance (C) Committee*) minutes. The motion passed unanimously.

2. <u>Adopted the Reports of its Task Forces and Working Groups</u>

Director Deiter made a motion, seconded by Commissioner Yaworsky, to adopt the following reports: 1) Casualty Actuarial and Statistical (C) Task Force; 2) Homeowners Market Data Call (C) Task Force; 3) Surplus Lines (C) Task Force; 4) Catastrophe Insurance (C) Working Group; 5) NAIC/Federal Emergency Management Agency (FEMA) (C) Working Group (Attachment Two); 6) Cannabis Insurance (C) Working Group (Attachment Three); 7) Terrorism Insurance Implementation (C) Working Group; 8) Title Insurance (C) Working Group (Attachment Four); 9) Transparency and Readability of Consumer Information (C) Working Group (Attachment Five); and 10) Workers' Compensation (C) Working Group. The motion passed unanimously.

3. <u>Adopted the Homeowners Market Data Call Template and Definitions</u>

Commissioner Yaworsky noted that the Homeowners Market Data Call (C) Task Force adopted a revised data template and definitions for the homeowners market data call on Oct. 28. State insurance regulators believe the revised template and definitions will provide valuable additional data to regulators while also clarifying definitions and improving the way data is requested. He also noted the data call would likely be released in February, with data due in June 2026.

Commissioner Yaworsky made a motion, seconded by Director Deiter, to adopt the homeowners market data call template (Attachment Six) and definitions (Attachment Seven). The motion passed unanimously.

4. <u>Received an Update on the *Affordability and Availability Playbook*</u>

Commissioner Conway provided an update on the *Affordability and Availability Playbook* (Playbook), which is meant to be a resource for addressing homeowners insurance challenges. It includes Part 1 on affordability and availability factors, Part 2 on strategies for specific risks, Part 3 on extreme heat and atmospheric rivers, and Part 4 on recommendations and best practices.

Commissioner Conway said the drafting group invited members, interested state insurance regulators, and interested parties to review its outline during its Aug. 4 drafting session and submit feedback by Aug. 26. The drafting group considered the feedback in drafting sessions on Sept. 2 and Sept .16. It then invited participants back to its Oct. 14 drafting session to discuss how suggestions had been incorporated. On Nov. 18, the drafting group met to revise the outline for new feedback and share progress on the draft.

Commissioner Conway explained drafts for Part 2, the Technology and Data Innovation, Risk Mitigation and Incentive subsections, as well as two state-specific sections, have been submitted. A draft of Part 4 on consumer education and engagement is also in. The remaining drafts for Parts 1–3 are due by Dec. 15. A drafting group review of the Part 1 draft is scheduled for Dec. 16, and then the new drafts will be exposed again for interested party comments.

Steve Jackson (American Academy of Actuaries—Academy) said the Academy's Homeowners Insurance Task Force appreciates the opportunity for feedback, particularly for the addition of the consumer education section within the Playbook.

5. Heard a Presentation from Verisk/ISO on Regulatory Data

Nancy Clark (Verisk/Insurance Services Office—ISO) said Verisk has seen regulatory pain points related to the lack of data standardization and the need for more data. Insurers have struggled with the volume of requests and lack of standardization. Verisk has focused on standardization, data management, tracking and monitoring, and analysis and insights. She noted that Verisk has created a new product for state insurance regulators to assist in showing what data is currently available, what information could answer questions, and what other states are collecting. She said most data calls are related to catastrophes, but data calls to respond to legislative issues are rising. The Verisk free service for regulators provides state data call bulletins, instructions, and templates across states. For each state data call, the lines of business and data requested can be compared.

6. Heard a Presentation from Brava on Roof Resilience

David Altmaier (The Southern Group) said he has worked with Brava Roof Tile over the past few months and has spoken with Commissioner Yaworsky about how the product leads to better resiliency. Aaron Scholl (Brava) said Brava manufactures sustainable synthetic materials meant to protect homeowners with a resilient product that is aesthetically pleasing. He said their roofing has the look of wood shake and slate tiles while being more durable and lasting longer than natural products. He said the tiles have been built and tested to withstand the harshest conditions and have been certified under several standards, such as Fortified, International Code Council Evaluation Service (ICC-ES), Miami-Dade County, and Wildland Urban Interface (WUI) Certification.

Scholl said the roofing product, though more expensive initially, has a 50-year life cycle with virtually no maintenance, leading to a lower 50-year life cycle cost. Brenda Perkins (Brava) said Milliman has conducted case studies evaluating locations with wind and hail events and found no warranty claims on Brava roof tiles. The next phase of study will evaluate the condition of Brava roofs compared to neighboring roofs that experienced weather events.

Commissioner Conway asked about the warranty. Scholl said the warranty transfers to a new owner of a property and covers 50 years, protecting against fading, hail impact, wind, and manufacturing defects. Commissioner Conway asked about the cost of the product, and Scholl said the cost for material and labor is about two to two and half times a traditional home product. Commissioner Conway asked if there is certification for contractors. Scholl said there is online self-certification, and installers can upgrade to a level two, similar to the Fortified system, by taking pictures of the installation.

Stolyarov asked about any interactions with vendors of imagery models and whether Brava had worked with vendors like Zesty to see how well satellite images estimate the composition of materials. Perkins said Brava has spent time educating vendors in recent months in order to recognize synthetic materials compared to natural ones.

Commissioner Conway asked about additional roadblocks Brava has seen. Perkins said there is a lot of confusion about the product. The company is also working to incorporate the product in catastrophe models and explaining to state insurance regulators how a discount might be offered in a rate filing.

Commissioner Yaworsky said Florida continues to look for ways to protect properties from high winds, and resilient roofs are critical. He said the experience data that was described will be beneficial in creating mitigation discounts. He said it would be helpful to see wildfire data as well.

Commissioner Temple said Fortified mitigation steps in Louisiana have been shown to have an average discount of 22% off of the wind portion of the homeowners premium. He encouraged Brava to work with industry on potential discounts.

Commissioner Lara asked whether Brava has worked with wildfire experts like Cal Fire in California. Scholl said they have worked with the California Department of Forestry and Fire Protection (CAL FIRE) and have achieved an ICC-ES number, which states best practices and code evaluations for fire resistance. He said California will be a major focus for Brava. Commissioner Lara said his department is integrating state departments to make it easy for consumers to understand the benefits of mitigation steps. Scholl said CAL FIRE approval is high on his list of priorities.

Commissioner Fowler said he will follow up with Brava regarding wind mitigation discounts and is glad to see the partnership with Fortified.

7. <u>Heard a Presentation from ABA on Disaster Savings Accounts</u>

Jeff Klein (McIntyre & Lemon) said the American Bankers Association (ABA) has made comments on the *Affordability and Availability Playbook*, and the idea of disaster savings accounts is one that fits in the Playbook. He said 12 states have now introduced disaster savings account legislation.

Kevin McKechnie (ABA) said resiliency costs money, and a model like health savings accounts (HSA) could be very successful. HSAs, after 21 years in existence, are used by 75 million Americans covered by 42 million accounts with $150 billion. A catastrophe savings account (DSA) would allow homeowners to have savings. A federal bill was first introduced in 2014 but has not passed. However, states are now looking at the idea of tax-free accounts. He noted that DSAs would help consumers deal with inflation through tax-free growth. McKechnie said he would be happy to work with banker associations in the various states.

Stolyarov asked if pre-tax amounts would be eligible to roll over indefinitely. McKechnie said DSAs would work like HSAs with rollovers and the accounts being excluded from income, having tax free growth, and allowing for withdrawals for qualified expenses. Stolyarov also noted that some states like Nevada have no state income tax. McKechnie said the state DSAs would only allow for exemption from taxation in that state. He noted that California, New Jersey, and Tennessee do have some taxation of HSAs.

Commissioner Lawrence asked about DSA treatment after a certain age in terms of spending beyond the qualified expenses. McKechnie said for HSAs, after age 65, individuals can withdraw money on nonqualified expenses, but it is subject to income taxes. He explained that DSA legislation maintains that rule, and he said there has been some discussion of whether insurance premiums or deductibles could be paid from DSAs.

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8. Discussed Other Matters

Shana Oppenheim (NAIC) advised the Committee that the Federal Emergency Management Agency (FEMA) Review Council's Dec. 11 meeting was cancelled this afternoon. Oppenheim said she intended to provide the Committee a preview of its report, but she is unable to do so due to the meeting's cancellation. The FEMA Review Council's original official release date for its report is Dec. 31. She noted that the NAIC submitted a comment in the last two weeks to the FEMA Review Council and has engaged extensively with itm, including having some commissioners engage specifically on the issue of flood.

Having no further business, the Property and Casualty Insurance (C) Committee adjourned.

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Draft: 11/21/25

Property and Casualty Insurance (C) Committee
E-Vote
November 21, 2021

The Property and Casualty Insurance (C) Committee conducted an e-vote that concluded Nov. 21, 2025. The following Committee members participated: Michael Conway, Chair (CO); Larry D. Deiter, Co-Vice Chair (SD); Mark Fowler (AL); Jimmy Harris (AR); Andrew N. Mais (CT); Timothy J. Temple represented by Caleb Malone (LA); Mike Chaney (MS); and James E. Brown (MT).

Adopted its 2026 Proposed Charges

The Committee conducted an e-vote to consider adoption of its 2026 proposed charges (Attachment One-A. The motion passed unanimously.

Having no further business, the Property and Casualty Insurance (C) Committee adjourned.

SharePoint/NAIC Support Staff Hub/Member Meetings/C CMTE/2025_Fall/1121 Minutes e-vote.docx

Draft: 11/3/25
To be considered by the Executive (EX) Committee and Plenary, Dec. xx, 2025
Adopted by the Property and Casualty Insurance (C) Committee, Nov. 21, 2025

2026 Charges

PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE

The mission of the Property and Casualty Insurance (C) Committee is to: 1) monitor and respond to problems associated with the products, delivery, and cost in the property/casualty (P/C) insurance market and the surplus lines market as they operate with respect to individual persons and businesses; 2) monitor and respond to problems associated with financial reporting matters for P/C insurers that are of interest to regulatory actuaries and analysts; and 3) monitor and respond to problems associated with the financial aspects of the surplus lines market.

Ongoing Support of NAIC Programs, Products, or Services

1. The **Property and Casualty Insurance (C) Committee** will:
   A. Discuss issues arising and make recommendations with respect to advisory organization and insurer filings for personal and commercial lines, as needed. Report yearly.
   B. Monitor the activities of the Casualty Actuarial and Statistical (C) Task Force.
   C. Monitor the activities of the Homeowners Market Data Call (C) Task Force.
   D. Monitor the activities of the Surplus Lines (C) Task Force.
   E. Provide an impartial forum for considering appeals of adverse decisions involving alien insurers delisted or rejected for listing to the *Quarterly Listing of Alien Insurers*. Appeal procedures are described in the International Insurers Department (IID) Plan of Operation.
   F.
   G. Monitor the activities of the Federal Crop Insurance Corporation (FCIC) that affect state insurance regulators:
      i. Serve as a forum for discussing issues related to the interaction of federal crop insurance programs with state insurance regulation.
      ii. Review law changes and court decisions, and, if warranted, make appropriate changes to the *Federal Crop Insurance Program Handbook: A Guide for Insurance Regulators.*
      iii. Monitor the regulatory information exchanges between the FCIC and state insurance regulators, as well as the FCIC and the NAIC, and make recommendations for improvements or revisions, as needed.
   H. Monitor regulatory issues that arise with the development of autonomous vehicles. Study and, if necessary, develop recommendations for changes needed to the state-based insurance regulatory framework.
   I. Provide a forum for discussing issues related to parametric insurance, and consider the development of a white paper or regulatory guidance.
   J. Study and report on the availability and affordability of liability and property coverage for non-profit organizations.

PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE (*Continued*)

K. Assist state insurance regulators in better assessing their markets and insurer underwriting practices by developing property market data intelligence so regulators can better understand how markets are performing in their states, and identify potential new coverage gaps, including changes in deductibles and coverage types, and affordability and availability issues. Provide analysis of property insurance markets to states.
L. Provide a forum for discussing issues related to the use of telematics in insurance, and consider the development of a white paper or regulatory guidance.

2. The **Cannabis Insurance (C) Working Group** will:
   A. Assess and periodically report on the status of federal legislation and regulation involving cannabis, especially as it pertains to protecting financial institutions from liability associated with providing services to cannabis businesses operating legally under state law.
   B. Support insurance regulators' efforts to encourage the development of admitted market insurers, as well as the expansion of existing admitted market insurers, and reinsurers supporting the market, to ensure coverage adequacy in states where cannabis, including hemp, is legal.
   C. Stay abreast of new products and innovative ideas that may shape insurance in this space. Provide insurance resources to insurance regulators and stakeholders, as needed.
   D. Explore potential sources of constraint to coverage limits and availability of cannabis insurance products within the admitted and non-admitted market. Explore the effect of the use of cannabis and related products on P/C insurance lines of business.

3. The **Catastrophe Insurance (C) Working Group** will:
   A. Monitor and recommend measures to improve the availability and affordability of insurance and reinsurance related to catastrophe perils for personal and commercial lines.
   B. Evaluate potential state, regional, and national programs to increase capacity for insurance and reinsurance related to catastrophe perils, including mitigation efforts being used in states and investigating loss trends in homeowners markets, with the goal to provide rate stability in the marketplace and protect consumers.
   C. Monitor and assess proposals that address disaster insurance issues at the federal and state levels. Assess concentration-of-risk issues and whether a regulatory solution is needed.
   D. Provide a forum for discussing issues and recommending solutions related to insuring for catastrophe risk, including terrorism, war, and natural disasters.
   E. Investigate and recommend ways the NAIC can assist states in responding to disasters by continuing to build the NAIC's Catastrophe Resource Center for state insurance regulators to better prepare for disasters.
   F. Continue to monitor the growth of the private flood insurance market and assess the actions taken by individual states to facilitate growth. Update the Considerations for Private Flood Insurance appendix to include new ways states are growing the private flood insurance market and discuss expanding the private flood insurance market.
   G. Collaborate with other NAIC task forces and working groups regarding discussion of comparable topics, monitor catastrophe-related data calls, and keep informed about projects addressing the special needs of catastrophe data.
   H. Study, in coordination with other NAIC task forces and working groups, earthquake, severe convective storms, and wildfire matters of concern to state insurance regulators.
   I. Work with the Catastrophe Modeling Center of Excellence (COE) in order to be aware of what states are doing related to mitigation.

PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE (*Continued*)

4. The **NAIC/Federal Emergency Management Agency (FEMA) (C) Working Group** will:
   A. Assist state insurance regulators in engaging and collaborating with FEMA on an ongoing basis by establishing a process for the oversight, prioritization, and reporting of disaster-related regional workshops and other exercises to improve disaster preparation and resilience.
   B. Liaise with insurers and FEMA to provide timely information to necessary parties following a catastrophic loss.
   C. Discuss ways in which states in the same FEMA region can collaborate and share information with other states in their FEMA region.

5. The **Terrorism Insurance Implementation (C) Working Group** will:
   A. Coordinate the NAIC's efforts to address insurance coverage for acts of terrorism. Work with the U.S. Department of the Treasury's (Treasury Department's) Terrorism Risk Insurance Program (TRIP) Office on matters of mutual concern. Discuss long-term solutions to address the risk of loss from acts of terrorism.
   B. Review and report on data collection related to insurance coverage for acts of terrorism.

6. The **Title Insurance (C) Working Group** will:
   A. Discuss and/or monitor issues and developments affecting the title insurance industry, and provide support and expertise to other NAIC committees, task forces and/or working groups, or outside entities, as appropriate.
   B. Review and assist various regulatory bodies in combating fraudulent and/or unfair real estate settlement activities. Such efforts could include working with the Antifraud (D) Task Force and other NAIC committees, task forces, and/or working groups to combat mortgage fraud and mitigating title agent defalcations through the promotion of closing protection letters (CPLs) and other remedies.
   C. Consult with the Consumer Financial Protection Bureau (CFPB) and other agencies responsible for information, education, and disclosure for mortgage lending, closing, and settlement services about the role of title insurance in the real estate transaction process.
   D. Update the Survey of State Laws Regarding Title Data and Title Matters report and the Title Insurance Consumer Shopping Tool Template as needed.
   E. Stay abreast of consumer issues and complaints submitted to states regarding title insurance. Consider regulatory best practices or standards related to consumer protection.
   F. Evaluate alternative title products and provide guidance to state insurance regulators as needed.

7. The **Transparency and Readability of Consumer Information (C) Working Group** will:
   A. Facilitate consumers' capacity to understand the content of insurance policies and assess differences in insurers' policy forms.
   B. Assist other groups with drafting language included within consumer-facing documents.
   C. Monitor states that have implemented disclosures for premium increases related to P/C insurance products.
   D. Update and develop web page and mobile content for *A Shopping Tool for Homeowners Insurance* and *A Shopping Tool for Automobile Insurance*, as needed.
   E. Develop a guidance document for states that requires companies to disclose what property attributes are on file for their property that impact premium.
   F. Develop consumer information materials about concepts that consumers don't readily understand, e.g. deductibles and how to calculate them.
   G. Study and evaluate ways to engage department of insurance (DOI) communication with more diverse populations, such as rural communities.

PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE (*Continued*)

8. The **Workers' Compensation (C) Working Group** will:
   A. Discuss issues with respect to advisory organizations, rating organizations, statistical agents, and insurance companies in the workers' compensation arena.
   B. Monitor the movement of business from the standard markets to the assigned risk pools. Alert state insurance department representatives if the growth of assigned risk pools changes dramatically.
   C. Follow workers' compensation issues regarding cannabis in coordination with the Cannabis Insurance (C) Working Group.
   D. Discuss issues affecting workers' compensation.
   E. Stay informed about workers' compensation issues by collaborating with various workers' compensation organizations, such as the International Association of Industrial Accident Boards and Commissions (IAIABC), the National Council on Compensation Insurance (NCCI), and state workers' compensation bureaus.

NAIC Support Staff: Aaron Brandenburg

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Adopted by the Casualty Actuarial and Statistical (C) Task Force—Oct. 23, 2025

2026 Proposed Charges

CASUALTY ACTUARIAL AND STATISTICAL (C) TASK FORCE

The mission of the Casualty Actuarial and Statistical (C) Task Force is to identify, investigate and develop solutions to actuarial problems and statistical issues in the property/casualty (P/C) insurance industry.

The Task Force's goals are to assist state insurance regulators with maintaining the financial health of P/C insurers; ensuring P/C insurance rates are not excessive, inadequate or unfairly discriminatory; and ensuring that appropriate data regarding P/C insurance markets are available.

Ongoing Support of NAIC Programs, Products, or Services

1. The **Casualty Actuarial and Statistical (C) Task Force** will:
   - A. Provide reserving, pricing, ratemaking, statistical, classification, underwriting, and other actuarial support to NAIC committees, task forces, and/or working groups. Propose changes to the appropriate work products, with the most common work products noted below, and present comments on proposals submitted by others relating to casualty actuarial and statistical matters. Monitor the activities of other groups related to casualty actuarial issues.
     - i. Property and Casualty Insurance (C) Committee: Ratemaking, reserving, or data issues.
     - ii. Blanks (E) Working Group: Property/casualty (P/C) annual financial statement, including Schedule P; P/C quarterly financial statement; and P/C quarterly and annual financial statement instructions, including the Statement of Actuarial Opinion (SAO) and Actuarial Opinion Summary Supplement.
     - iii. Capital Adequacy (E) Task Force: P/C risk-based capital (RBC) report.
     - iv. Statutory Accounting Principles (E) Working Group: *Accounting Practices and Procedures Manual* (AP&P Manual), and specifically with any future statutory accounting issues being considered under *Statement of Statutory Accounting Principles (SSAP) No. 65—Property and Casualty Contracts*.
     - v. Speed to Market (D) Working Group: P/C actuarial sections of the *Product Filing Review Handbook*.
   - B. Monitor casualty actuarial developments and consider regulatory implications.
     - i. Casualty Actuarial Society (CAS) and Society of Actuaries: Syllabus of Basic Education.
     - ii. American Academy of Actuaries (Academy): Standards of Practice, Council on Professionalism and Education, and Casualty Practice Council.
     - ~~iii.~~iii. Federal legislation.
   - C. Facilitate discussion among state insurance regulators regarding rate filing issues of common interest across the states through the scheduling of regulator-to-regulator meetings.
   - D. Conduct the following predictive analytics work:
     - i. Facilitate training and the sharing of expertise through predictive analytics webinars (Book Club).
     - ii. Coordinate with the Innovation, Cybersecurity, and Technology (H) Committee and the Life Actuarial (A) Task Force on the tracking of new uses of artificial intelligence (AI), auditing algorithms, product development, and other emerging regulatory issues. Collaborate with Big Data and AI (H) Working Group and Third-Party Data and Models (H) Working Group on regulatory oversight of AI and machine learning (ML) in insurers' ratemaking, reserving, classification, underwriting, and other activities.
     - iii. With the NAIC Rate Model Review Team's assistance, discuss guidance for the regulatory review of models used in rate filings. Maintain the *Model Review Manual*.
   - E. Monitor cyber liability insurance and discuss regulatory data needs.
   - F. Develop rate indices to track, over time and in detail, the cumulative magnitude of the rate changes that impact each state's P/C insurance markets. Collaborate with the SERFF modernization team to help guide the new platform in a direction to make these types of indices more granular, reliable, and useful.

2. The **Actuarial Opinion (C) Working Group** will:
   Propose revisions to the following as needed, especially to improve actuarial opinions, actuarial opinion summaries, and actuarial reports, as well as the regulatory analysis of these actuarial documents and loss and premium reserves:
   i. *Financial Analysis Handbook.*
   ii. *Financial Condition Examiners Handbook.*
   iii. *Annual Statement Instructions—Property/Casualty.*
   iv. Regulatory guidance to appointed actuaries and companies.
   v. Other financial blanks and instructions, as needed.

3. The **Statistical Data (C) Working Group** will:
   A. Consider updates and changes to the *Statistical Handbook of Data Available to Insurance Regulators* to improve data quality and reporting standards.
   B. Consider updates and developments, provide technical assistance, and oversee the production of the following reports and databases. Periodically, evaluate the demand and utility versus the costs of production of each product.
      i. *Dwelling Fire, Homeowners Owner-Occupied, and Homeowners Tenant and Condominium/Cooperative Unit Owner's Insurance* (Homeowners Report).
      ii. *Auto Insurance Database Report* (Auto Report).
      iii. *Competition Database Report* (Competition Report).
      iv. *Report on Profitability by Line by State Report* (Profitability Report).
      v. *Auto Insurance Average Premium Supplement.*

NAIC Support Staff: Kris DeFrain/Roberto Perez/Libby Crews

MemberMeetings/CCMTE/2025 Fall/CASTF/2026 CASTF Proposed Charges.Docx

Adopted by the Homeowners Market Data Call (C) Task Force—Oct. 28, 2025

2026 Charges

HOMEOWNERS MARKET DATA CALL (C) TASK FORCE

Homeowners Market Data Call (C) Task Force will:

A. Oversee development and delivery of periodic communication to the NAIC membership on issues related to the Homeowners Market Data Call.
B. Develop a framework for the Homeowners Market Data Call, including data collection authority, confidentiality protections, and data sharing between states and the NAIC.
C. Consider recommendations from the regulator-only drafting group and interested party input and approve any changes to the current scope and content of the data call for 2026
D. Oversee continued development of regulator tools and training related to the data call.
E. Develop a national analysis report, for regulators only, with support from CIPR. Consider the nature and extent of such national analysis report that may be suitable for public release.

NAIC Support Staff: Aaron Brandenburg/Libby Crews

Adopted by the Surplus Lines (C) Task Force—July 31, 2025

2026 Proposed Charges

SURPLUS LINES (C) TASK FORCE

The mission of the Surplus Lines (C) Task Force is to monitor the surplus lines market and regulation, including the activity and financial condition of U.S. and non-U.S. surplus lines insurers participating in the U.S. market, by providing a forum for discussion of issues and to develop or amend relevant NAIC model laws, regulations, and/or guidelines.

The **Surplus Lines (C) Task Force** will:

A. Provide a forum for discussion of current and emerging surplus lines-related issues and topics of public policy and determine appropriate regulatory response and action.
B. Review and analyze industry data on U.S. domestic and non-U.S. surplus lines insurers participating in the U.S. market.
C. Monitor federal legislation related to the surplus lines market and ensure all interested parties remain apprised.
D. Develop or amend relevant NAIC model laws, regulations, and/or guidelines.
E. Oversee the activities of the Surplus Lines (C) Working Group.

The **Surplus Lines (C) Working Group** will:

A. Operate in regulator-to-regulator session pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings and in open session when discussing surplus lines topics and policy issues, such as amendments to the International Insurers Department (IID) Plan of Operation.
B. Maintain and draft new guidance within the IID Plan of Operation regarding standards for admittance and continued inclusion on the NAIC *Quarterly Listing of Alien Insurers*.
C. Review and consider appropriate decisions regarding applications for admittance to the NAIC *Quarterly Listing of Alien Insurers*.
D. Analyze renewal applications of alien surplus lines insurers on the NAIC *Quarterly Listing of Alien Insurers* and ensure solvency and compliance per the IID Plan of Operation guidelines for continued listing.
E. Provide a forum for surplus lines-related discussion among jurisdictions.

Draft: 12/12/25

Joint Meeting of the Catastrophe Insurance (C) Working Group and
the NAIC/Federal Emergency Management Agency (FEMA) (C) Working Group
Hollywood, Florida
December 10, 2025

The Catastrophe Insurance (C) Working Group and the NAIC/FEMA (C) Working Group of the Property and Casualty Insurance (C) Committee met in joint session in Hollywood, FL, Dec. 10, 2025. The following Catastrophe Insurance (C) Working Group members participated: Angela L. Nelson, Chair, and Brad Gerling (MO); Mike Causey, Vice Chair, represented by Angela Hatchell (NC); Travis Taylor (AL); Lucy Jabourian and Tina Shaw (CA); George Bradner, Wanchin Chou, and Kristin Fabian (CT); Nicole Crockett and Richie Frederick (FL); Grant Shintaku (HI); Travis Grassel (IA); Josh Carlson (KS); Timothy J. Temple (LA); Jackie Horigan (MA); Phil Vigliaturo (MN); Ryan Blakeney (MS); Marella Quintana (NM); Diana Branciforte (NV); Tom Botsko (OH); Glen Mulready (OK); TK Keen (OR); David Buono (PA); Beth Vollucci (RI); Diane Cooper and Will Davis (SC); Zachary Crandall (TN); Marianne Baker (TX); David Forte (WA); and Justin Parr (WV). The following NAIC/FEMA (C) Working Group members participated: Glen Mulready, Chair (OK); Travis Taylor (AL); Lucy Jabourian and Tina Shaw (CA); George Bradner, Wanchin Chou, and Kristin Fabian (CT); Nicole Crockett and Richie Frederick (FL); Travis Grassel (IA); Josh Carlson (KS); Timothy J. Temple (LA); Angela L. Nelson and Brad Gerling (MO); Ryan Blakeney (MS); Marella Quintana (NM); TK Keen (OR); Beth Vollucci (RI); Tony Dorschner (SD); David Forte (WA); and Justin Parr (WV). Also participating were: Claire Szpara (IN); and Kevin Dyke (MI).

1. Adopted its Summer National Meeting Minutes

Botsko made a motion, seconded by Baker, to adopt the Working Group's Aug. 12 minutes (*see NAIC Proceedings – Summer 2025, Property and Casualty Insurance (C) Committee, Attachment One*). The motion passed unanimously.

2. Heard a Federal Update

Alexander Swindle (NAIC) stated that the federal disaster policy is undergoing a significant transition as FEMA conducts its structural review. Additionally, the National Flood Insurance Program (NFIP) continues to experience short-term extensions, and multiple congressional committees have expanded their oversight of federal disaster.

FEMA is entering one of the most significant periods of institutional reassessment in more than a decade. The broader disaster policy review was launched under Executive Order 14180, which established the FEMA Review Council. The Council's charge is to evaluate the agency's structure, mission, and state coordination model, and has significantly shaped every aspect of FEMA operations this fall, including staffing, organizational proposals, and federal disaster readiness.

The NAIC is engaged with FEMA, the Department of Homeland Security (DHS), the FEMA Review Council, and the U.S. Congress (Congress) to ensure that the state's regular expertise is part of the conversation and that it is reflected in any consumer reforms, mapping, modernization, and stability of federal programs that impact insurance markets. The Council has been tasked with examining FEMA's 32 core capabilities and recommending structural reforms. Participating members include governors, emergency managers, and former federal officials.

The Council’s recommendations for reforms will be released on Dec. 11. The recommendations have been condensed to approximately 20 pages, down from the original 160 pages. Recommendations are expected to include elevating FEMA to cabinet-level status, accelerating aid to states, and removing it from the congressional appropriations process. Additionally, David Richardson, acting FEMA administrator, resigned Dec. 1 after a six-month tenure. Currently, Karen Evans, the chief of staff, serves as the acting administrator.

Several state insurance commissioners, led by NAIC President Jon Godfread (ND), met with the FEMA Review Council in September. Commissioners emphasized the need for long-term NFIP stability, clear federal-state coordination during disasters, accurate mapping, transparent federal data, and consistent consumer messaging. Following the meeting, the NAIC submitted a letter reiterating these priorities and offering continued partnership as the Council’s recommendations advance.

The NFIP experienced another lapse during the federal shutdown, which stopped the issuing of new flood insurance policies and property transactions. The program has been reauthorized through Jan. 30, 2026, marking the 34th short-term extension since 2017. The reauthorization applies retroactively to Oct. 1. Legislative efforts are underway for a longer-term extension, but program instability remains a concern for consumers and markets. The NAIC continues to advocate for program stability, transparent mapping, and responsible growth in the private market.

There have been disputes over funding, court rulings, and efforts to modernize data. A federal judge issued a temporary restraining order blocking the administration from redirecting $233 million in FEMA disaster relief funds away from 12 Democratic-led states. Litigation remains ongoing.

Another federal court ruled that FEMA violated the National Environmental Policy Act (NEPA) by failing to prepare an environmental impact statement (EIS) before rebuilding Puerto Rico’s fossil fuel-dependent power grid.

Other congressional efforts regarding mapping modernization remain a bipartisan priority. Notably, Rep. Troy Downing's (R-MT) bill, the IMAGES Act, would require FEMA to incorporate lidar elevation data and parcel-level detail, maintain stream gauges, and update maps every five years. While the NAIC does not have a position on this bill, the importance of accurate, transparent flood mapping was underscored in past letters to Congress.

A recent federal report highlighted the cancellation of $11 billion in FEMA reimbursements, raising concerns about the near-term capacity for disaster aid.

The NAIC is also monitoring the National Oceanic and Atmospheric Administration’s (NOAA) operational continuity for core functions. Additionally, the NAIC continues to monitor the continuity of federal weather data, which is critical for catastrophe modeling and regulatory oversight.

Swindle said Congress will remain active until the end of the year, with activity expected to intensify in the lead-up to the midterms. Oversight committees will continue to focus on FEMA’s leadership, disaster readiness, and funding delays, as well as their role as a partner to FEMA and Congress. Swindle said the NAIC looks forward to remaining partners with both and to supporting any improved mapping and continuity efforts to ensure the state regulator's perspective remains a central part of the conversation.

Commissioner Mulready said he has met with the Oklahoma Department of Emergency Management (OEM) team several times to discuss disaster readiness. He noted that passing responsibilities down to the state is one thing, but it is another when the state is passed responsibilities without adequate funding.

Commissioner Mulready asked what was being discussed on the funding that FEMA will continue to pass down to the states. He stated that the last time he looked, the NFIP was $26 billion in debt.

Swindle said he believed the FEMA Review Council came in ready to move quickly and solve the problem because he believes everyone agrees there are numerous issues with FEMA. He said he believes that, after engaging with states and other stakeholders, it became clear that addressing these issues and resolving the budget questions would take some time.

Commissioner Mulready emphasized the importance of DOIs coordinating with state emergency management officials to ensure these connections are made.

3. <u>Heard a Presentation from ARMA on the Importance of Roofing Systems in Building Resilience Against Disasters</u>

Aaron Phillips (Asphalt Roofing Manufacturing Association—ARMA) said the two most important parts of a building are the foundation and the roof, and everything in between is secondary. Roofs are the most exposed part of any building. He emphasized that a roof's main purpose is to keep water out of a structure. There is a wide variety of asphalt shingles; however, they are not all the same.

Phillips said that low-slope and steep-slope roofing hold the water on the roof in different ways. The slope designation relates to how long water resides on the roof. When roofing a low-slope roof, a continuous membrane is typically installed under the shingles, as water will remain on the roof for a longer period. Phillips said that a steep-slope roof uses shingles with discrete elements that are overlapped to shed water off the roof.

Phillips said one of the challenges he sees from the insurance industry is that it tends to treat roofs as all the same. There is no incentive for homeowners or building owners to purchase a product that they expect will better serve their needs. This also disincentivizes the manufacturers from trying to create differentiation. Phillips stressed that there is a lot of differentiation between shingles today.

Phillips said the dominant styles of shingles today are laminated shingles. Many of the decisions made regarding roofing in general are based on post-storm investigations. These investigations are important, but the shingles being examined following a storm could actually be old. The shingles may have been made 10 to 15 years prior to the storm and are not representative of the current market.

Phillips said the process of manufacturing a shingle is fairly simple. It is a continuous web coating process. The fabrics are loaded onto the front end of the machine, and a coating is applied to one side, while granules are applied to the other side. Once this process is complete, the materials are cooled to a temperature at which they can be cut into the size and shape that they will be when delivered to the market.

Phillips said it is important to understand that the continuous manufacturing process incorporates well-established quality control methods for monitoring and ensuring the product generated on these machines remains consistently high over time. He said the asphalt manufacturing industry is highly competitive, and manufacturers are motivated to implement any new technology that helps them consistently produce a good product. The manufacturing process also yields an extremely high amount of material per unit time. From a resilience point of view, one of the key things that happens following a disaster is that building materials must be available to rebuild.

Phillips indicated that there is more to a roof's system than what one sees on the surface. He said proper shingle installation is important. The transitions, intersections, and details that go into creating a roof must be done correctly.

Phillips said that while the primary function of a roof is to keep water out, roofs also experience stress from wind. The internal pressure adds to uplift, which generally occurs at the transition points.

Phillips said roofs are often damaged by hail, and the size and shape of the hail cause different types of damage. Additionally, urban conflagration and wildfire also affect asphalt roofs; however, wildfire damage is different from the damage caused by urban conflagration. There have been code and development standards for wildfire.

Phillips said the general testing done by the asphalt manufacturing industry creates a solid baseline, but the asphalt shingle industry is heavily involved in code and standards development related to wildfire prevention to ensure that science advances in a responsible manner.

Phillips said it is also important to look at trends, as populations are shifting from rural to urban areas. Many people are relocating to the coastal areas of the Atlantic and Gulf coasts, where the population density is over five times higher than the national average in the U.S.

Phillips said the expectation of increased and more intense storms makes the need for resilience even more critical. The goal is for a home or business to remain standing following an extreme event, such as a tornado or hurricane.

Phillips said the testing of asphalt shingles for wind has progressed over the years. In the 1970s, a fan-induced wind resistance test method was introduced for shingles. The industry was not thinking about resilience; it was focused on ensuring the products performed and the industry worked. Later, a specific test method was established, which is still in use today. However, in 1990, regional building codes began to consolidate. Phillips said ARMA recognizes the need to create a new test method that would, in fact, relate the pressures that asphalt shingles experience in a wind event to the design wind loads specified in the building code.

Phillips said that in the 1990s, ARMA sponsored and participated in a 10-year research project to develop what became ASTM D7158, now the primary standard for representing and evaluating asphalt shingles for wind resistance. The insurance industry has also been advancing the concept of a sealed roof deck over the last several years, now for more than 10 years. This applies to all types of roof coverings, not just asphalt shingles.

Phillips said the question became whether excess water can be kept from getting into buildings. This is where many elevated insurance claims originated. The Insurance Institute for Business & Home Safety (IBHS) was the leader of this, introducing the idea as well. If the primary roof cover is compromised, there should be something protective in the second layer. The second layer is the underlayment system, which is placed beneath the primary roof covering, preventing water from entering the building. ARMA and the National Roofing Contractors Association (NRCA) collaborated with the IBHS on this, helping to incorporate those standards into the codes.

Phillips said that in the current code cycle, there is an effort to expand those requirements and design a wind speed of 115 miles per hour (mph) in the building code and 120 mph in the International Residential Code (IRC). Another couple of items advancing through the current code cycle are further strengthening tiny elements of those sealed roof deck provisions. He said the NRCA has been focused on clarifying the flashing requirements.

Flashings are the elements that tie together the roof and the walls, as well as other aspects of the building. They are often the source of leaks that enter buildings.

Phillips said FEMA produces wonderful mitigation assessment team reports after significant hurricanes and other events. One of the reports suggests that ARMA should examine the hip and ridge portions of roofing systems. This is another element of that combination of materials that creates the system. In the current code cycle, both in the IRC's and Florida's codes, there has been some success with the IBHS and NRCA at the international code level.

4. Heard a Presentation from the NRCA on the Challenges and Dynamics of the Roofing Contracting Industry

Mark Graham (National Roofing Contractors Association—NRCA) said roofing contracting is the oldest trade specialty in this country, and the NRCA advocates for roofing contractors. The NRCA works closely with ARMA and various manufacturer organizations, as well as numerous manufacturers nationwide.

Graham stated that the construction industry can be broadly categorized into four segments under which roofing companies typically fall. These segments include: 1) new construction tied to housing starts; 2) storm restoration, which is a narrow segment; 3) re-roofing on existing buildings; and 4) highly specialized roofing companies that roof things like the dome of a capital building. The storm restoration segment requires the contractor to work with both the insurer and the homeowner or building owner. The re-roofing segment contractors are only required to work directly with the home or building owner.

Graham said roofing costs have increased by a factor of two to three times the rate of the Consumer Price Index (CPI). Roofing contractors must purchase materials, which have increased greatly in price.

Graham said contractors are purchasing material and reselling it to the owner. There have been significant price increases in materials, and one of the most recent reasons for these increases is tariffs. The roofing industry is relatively domestic-sourced, but in some segments, materials are sourced from outside the U.S., and tariffs have led to a significant price increase.
Graham said labor costs have increased, and there is also a labor shortage. Currently, there are approximately 500,000 field personnel in the roofing industry. He stated that the industry requires approximately 38,000 more employees in the roofing field. The labor shortage is attributed to employees aging and retiring from the industry, as well as immigration issues, which vary by location. Many workers in the field are immigrants.

Graham said another cost to roofing contractors is the cost of auto insurance and workers' compensation insurance. Auto insurers are reluctant to bring cases to court due to recent nuclear verdicts. Workers' compensation costs vary by employee type, and the roofing industry pays higher premiums due to safety concerns, such as falling off or through a roof.

Graham stated that the new construction tied to housing starts and storm restoration segments, which typically lack a good pricing structure, are due to poor job costing and inadequate overhead. The insurance structure does not support profitable work because there is someone between the roofing contractor and the building owner.

Graham said that moving forward, contractor licensing might be the answer. Twenty-eight states have some form of licensing laws. Generally, contractors are not in favor of licensing because it elevates the lower-level contractor to the same level of recognition, but it does not necessarily raise the higher-level contractors to that level from the business standpoint.

Graham stated that Florida, Illinois, and Kansas are examples of states with effective licensing programs. The Kansas licensing program was developed by the Kansas Roofing Association (KRA) in collaboration with the Kansas Attorney General. The attorney general in Kansas has personnel in the field who handle enforcement and address contractors who are not complying. This is an example of a good licensing program, like those in Illinois or Florida.

Graham said the NRCA is working with a couple of states on insurance fraud legislation. The NRCA does not advocate that building owners prepay contractors; instead, payment should be made upon completion or as work progresses during the course of a job.

Graham said the NRCA is working with a national group of insurance legislators to develop a template bill that can be used nationwide, allowing individual states to adopt it. This is a draft in progress and is not yet ready for use. He said he believes there are numerous opportunities not only for contractors but also for the roofing industry to collaborate with the insurance industry.

Commissioner Mulready asked what type of consumer education is available for consumers about roof manufacturing. He said a 30-year shingle is not always good for 30 years, so there is a lack of consumer understanding. Commissioner Mulready said he also believes that consumers need some type of education on warranties.

Phillips said he could not speak about warranties due to antitrust laws, except to note that all shingles come with manufacturer warranties, which are an integral part of the purchase. He said the manufacturers had information that could be readily found on their website.

Commissioner Mulready asked about the impact of attic heat on shingles.

Phillips said this is something ARMA advocates for, and there is information about this on ARMA's website. He mentioned earlier that ARMA is becoming more engaged in wildfire, which is an area where ember intrusion into attics can be a real concern. Phillips said ARMA has been doing a lot of work to figure out how to maintain the ability to properly ventilate an attic and remove moisture and heat from the attic, while still providing necessary protection from ember intrusion that could ignite the building. He said ARMA works with the IBHS and the codes and standards as well.

Commissioner Temple said Louisiana would like the speakers to come to Louisiana to present on these issues.

Director Nelson asked how partial roof damage is determined. Graham said ARMA's members are also frustrated with this issue. He said he believes the wording of the insurance policy is the problem. Graham said that policyholders likely do not know what they are getting when they purchase insurance. He said he is concerned about the homeowner's perception of what they are buying, and the terminology of replacement cost, as this term does not accurately reflect a full replacement.

Director Nelson said Phillips made a reference to building codes. She said it seemed like ARMA has been pushing for stronger and better building codes. She said she believes, for example, that in a state like Missouri, when building codes are discussed as part of the overall resiliency plan, there is generally a lot of resistance from contractors. Director Nelson said she is interested in both Phillip's and Graham's perspectives on those issues.

Graham said he believes the challenges with the code are getting it adopted in certain areas, as well as the enforcement piece. He said that, as an association, the NRCA does not directly involve itself in the enforcement arm, but they recognize that a jurisdiction adopts the code. Some subsets of the provisions will be enforced through inspection or the permitting process. He said roofing is often not a part of the subset.

Graham said the NRCA sees pretty good enforcement in the state of Florida. He said they have a good enforcement program related to roof inspections at several stages along the process.

Phillips said the idea of building codes gets resistance from contractors; however, ARMA sees building codes as a foundational element. He said that the enforcement of the code is what is important, and the roofing industry is not very good at enforcement.

Phillips said Florida has a good process. He said the chamber of commerce values building code enforcement to raise the standard of construction. He said Colorado and Illinois are totally opposite from Florida. Phillips said that in Illinois, the enforcement is left to the group, but it does have a board. He said some roofing contractors comply, while others do not. Additionally, Phillips indicated that in situations related to catastrophes, insurance adjusters often lack knowledge of the building codes.

Commissioner Temple said that in Louisiana, many roofers want to do insurance work and promote themselves through advertising. He said they convey that they can help with an insurance claim, and he believes there needs to be some conversations on this, because if a roofing company starts discussing deductibles and what your insurance covers, they are entering regulator territory. Commissioner Temple said he is looking forward to dialogue on this.

Commissioner Mulready said one of the biggest complaints he hears is about professional roofers versus the individuals doing the roofing jobs and absorbing the deductibles. He said Oklahoma does not license or regulate roofers.

Graham said that from a contractor's perspective, a licensing program that has some strength behind it is wanted, but some enforcement capability or oversight capability behind that is also needed, which is why the program in Kansas stands out to him.

Frederick said the life of the shingle is a concern, as homeowners and business owners may not understand what they are buying. He said it would be very helpful if there were some kind of product distinction so that state insurance regulators could empirically look to improve performance in discount tables for mitigation.

Graham said his industry sometimes falls into a warranty game because it is a number that can be quantified in a person’s mind. He said there are multiple asphalt shingle products, and different products are used in different roofing segments. Some NRCA members purchase low-end products, while others opt for high-end products. There are different performance attributes on the various products. Graham said the insurance claims process interrupts the discussion because the performance attributes are removed from the conversation.

The question of how consumers get information on shingle warranties was asked. Phillips said the manufacturers make a tremendous amount of sales information available.

Blakeney said that many of the roof complaints the Mississippi Insurance Department receives concern the distinction between functional and non-functional damage. He asked if granular loss on the shingles is damage. Graham said this was insurance terminology, but granules are integral to shingles because they prevent ultraviolet (UV) rays, which are critical to fire resistance. Phillips said this was not language used in the roofing industry. He also said that granules protect the underlying shingles, and insurance adjusters are not always looking for damage due to large hailstones.

Horigan asked if questions could be emailed to the NAIC for answers. Graham and Phillips said states can also reach out to them directly. Director Nelson suggested that the questions be sent to the NAIC so a list of questions and answers could be shared with the Working Groups.

Having no further business, the Catastrophe Insurance (C) Working Group and the NAIC/FEMA (C) Working Group adjourned.

SharePoint/NAIC Support Staff Hub/Committees/C Cmte/Catastrophe Insurance/CatFEMA Minutes 12_10_25.docx

Draft: 10/23/25

Cannabis Insurance (C) Working Group
Virtual Meeting
October 20, 2025

The Cannabis Insurance (C) Working Group of the Property and Casualty Insurance (C) Committee met Oct. 20, 2025. The following Working Group members participated: Katey Piciucco, Chair (CA); TK Keen, Vice Chair, and Raven Collins (OR); Austin Childs (AK); Angela King (DC); Jennifer Welch (DE); C.J. Metcalf (IL); Ryan Blakeney (MS); Gennady Stolyarov (NV); Randall Currier (NJ); Elouisa Macias (NM); and Michael Walker (WA). Also participating were: Bobbie Baca; and Debra Judy (CO).

1. Adopted its April 23 Minutes

The Working Group met April 23 and took the following action: 1) adopted its Nov. 18, 2024, minutes; 2) heard a presentation on what to expect in 2025 with the new administration; and 3) heard a presentation on the state regulatory landscape surrounding hemp-derived intoxicants.

Currier made a motion, seconded by Stolyarov, to adopt the Working Group's April 23 minutes (*see NAIC Proceedings – Summer 2025, Property and Casualty Insurance (C) Committee, Attachment Two*). The motion passed unanimously.

2. Heard an Update on Findings from the 2025 CANNRA External Stakeholder Meeting

Collins represented Oregon as vice chair at the Cannabis Regulators Association (CANNRA) meeting. Discussion on federal policy noted increasing bipartisan support for several federal cannabis bills, including the States Act, Prepare Act, and Safe Banking Act. These initiatives aim to clarify state versus federal roles, expand banking options, and prepare for possible federal legalization of cannabis. Nonetheless, conflicts between state and federal policies continue to create uncertainty.

Medical oversight remains inconsistent, and state regulations vary widely, leaving many patients without proper guidance. Risks from drug interactions are often overlooked. CANNRA advocates standardizing terminology, encouraging more research, and providing improved clinical guidelines.

Data from Colorado and Massachusetts reveal that young people are viewing cannabis as less risky. Most accidental exposures happen to children, especially through edibles. Current sobriety tests are unreliable, and trace amounts of THC in CBD products can result in positive drug tests. Recommendations include adopting standardized measurement units and terminology, as well as data-driven methods to reduce confusion.

Lawsuits related to business practices, consumer rights, and employment within the cannabis industry are on the rise. CANNRA suggests consistent enforcement and clearer rules to help decrease litigation. Federal regulations for the cannabis trade are still years away. States are encouraged to harmonize hemp and THC laws and focus on unified policies that prioritize public safety and consumer interests. Some labs artificially increase THC readings under economic pressures. Michigan and Oklahoma use reference labs and secret shopper programs to verify accuracy, emphasizing random testing and accreditation to improve reliability.

Attendees discussed finding the right balance between over- and under-regulating the market. Colorado has simplified its regulations for efficiency. Utah requires pharmacists at dispensaries. Ohio is missing key rules. Illinois taxes high-THC products at higher rates, and Michigan and Oklahoma utilize reference labs to ensure accurate testing. Collaboration among agencies, public education, risk assessment based on data, and transparent, balanced regulations are essential. CANNRA urges alignment of state and federal policies, uniform regulation of hemp and cannabis, expanded data collection, and an emphasis on health and equity as markets evolve.

3. Heard a Presentation from Risk Strategies on the Current State of the Cannabis and Hemp Insurance Market

Jeremy Ortiz (Risk Strategies) provided a comprehensive analysis of the current cannabis and hemp insurance market. He noted that Risk Strategies is the third-largest insurance brokerage in the United States, affording them direct access to a broad range of insurance markets. Ortiz clarified that while cannabis and hemp are frequently grouped together for insurance purposes, they remain distinct industries with differing risk profiles: hemp typically engages in interstate commerce, whereas cannabis is generally confined to intrastate activities. Additionally, he identified that hemp-derived beverages carry heightened risks due to national distribution.

Ortiz outlined the insurance marketplace's tiered structure. Leading carriers, such as QuadScore, Cannasure, SafeHerb, and CannGen, serve as tier-one providers within the cannabis sector, offering policies with fewer exclusions. In contrast, tier-two carriers address more unconventional risks—including bicycle delivery—but their offerings tend to include more restrictive terms and additional exclusions.

He emphasized that core insurance needs—such as general liability, property, and product liability coverage—are consistent across both medical and recreational cannabis operations, though specific licensing requirements may vary by jurisdiction. Employment practices liability is becoming increasingly significant, with Ortiz observing a rise in wrongful termination lawsuits. He recounted a case where adequate coverage could have mitigated substantial legal costs for a cannabis operator, underscoring the importance of conducting proactive insurance audits. Furthermore, Ortiz highlighted how Risk Strategies utilizes real-life claims examples to inform operators about potential risks and coverage gaps in states where cannabis is legal.

Addressing party buses and consumption lounges, Ortiz reported that insurance coverage is available for stationary party buses at events—such as Connecticut’s Emerald Lounge—provided the venues are named as additional insureds. However, no insurer currently permits consumption in moving vehicles due to safety concerns, particularly risks posed to drivers in smoke-filled environments.

Finally, Ortiz discussed the complexities of interstate commerce for hemp-derived products. He cautioned operators against presuming that transportation or manufacturer policies automatically cover their inventory during storage or transit. He referenced a specific incident in which an operator’s ingredients stored in an out-of-state facility were inadequately insured, illustrating the necessity of stock throughput policies for inventory held under third-party custody. Ortiz concluded by stressing the critical role of thorough policy audits in identifying coverage gaps and ensuring operators have appropriate protection.

Baca asked how many states, other than Colorado, allow for consumption buses and if it is challenging to get commercial insurance coverage. Ortiz said that obtaining commercial insurance coverage for cannabis-related operations—particularly for consumption buses—is highly challenging. While small brokerage shops may have years of experience selling insurance, they often lack specialized industry knowledge and awareness of carriers active in the cannabis sector. For those outside the cannabis industry, securing coverage can be difficult; however, firms with extensive carrier relationships, like Risk Strategies, can collaborate with partner brokers to find solutions, sometimes through creative conversations with carriers. Innovative coverage options have been developed for unique risks, though these are not always straightforward solutions. Additionally, very few consumption buses are operating, and those that do are likely uninsured. Most carriers categorically refuse to insure moving buses that permit cannabis consumption due to significant safety concerns, resulting in a lack of available coverage for these operations.

Judy asked if buses that are not moving are able to find insurance and, if so, if the costs for coverage are expensive and if there are exclusions. Ortiz said that no coverage is available for moving vehicles. For stationary vehicles located at designated sites, insurers require information on the specific address and the duration that on-site consumption will be permitted. Additionally, insurance providers mandate the presence of a "cool-down" or recovery area, where no consumption is allowed, to ensure that patrons have an opportunity to gather themselves before driving. This period typically lasts at least one hour and should provide access to water and food. These safety protocols are standard requirements for both vehicles and consumption lounges. Comprehensive standard operating procedures (SOPs) for safe consumption are integral to obtaining approval for coverage. These SOPs must include measures to prevent impaired individuals from driving and plans for assisting guests who overindulge, such as contacting appropriate help. While some states are implementing these practices effectively, the majority of current consumption lounges are located on tribal lands, which operate under their own regulatory frameworks. Demonstrating robust safety measures and adherence to SOPs is essential for insurance approval, as carriers require clear evidence that operators are taking all necessary precautions to allow safe consumption.

Currier asked about the part of the Risk Strategies audit that inquires about the extent of liability exposure audits. Ortiz explained that Risk Strategies audits cannabis insurance policies by reviewing coverage limits and required safeguard warranties. Claims can be denied if operators lack necessary protections, like detectors in every room. Brokers often fail to clarify these obligations, leading to issues. Risk Strategies provides tailored checklists to help clients comply. Because cannabis insurance is sold on the secondary market, upfront payment or financed installments are required, unlike traditional insurance. Many clients seek their help after problems caused by non-specialist brokers and missed requirements, which audits help uncover and resolve.

Piciucco asked what the primary reasons are for declining coverage and if these were more likely in specific locations or lines of business. Ortiz said that insurance coverage for cannabis businesses is often declined due to poor claims history, requests for commercial auto coverage with risky driving or credit backgrounds, and operating from a home office, which triggers a residential exclusion. Exceptions are made if the cannabis operation is at least 50 feet from a residence, such as a detached garage.

Collins asked about premium rates and coverage limits in high-risk areas. She also asked if the market is expanding, contracting, or stabilizing. Ortiz said that rates depend mainly on a cannabis operator's claims history. Clean records allow for negotiation and stable rates, but multiple or large claims lead to increased rates and fewer carriers offering coverage. In such cases, he and his team conduct site walkthroughs to recommend preventative measures, such as unblocked exits, proper airflow, and documented safety protocols for lighting, including bulb changes to prevent fires. Ortiz also noted that more insurance carriers are entering the cannabis market as it grows, with legalization in 40 states and many operators still developing. He emphasized high earnings potential due to required coverage but cautioned against new carriers offering low rates, warning that a major claim could put these companies out of business and leave claims unpaid. Special consideration is needed before working with new entrants, as they may exit the market quickly when challenged.

Piciucco asked how insurers are responding to the THC-infused beverage space. Ortiz said the challenge for THC-infused beverage manufacturers is that insurance carriers categorically decline coverage for any caffeinated products, including energy drinks. Carriers also avoid products exceeding the 10% THC threshold per serving, though some manufacturers circumvent this by adjusting serving sizes. Certain ingredients remain uninsurable regardless of formulation. Whereas only one carrier offered coverage two years ago, there are now approximately seven, with four having longstanding experience in the cannabis sector. Even with this expansion, beverage manufacturers are excluded from cargo insurance and must use care, custody, and control policies to protect inventory in transit or with third parties, particularly in states like Texas, where local production is prohibited.

Beau Whitney (Whitney Economics) stated he has published a comprehensive U.S. cannabis and hemp beverage report detailing the growth of the THC beverage industry. The report was released in early September 2025 and is available for free download.

4. Heard an Update on Cannabis-Related Federal Activities

Alex Swindle (NAIC) said that the MORE Act (H.R. 5068), which seeks to decriminalize and deschedule cannabis, has attracted 53 cosponsors, but none are Republicans, making its progress unlikely. The financial year 2026 Commerce, Justice, Science (CJS), and Related Agencies appropriations bill advanced by a 34-28 vote. It includes language that would prohibit the Department of Justice (DOJ) from using federal funds to remove cannabis from Schedule I of the Controlled Substances Act, where it remains listed alongside heroin, LSD, and ecstasy. This provision follows an Aug. 28 letter from nine Republican members of Congress to the President and Attorney General Bondi, urging them to reject cannabis rescheduling.

Additionally, the DOJ rescinded several Biden-era draft rules on cannabis research and hemp testing last month, adding to regulatory uncertainty. One withdrawn draft rule would have streamlined licensing and access for researchers, while another would have allowed hemp-testing labs under the 2018 Farm Bill to operate without full Drug Enforcement Agency (DEA) registration. As a result, researchers face delays in starting new studies, hemp labs are subject to higher costs, and insurers lack federally approved data on cannabis risks. Overall, federal cannabis policy remains stalled, with Congress restricting DOJ rescheduling efforts, continued Republican opposition, and the rollback of rules that would have supported research and testing.

Having no other business, the Cannabis Insurance (C) Working Group adjourned.

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Draft: 12/16/25

Title Insurance (C) Working Group
Hollywood, Florida
December 11, 2025

The Title Insurance (C) Working Group of the Property and Casualty Insurance (C) Committee met Dec. 11, 2025. The following Working Group members participated: Chuck Myers, Chair (LA); Connie Van Slyke, Vice Chair (NE); Lori Dreaver Munn and Molly Nollette (AZ); Angela King and Pratima Lele (DC); Joe Hart and Anoush Brangaccio (FL); Grant Shintaku (HI); Travis Grassel (IA); Matt LeLong (ID); Jim Easton (IN); Craig VanAalst (KS); Maryam David (MD); Robert Croom (NC); John Arnold (ND); Laura Baca (NM); Tom Botsko (OH); Erin Wainner (OK); Richard L. Hendrickson and Michael McKenney (PA); Beth Vollucci (RI); Thomas Baldwin (SC); Tony Dorschner (SD); Angela Crooker and Scott A. White (VA); and Mary Block and Rosemary Raszka (VT). Also participating were: Sandra Darby (ME); Emily Marsh and Will Kirby (TN); and Marianne Baker (TX).

1. Adopted its Nov. 12 Minutes

The Working Group met Nov. 12 and took the following action: 1) adopted its Sept. 11 minutes; and 2) exposed the proposed revisions to the *Title Insurance Shopping Tool Template* (Shopping Tool) for a 14-day public comment period ending Nov. 26.

Botsko made a motion, seconded by VanAalst, to adopt the Working Group's Nov. 12 minutes (Attachment Four-A). The motion passed unanimously.

2. Received a Summary of the Changes Made in Response to Exposure Comments on the Shopping Tool

VanSlyke stated the drafting group finished implementing revisions to Shopping Tool based on exposure feedback. She thanked Brenda J. Cude (University of Georgia), as well as Michigan, Maryland, and the American Land Title Association (ALTA), for their valuable revision suggestions. Most recommendations were incorporated unless they added too much detail for consumers or impacted neutrality. She advised that a few last-minute edits were made to correct typos and improve readability, to change the terminology in the section discussing attorney opinion letters (AOLs) from "if the AOL claims" to "if the AOL states," and to include a note advising states to reference applicable title alternative bulletins.

Key revisions to the exposure draft were redlined and provided in the materials. Revisions include that most titles are now phrased as questions, and the term "home" has been replaced with "property." The homeowners policy drafting note was moved from the introduction to the owner's policies section. An endorsement example was removed from the discussion on title insurance types, and an additional example was added to clarify what title insurance does not cover. The drafting note to use "producer" instead of "agent" was deleted since "producer" is now included in the text. The section discussing AOLs was rewritten to differentiate the instrument from emerging products with insurance wrappers and to include a drafting note for states to add bulletin details. References to AOLs as "insured" or "standard" were removed, and "CPL fees" was updated to "CPL premiums/fees" to reflect terminology differences across jurisdictions. The section on the closing process now states that title policies protect heirs with a legal interest and that lenders may require a closing protection letter (CPL). Revisions compare title and homeowners insurance, noting that premiums are paid at renewal and highlighting the importance of policy review. Company names were omitted from fraud prevention steps. The cost comparison chart is now fillable, and the glossary has been revised for clarity to include additional terms and to eliminate duplicates.

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Hart asked why the definition of title insurance had been removed from the glossary, noting that as discussions about the topic increase, understanding how an AOL differs from title insurance would be valuable. He suggested the term remain in the glossary. Anne Obersteadt (NAIC) explained the drafting group removed it because "insurance" is already defined. Hart stated that a specific definition for title insurance, as a type of insurance, is necessary.

Myers shared that the drafting group had debated whether to include both definitions and proposed restoring the title insurance definition that had been previously deleted from the redlined Shopping Tool. Lele commented that including the term in the glossary seemed redundant since title insurance is already defined and explained within the Shopping Tool itself. Hart stated that consumers could benefit from a simple glossary entry clarifying that title insurance protects against legal ownership problems—even those undetectable by an attorney reviewing property records.

VanSlyke stated that the definition of title insurance is in the opening paragraph on the fourth page of the Shopping Tool and states that title insurance covers prior defects arising after buying or refinancing a property, except matters excluded by the policy terms. Myers asked if this broad definition was preferable to the more technical glossary definition that had been removed. Hart said he had no preference.

Easton reiterated that the drafting group deemed a title insurance definition in the glossary unnecessary since title insurance appears early and is discussed at length in the Shopping Tool. Hart said that if the definitions of insurance and title insurance were combined, it would not make sense, which shows that a separate definition for title insurance is necessary. The glossary definition could reference the definition on the fourth page. Easton said this was a good idea. Lele said she recommends defining title insurance as "a contract that provides financial protection for *past* title problems that come up *after* you buy or refinance a property." This definition maintains readability by combining more general terms with the technical definition originally in the glossary.

Cude suggested defining title insurance in the glossary and removing "insurance" from the glossary. Myers stated he would like to retain the insurance definition. He asked if there were any objections to this and using Lele's definition. There were no objections.

Steve Gottheim (ALTA) stated that ALTA believes there should be a suggestion in the section discussing AOLs that explains if a consumer purchases an AOL, they might not be eligible for available discounts typically included in the title insurance contract, whether it is a simultaneous issue, a discount on a purchase, or a discounted reissue rate. For readability, detailed explanations are unnecessary, but consumers should be made aware that if they choose this path, they may not qualify for other discounts available to them. ALTA also requests that the section on the attorney's opinion letter be revised to state that both its price *and content* are determined by the drafting attorney. Consumers should be aware that coverage or protection is not guaranteed by any regulatory process.

Lele noted that the section on AOLs mentions they are not regulated by insurance departments. Gottheim stated that consumers view AOLs more broadly than just price, but the current sentence structure implies price is the main focus, mainly because it discusses pricing before mentioning that attorneys set their own fees. Lele suggested moving the sentence in question upward to include it in the previous paragraph. Then, add a supplementary statement to clarify that the review covers forms and filings, as well as prices. Cude recommended using the wording, "The <state> Department of Insurance does not review the content of AOLs or regulate them in any other way." Lele, incorporating Cude's and ALTA's suggestions, recommended revising the third and fourth paragraphs to:

> "The letters do not typically cover fraud, forgery, or liens that aren't in public records. If there is a problem with the title, the attorney who drafted the letter does not pay your legal costs and expenses to fix the

> problem. You will pay the costs to research and resolve the issue. The attorney who drafts the letter determines the price of the AOL.
>
> State insurance departments do not regulate the contents, form, or pricing of attorney opinion letters. Title insurance is primarily regulated at the state level, and state insurance agencies may license title insurance companies, review and approve forms and rates."

There were no objections.

Additionally, Gottheim stated that ALTA appreciates that the Shopping Tool notes an AOL does not cover fraud or forgery. ALTA would like to present data and research conducted by Milliman at a future meeting. Milliman's research focused on the prevalence of fraud and forgery claims, finding that they are among the most common claims paid out by the industry each year. In refinance transactions, 40% of claims in the refinance book are related to fraud and forgery. These claims are also the most expensive claims the title industry encounters. They are approximately seven times more costly than typical title claims, often exceeding six figures in a refinance transaction, with an average well over $200,000 nationwide.

Crooker said the drafting group discussed the simultaneous issue discount in an earlier section covering the cost of policies and that it would be redundant. She suggested adding a call-out box that says, "If you're considering an AOL, check the 'What Does a Title Ins Policy Cost?' section for costs and discounts, and use the cost chart to compare options." This would remind the consumer that the discount is available without directly steering them and maintaining a neutral approach. There were no objections.

3. <u>Adopted the Revised Shopping Tool</u>

Easton made a motion, seconded by Munn, to adopt the revised Shopping Tool with the following revisions implemented:

- Add title insurance to the glossary and define it as "a contract that provides financial protection for past title problems that come up *after* you buy or refinance a property."

- In the 'What is an AOL' section,' move "The attorney who drafts the letter determines the price of the AOL." from the first sentence in the fourth paragraph to the last sentence in the third paragraph. Also, revise the fourth paragraph to "State insurance departments do not regulate the contents, form, or pricing of attorney opinion letters. Title insurance is primarily regulated at the state level, and state insurance agencies may license title insurance companies, review and approve forms and rates."

- In the 'What are Alternatives to Title Insurance' section, add a call-out box that says, "If you're considering an AOL, check the 'What Does a Title Insurance Policy Cost?' section for costs and discounts, and use the cost chart to compare options."

The motion passed unanimously.

4. <u>Heard About Bulletins for Title Alternative Products</u>

Crooker stated that the Virginia Bureau of Insurance released a bulletin on Sept. 9 about alternatives to title insurance. The bulletin informs consumers that AOLs are being offered as substitutes for title insurance. However, these letters do not—and legally cannot—provide the same protection as title insurance. The main goal of the bulletin was to raise awareness and educate consumers. The Bureau was concerned about the new AOL products and how they might affect consumers, especially if they are unaware of what they are buying. The bulletin was written with consumers in mind, serving as a warning or guidance to the industry about emerging and evolving products that may not be properly licensed.

The drafting group for the bulletin reviewed publicly available materials on alternative products, including online advertisements, and based its position on the Code of Virginia and laws regulating the insurance business. They took a back-to-basics approach, concentrating on the legal framework, specific definitions, and advertisements relevant to Virginia. The reception of their position has been positive, with good feedback from the industry and associations, though consumer feedback was limited. AOLs traditionally avoid being subject to the insurance regulatory framework because they do not transfer the risk of loss related to property titles. However, the Bureau has become aware that some entities were offering these products, which prompted a comparison of protections between AOLs and title insurance.

The Code of Virginia clearly defines title insurance as any product that protects against losses caused by liens, encumbrances, defects in the title, or other issues affecting the title or the right to use and enjoy the property. Title insurance also covers the condition of the title and the status of any existing liens. These key definitions were used when comparing product advertisements to shape their stance. The Code explicitly prohibits a company from writing a class of insurance unless it has a license from the Virginia Bureau of Insurance to do so. Furthermore, if an insurer is licensed to write title insurance, it cannot be licensed to write any other class of insurance, making it a monoline insurer. Therefore, unlicensed products could potentially violate these code sections.

Myers asked what steps the Bureau is taking to raise awareness of the bulletin. Crooker stated the letter was recently distributed by e-mail to all licensed insurance companies, licensed producers, and licensed settlement agents. Therefore, if a consumer were to ask a licensed agent, the information would be available. However, since many consumers may not be aware of the bulletin, the Bureau is likely to increase consumer outreach in 2026 by distributing it at fairs and making it more prominent on its website.

Marsh and Kirby stated that this is not a new issue or something novel to Tennessee. It has been discussed in the Title Insurance (C) Working Group and the subject of litigation in various states. The intent of the presentation is not to give the final word on the topic, but rather to simply show the result of Tennessee's research and to provide its take on AOLs solely from the perspective of answering the question: "Do attorney opinion letters constitute insurance in Tennessee?" The bulletin was issued for consumer protection, especially since many consumers do not understand the differences between AOLs and title policies. The bulletin does not seek to ban AOLs or alternative title products generally in Tennessee. Tennessee law does allow AOLs, but only when they stay within statutorily defined boundaries.

The bulletin begins with an explanation of how AOLs fit into the context of Tennessee title insurance law. It states, "some AOLs may be permissible and not subject to regulation as insurance." Whether an AOL constitutes insurance in Tennessee depends on the terms of the AOL and the services or coverage provided to the beneficiary.

The bulletin then outlines the legal framework used to answer the question and assist in making that fact-specific determination. It references the definition of a "contract of insurance" and highlights the exception for "title-related activities" in TCA 56-35-102. These include creating title abstracts, conducting title searches, and verifying the accuracy of those abstracts and searches. However, there is a clear statement that these activities are exempted only so long as they do not take the form of, and are not, in fact, an insurance of the title to, or encumbrances on, real estate. This provides clear boundaries for this exemption, which becomes important later on. Finally, it highlights the service-indemnity test from the H&R Block case, as decided by the Tennessee Court of Appeals. The key phrase from that test is whether the "core essence" of the contract is service or indemnity. This is important case law to consider any time the question in Tennessee arises of whether a product constitutes insurance.

After laying out this framework, the bulletin provides a nonexhaustive list of factors that would make an AOL more likely to be considered insurance. This includes coverage for losses caused by events outside the issuing attorney's control. Said alternatively, it provides indemnification for a loss caused by a fortuitous event, which is a core tenet of insurance. The bulletin concludes by restating that it is a fact-specific analysis that should be done on a case-by-case basis in the context of Tennessee title insurance law. This reflects that the bulletin is not banning or limiting AOLs. It is just clarifying their role within existing law to ensure they stay within prescribed statutory boundaries.

Issues not in the bulletin, but identified during research, were that some products reviewed provided gap coverage or indemnification for losses incurred between the loan closing and the recordation of the documents. These products also provided more traditional AOL services that fell within our exemption for title-related activities. This led to the question of why these AOLs went beyond those services and risked running into state insurance laws. The answer was found in the selling guidance for the Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac), which specifies that coverage must be provided for the "gap" period between closing the mortgage and recording the loan documents.

5. Heard a Presentation on the Findings from the Academy's Title-Related Research

Steve Jackson (American Academy of Actuaries—Academy) stated that the Academy has updated its title-related research to include 2024 data, which has expanded the analysis beyond the 2023 data previously used. The focus of its recent work centered on developing a labor cost index and conducting a multivariate analysis to identify and measure the main drivers of expenses per policy and per insured amount for title insurance companies.

The labor cost index was designed to account for variations in labor expenses across different states. Using Bureau of Labor Statistics data, the team calculated the average annual wages of title examiners, abstractors, and searchers for each state and year, comparing them to the national average (where a value of 1 signified parity with the national average; values above or below 1 indicated higher or lower costs, respectively). Each company's labor cost index was then calculated as a weighted average based on where the company issued policies, reflecting the cost environment unique to each company's operations on an annual basis. For the 17 companies analyzed, both the mean and median labor cost indexes exceeded 1, indicating that these companies were issuing policies in higher-than-average cost states overall.

The research shifted from analyzing simple medians and trends to applying a comprehensive multivariate regression analysis, which enabled the team to isolate the effect of each factor while controlling for others. Statistically significant results showed that the percentage of commercial business a company conducts has a notable impact on expenses per policy: A higher share of commercial business leads to increased expenses. This was quantified by comparing companies at the 25th and 75th percentiles of commercial business share and then expressing the expense difference as a proportion of the maximum observed value—demonstrating that commercial business share accounts for about 5% of the maximum policy expense.

Labor costs also consistently contributed to higher expenses, while the analysis revealed an important dynamic between personnel expenses and external search, examination, and abstract costs. Companies with higher internal personnel expenses tended to have lower outside (contracted) expenses and vice versa. The data showed that higher personnel expenses increased total costs. However, a greater reliance on contracted services actually reduced overall expenses. This finding highlighted differences in company business models.

Although these results appeared strong, they are not yet definitive, and further investigation and consultation with industry participants are necessary. Similar patterns were observed when analyzing expenses per thousand dollars of insured amount. Moving forward, the Academy plans to produce detailed papers—including technical appendices and a peer-reviewed journal submission—to analyze additional data from three states and explore new data sources, thereby refining its understanding. They also noted the particularly significant role of the commercial-versus-residential business mix, which was not fully captured in current expense data.

Having no further business, the Title Insurance (C) Working Group adjourned.

SharePoint/NAIC Support Staff Hub/Committees/C CMTE/2025 Fall/Title/National Meetings

Draft: 11/17/25

Title Insurance (C) Working Group
Virtual Meeting
November 12, 2025

The Title Insurance (C) Working Group of the Property and Casualty Insurance (C) Committee met Nov. 12, 2025. The following Working Group members participated: Chuck Myers, Chair (LA); Alex Reno (AK); Erick Wright (AL); Angela King (DC); Jeffrey Joseph (FL); Kathleen Nakasone (HI); Shannon Hohl (ID); Jim Easton (IN); Julie Holmes (KS); Maryam David (MD); Robert Croom (NC); Blaine Bergstedt (ND); Laura Baca and Mickey VanCuren (NM); Erin Summers (NV); David Barney (OH); Erin Wainner (OK); Karissa Skotedis (PA); Patrick Smock (RI); Ryan Basnett (SC); Tony Dorschner (SD); Angela Crooker (VA); and Rosemary Raszka (VT).

1. Adopted its Sept. 11 Minutes

The Working Group met Sept. 11 and took the following action: 1) adopted its April 21 meeting minutes; 2) received an update on the drafting of revisions to the *Title Insurance Shopping Tool Template*; 3) heard an update on the regulatory developments from the National Settlement Services Summit (NS3); and 4) heard a presentation on the American Academy of Actuaries' (Academy's) title-related research.

Wright made a motion, seconded by Easton, to adopt the Working Group's Sept. 11 minutes (Attachment Four-A1). The motion passed unanimously.

2. Received an Overview of the Proposed Revisions for the *Title Insurance Shopping Tool Template*

Myers said the drafting group was finished with its proposed changes to the *Title Insurance Shopping Tool Template* (Shopping Tool). The Shopping Tool is designed to serve as an educational resource for consumers that states can customize. It was last revised in 2021 to include information about closing protection letters. Because the new revisions are quite substantial, a red-lined version was not included. Once adopted, the NAIC Communications team will transfer the Shopping Tool content into their software template and recreate the graphics using professional tools.

Key revision objectives included expanding content on attorney opinion letters, emerging fraud schemes, title protection tools, and affiliated business arrangements. Enhancing readability through the use of visuals, simplified explanations, and plain language was also prioritized. The material was streamlined to concentrate primarily on title insurance, omitting extensive detail on the home-buying process and homeowners insurance, as these topics are addressed in the NAIC's *Homeowners Insurance Shopping Tool*. References and a link to this guide were provided for further information. Additionally, the content was reorganized to ensure logical progression, providing a clearer understanding of the title insurance process for consumers. The pages containing suggested questions and a cost comparison chart have been relocated to the back of the shopping tool for consumer use as a printable toolkit. The last page introduces a new glossary defining key terms.

3. Exposed the Proposed Revised NAIC *Title Insurance Shopping Tool Template*

Easton made a motion, seconded by King, to expose the proposed revised NAIC *Title Insurance Shopping Tool Template* for a 14-day comment period ending Nov. 26. The motion passed unanimously.

Myers stated the goal is to consider the updated template for adoption at the Fall National Meeting. He requested that all comment submissions be made promptly by the deadline of Nov. 26, to ensure the Working Group has adequate time to review the feedback received and make any necessary updates to the template.

4. Discussed Other Matters

Myers said that the Working Group will be meeting in person on Thursday, Dec. 11, at 9:30 a.m. ET in the Atlantic Ballroom in the Convention Center during the Fall National Meeting. The meeting will be hybrid for those unable to attend in person.

Having no further business, the Title Insurance (C) Working Group adjourned.

SharePoint/NAIC Support Staff Hub/Member Meetings/C CMTE/2025/TITLE/11-TitleWG.docx

Draft: 9/16/25

Title Insurance (C) Working Group
Virtual Meeting
September 11, 2025

The Title Insurance (C) Working Group of the Property and Casualty Insurance (C) Committee met Sept. 11, 2025. The following Working Group members participated: Chuck Myers, Chair (LA); Connie Van Slyke, Vice Chair (NE); Kelli Patterson and Sian Ng-Ashcraft (AK); Erick Wright (AL); Lori Dreaver Munn and Tom Zuppan (AZ); Angela King (DC); Anoush Brangaccio, Joe Hart, and Jeffrey Joseph (FL); Kathleen Nakasone (HI); Doug Ommen (IA); Dean L. Cameron (ID); Jim Easton (IN); Julie Holmes (KS); Megan Senior (MD); Tracy Biehn and Robert Croom (NC); Blaine Bergstedt (ND); Laura Baca (NM); Erin Summers (NV); David Barney (OH); Erin Wainner (OK); Michael Humphreys and Mark Lersch (PA); Patrick Smock (RI); Tony Dorschner (SD); Dan Bumpus and Angela Crooker (VA); and Karen Ducharme (VT). Also participating was: Cholyong Kim (MI).

1. Adopted its April 21 Minutes

The Working Group met April 21 and took the following action: 1) reviewed its 2025 work plan; 2) heard a presentation from October Research on its role in educating title and settlement service professionals; 3) heard a presentation from the American Land Title Association (ALTA) on federal policy impacts; and 4) received an update on the Working Group's chair and vice chair's April 16 meeting with title agents and settlement service providers.

Easton made a motion, seconded by Smock, to adopt the Working Group's April 21 minutes (*see NAIC Proceedings – Summer 2025, Property and Casualty Insurance (C) Committee, Attachment Three*). The motion passed unanimously.

2. Received an Update on the Title Insurance Shopping Tool Template

Van Slyke said the drafting group is currently working on updates to the NAIC Title Insurance Consumer Shopping Tool Template, which was last revised in 2021. This tool is designed as an educational resource that individual states can customize to meet their needs. Its primary purpose is to help consumers understand the basics of title insurance, provide shopping tips, and set expectations for the closing process.

During the first meeting in May, the drafting group identified areas for improvement in the template. These included adding content on attorney opinion letters (AOLs), addressing new market fraud schemes, explaining title protection tools, covering affiliated business arrangements (ABAs), and revising or relocating the subsection on closing protection letters (CPLs). Additionally, there was agreement on the need to enhance the overall readability and usefulness of the tool.

Over the course of nine additional working sessions, the group has completed its proposed content additions. The updates describe attorney opinion letters to ensure consumers understand them and how they differ from traditional title insurance. Fraud information has been updated to include emerging schemes that leverage artificial intelligence (AI), such as deep fakes. The tool also now explains available title protection options and mortgage surveillance services. Details have been added on affiliated business arrangements, emphasizing their role in kick-back settlements and highlighting consumers' rights under the Real Estate Settlement Procedures Act (RESPA). Drafting note guidance for the closing protection letter section was revised to address the varied coverage requirements across states.

The drafting group is now focused on readability and usefulness revisions. Thus far, it has simplified language, consolidated sections, restructured the layout, and prepared a printable toolkit to make the resource more accessible and user-friendly. The drafting group's next step is to incorporate graphics and prepare it to be presented to the Working Group for feedback and possible exposure.

3. Heard an Update on the Regulatory Developments from the NS3 Conference

Myers provided key regulatory highlights from this year's National Settlement Services Summit (NS3), which took place June 16–18 in Pittsburgh, PA. The conference covered a range of topics, including AI, new regulations, fraud trends, RESPA scrutiny, bank-title partnerships, technology, business continuity, cybersecurity, and real-time payments.

Speakers pointed out increased RESPA enforcement, especially around improper affiliated business arrangements (ABAs) involving undervalued ownership stakes and pricey event tickets. State attorneys general are getting more involved since the Consumer Financial Protection Bureau (CFPB) has slowed down new initiatives. While the new CFPB leadership is focused on lowering consumer costs and boosting economic growth, ongoing political and legal shifts mean future RESPA interpretations, especially related to ABAs, are still up in the air.

As the Louisiana Department of Insurance Property and Casualty Deputy Commissioner and chair of the Working Group, Myers participated in several events, including the Industry Round Table, the first-ever Meet Your Regulator event, and the Regulator Panel.

The Industry Round Table is a three-hour, closed-door session where industry leaders have open conversations about current challenges, key insights, and ways to work together for better efficiency, compliance, and consumer confidence. Some of the main discussion topics were regulatory enforcement and investigations, title insurance alternatives (like attorney opinion letters), lender liability and risk management, technology and security, and general business operations. To keep the conversation candid, October Research does not record these sessions.

The first-ever "Meet Your Regulator" at NS3 gave attendees a relaxed way to chat directly with regulators. Myers was joined by Crooker, Susan Apel (Office of Pennsylvania Attorney General, Bureau of Consumer Protection), Susan Nicolson (Arizona Department of Real Estate—ADRE), Wendy Penn (Mortgage Bankers Association—MBA), and Amy Schaftlein (United Housing Inc./Convergence Memphis). Each hosted a table, so attendees could pick who they wanted to talk to.

While there, Myers learned that the Mortgage Industry Standards Maintenance Organization (MISMO) is wrapping up a new title insurance pricing tool. He connected with MISMO's AP1 working group and invited them to review the Title Insurance (C) Working Group's draft shopping tool.

During the regulator panel, Apel spoke about how Pennsylvania tackles deceptive real estate deals and works with other states to stop unfair practices. Myers updated everyone on the Working Group's progress, including the shift from a Task Force to a Working Group, and stressed the importance of regulators working together to keep the industry strong.

Myers recommended that the NS3 coordinator start reaching out to other state regulators early for next year's panels, since registration opens in January. To help those with limited travel budgets, he also suggested making the Meet Your Regulator event hybrid. He encouraged those in the Working Group to consider attending.

4. <u>Heard a Presentation on the Academy's Title-Related Research</u>

Steve Jackson (American Academy of Actuaries—Academy) presented preliminary findings from its ongoing research into the drivers of pre-policy issuance expenses in the title insurance industry. The study aims to identify the factors contributing to costs incurred before issuing title insurance policies, using these insights as clues for further investigation. A more comprehensive report is expected to be ready to be presented during the NAIC 2025 Fall National Meeting.

The research is structured in multiple phases. The first phase analyzes annual statement data from title insurance companies, focusing on direct operations where expense breakdowns are reliable. Agency operation data is less trustworthy for this purpose. The team also plans to incorporate data from three states that publicly report both direct and agency operations. Phase two will expand the scope to include additional data and more in-depth stakeholder conversations to uncover context behind the numbers.

A central focus is on efficiency, measured as expenses per policy and expenses per thousand dollars of insured amount. The study distinguishes between the four largest insurance groups and nine medium-sized companies that consistently reported data. This separation allows for more accurate comparison and trend analysis over time, specifically from 2012 to 2023.

Key findings so far indicate that expenses per policy have increased over the study period. For the largest groups, these expenses rose by about 6.5% per year (inflation-adjusted), while medium-sized companies saw a 3.5% annual increase. There is considerable year-to-year variation, and the increases are not always steady or linear. Expenses per thousand dollars of insured amount remained flat for the largest groups but increased by about 2% annually for medium-sized companies.

To identify what drives these rising costs, the research looked at four main factors: number of policies issued, insured amount per policy (policy size), and the mix between residential and commercial policies—both by count and insured amount. The number of policies does not appear to be linked to increased expenses per policy. However, policy size shows some correspondence, especially for the largest groups, though the trend may be heavily influenced by recent post-pandemic years. The mix of business is particularly noteworthy: the share of commercial policies has risen for both large and medium-sized companies, and this shift is associated with higher expenses. For the largest groups, the proportion of commercial policies doubled from 10% to 20%, and their share of total insured amounts rose from 52% to 67%. Medium-sized companies saw a smaller shift.

The data suggests that the increasing complexity and size of commercial policies are likely significant drivers of rising expenses per policy, especially for the largest insurers. For medium-sized companies, the relationship is present but less pronounced.

Next steps for the research include adding 2024 data, examining the impact of state-level cost differences, and exploring various business models, such as reliance on external production services and direct operations. The Academy plans to perform company-level analyses and, if feasible, multivariate statistical modeling to better understand how multiple factors interact.

In summary, the preliminary findings show that expenses per policy are rising, primarily driven by an increasing share of commercial business and larger policy sizes. The team cautions that conclusions are limited by data variability and the scope of current analysis. Further work, including expanded data and advanced statistical techniques, is planned to provide more definitive answers in the next report.

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Easton asked if any analysis has been done on the increase in home prices as a potential driver of both expenses and the size of insured amounts. Jackson said market conditions will be incorporated into the next research step. This will include the price of homes and original versus refinancings of homes.

Myers asked if there is a way to break out the lenders' owners when reviewing the combined policies to show how those two policies make up the total policy numbers presented. Jackson said he did not think this was possible but would confirm. Easton suggested obtaining owner versus lender policy data from underwriters. Jackson responded that the Academy mainly relies on NAIC annual statements and lacks the resources to survey all states but will try to get the information if possible.

Birny Birnbaum (Center for Economic Justice—CEJ) commented that rising home prices should correspond with lower expenses per policy since only a small portion of the premium, approximately 4%, is allocated to risk. Jackson clarified that the Academy's analysis focuses solely on expenses per policy, not premiums. Thus, this factor is not included in the Academy's current analysis.

Roland Love (Independence Title) asked if the Academy has broken out fixed versus variable expenses. Jackson said it has talked about it and would look further into it.

Kim inquired whether the Academy can distinguish policies between split and non-split closings. Jackson responded that he has not yet identified a way to accomplish this but will investigate further. He acknowledged the additional suggestions, noting that some had been previously considered and that all proposals will be reviewed to determine feasibility.

Having no further business, the Title Insurance (C) Working Group adjourned.

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Draft: 12/9/25

Transparency and Readability of Consumer Information (C) Working Group
E-Vote
December 2, 2025

The Transparency and Readability of Consumer Information (C) Working Group of the Property and Casualty Insurance (C) Committee conducted an e-vote that concluded Dec. 2, 2025. The following Working Group members participated: George Bradner, Chair (CT); Jimmy Gunn (AL); Ken Allen (CA); Angela King (DC); Julie Rachford (IL); Julie Holmes (KS); Ron Henderson (LA); Jeana Thomas (MO); Angela Hatchell (NC); Roger Hayashi (NV); Jennifer Ramcharan (TN); and Marianne Baker (TX).

1. Adopted its Sept. 23 Minutes

The Working Group considered adoption of its Sept. 23 minutes. During this meeting, the Working Group discussed the drafting of *A Shopping Tool for Homeowners Insurance*.

A majority of the Working Group members voted in favor of adopting the Working Group's Sept. 23 minutes (Attachment Five-A). The motion passed.

Having no further business, the Transparency and Readability of Consumer Information (C) Working Group adjourned.

Draft: 11/13/25

Transparency and Readability of Consumer Information (C) Working Group
Virtual Meeting
September 23, 2025

The Transparency and Readability of Consumer Information (C) Working Group of the Property and Casualty Insurance (C) Committee met Sept. 23, 2025. The following Working Group members participated: George Bradner, Chair, and Kristin Fabian (CT); Linda Beard (AK); Ken Allen (CA); Julie Rachford (IL); Sara Zuniga (KS); Ron Henderson, Nina Hunter, and Kallie Ruggiero Somme (LA); Daniel Bryden (MN); Jeana Thomas (MO); Angela Hatchell (NC); Roger Hayashi (NV); Tricia Goldsmith (OR); Jacquie Fortenberry, Mary Freeman, and Jennifer Ramcharan (TN); Marianne Baker (TX); and Mike Kemlock (WV). Also participating were: Jessica Luff (DE); Richie Frederick and Whitney Herrington (FL); Stephanie Clayton (ID); Jackie Horigan (MA); Renee Campbell, Laurie Dyke, and Joe Keith (MI); Tynesia Dorsey (OH); Rachel Chester (RI); Kelly Christensen (UT); and Manabu Mizushima (WA).

1. <u>Discussed the Drafting of *A Shopping Tool for Homeowners Insurance*</u>

The Working Group set up three drafting groups for drafting updates to the NAIC's *A Shopping Tool for Homeowners Insurance* document. Group one will draft the "Questions to Ask Your Agent About Insurance" section. The second group will draft the "Basic Insurance Definitions" section, and the third group will draft the "What Agents Need From You?" section.

Rachford volunteered to lead the "What Agents Need From You" section. Thomas and Zuninga volunteered to lead the "Basic Insurance Definitions" section, and Bradner will lead the "Questions to Ask Your Agent" section.

Group one volunteers who will help draft the "Questions to Ask Your Agent About Insurance" section include: Bradner (lead), Allen, Baker, Beard, Buono, Fabian, Kemlock, King, Main, Lisa Brown (American Property Casualty Insurance Association—APCIA), Ken Klein (CA Western School of Law), and Erica Weyhenmeyer (National Association of Mutual Insurance Companies—NAMIC).

Group two volunteers who will help draft the "Basic Insurance" section include: Thomas (lead), Allen, Beard, Hatchell, Herrington, Hunter, Kemlock, Munn, Ramcharan, Zuniga, Brown, Klein, and Weyhenmeyer.

Group three volunteers who will help draft the "What Agents Need From You" section include: Rachford (lead), Allen, Goldsmith, Hatchell, Hayashi, Hunter, Sloper, Brown, Klein, and Weyhenmeyer.

Brenda J. Cude (University of Georgia) will help all groups with the wording in the drafts.

Meetings will begin in October. A SharePoint site is set up for drafting group members to draft at their convenience. Drafting group members can make changes or provide comments in the document.

Sara Robben (NAIC) showed the drafting groups the SharePoint site that will be used for the drafting process. The SharePoint site also includes resources from other states. Robben will set up the drafting group members with access to the SharePoint site. Each drafting group will meet at least three times prior to Thanksgiving week. The Working Group will hold a call following Thanksgiving to review the final documents.

Having no further business, the Transparency and Readability of Consumer Information (C) Working Group adjourned.

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2025 Updated Template

COMPANY INFORMATION						**COMPOUNDING VARIABLES**				
NAIC Company Code	Company Name	Contact Name	Contact Title	Contact Phone Number	Contact Email Address	Reporting Year **(2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025)**	State Abbreviation	Zip Code	**(~~DF~~, DP1, DP2, DP3, HO1, HO2, HO3, HO4, HO5, HO6, HO7, HO8, Other)**	New or Renewed Policies for Reporting Year **(New, Renewed)**
						Collecting two additional years.			Additional policy types for 2025.	

2025 version: 112 proposed columns
2024 version: 82 columns

PART I: PREMIUM, COVERAGE, AND DEDUCTIBLE INFORMATION FOR POLICIES IN FORCE (PIF)

Written Premium In-Force	Count of PIF	Coverage A Aggregate Limits	Coverage B Aggregate Limits	Coverage C Aggregate Limits	Coverage D Aggregate Limits	Count of PIF Not Providing Wind Coverage	Count of PIF Not Providing Wildfire Coverage	Count of PIF Not Providing Earthquake Coverage	Count of PIF Not Providing Cosmetic Damage on Roof	Count of PIF Not Providing Cosmetic Damage on Siding	Count of PIF or Endorsements with Earthquake Coverage	Aggregate Premium for Earthquake Coverage
	Change from House Months in Prior Data Call											

Count of PIF with Wind Endorsement	Aggregate Premium for Wind Endorsement	Count of PIF with Standalone Wind Coverage	Aggregate Premium for Standalone Wind Coverage	Count of PIF with RC Coverage on Dwelling	Count of PIF with ACV Coverage on Dwelling	Count of PIF with RC Coverage on Roof	Count of PIF with ACV Coverage on Roof	Count of PIF with RC Coverage on Siding	Count of PIF with ACV Coverage on Siding

Based on Coverage A Amount							For All Peril Policies					
							For Policies Using Fixed-Dollar Deductibles			For Policies Using Percentage Deductibles		
Count of PIF with 100% RC	Count of PIF with Extended Replacement Cost greater than 100% but less than or equal to 125%	Count of PIF with Extended Replacement Cost Greater than 125%	Maximum % RC Written	Aggregate All Perils Policy Deductible	Aggregate Tropical Cyclone/Hurricane/Named Storm Deductible	Aggregate Wind/Hail Deductible	Count of PIF with $500 or Lower Deductible	Count of PIF with Deductible between $500 and $2,000	Count of PIF with $2,000 or Greater Deductible	Count of PIF with 2% or less Deductible	Count of PIF with Deductible between 2% and 5%	Count of PIF with 5% or Greater Deductible

For Tropical Cyclone/Hurricane/Named Storm Deductibles						**For Wind/Hail Deductibles**					
For Policies Using Fixed-Dollar Deductibles			**For Policies Using Percentage Deductibles**			**For Policies Using Fixed-Dollar Deductibles**			**For Policies Using Percentage Deductibles**		
Count of PIF with $500 or Lower Deductible	Count of PIF with Deductible between $500 and $2,000	Count of PIF with $2,000 or Greater Deductible	Count of PIF with 2% or less Deductible	Count of PIF with Deductible between 2% and 5%	Count of PIF with 5% or Greater Deductible	Count of PIF with $500 or Lower Deductible	Count of PIF with Deductible between $500 and $2,000	Count of PIF with $2,000 or Greater Deductible	Count of PIF with 2% or less Deductible	Count of PIF with Deductible between 2% and 5%	Count of PIF with 5% or Greater Deductible

For Earthquake Deductibles							**DEDUCTIBLE INFORMATION**			
For Policies Using Fixed-Dollar Deductibles	**For Policies Using Percentage Deductibles**									
Count of PIF with any Fixed $ Deductible	Count of PIF with Deductible less than 5%	Count of PIF with Deductible 5% or greater and less than 10%	Count of PIF with Deductible 10% or greater and less than 15%	Count of PIF with Deductible 15% or greater and less than 20%	Count of PIF with Deductible 20% or greater and less than 25%	Count of PIF with 25% or Greater Deductible	Minimum Deductible for Fixed Deductible	Maximum Deductible for Fixed Deductible	Minimum Deductible for Percentage Deductible	Maximum Deductible for Percentage Deductible

PART II: CLAIMS AND LOSSES

Count of Paid Claims in Reporting Year	Losses Paid in Reporting Year	Count of Paid Claims for Fire, Not Including Wildfire, in Reporting Year	Losses Paid for Fire, Not Including Wildfire, in Reporting Year	Count of Paid Claims for Wind and Hail in Reporting Year	Losses Paid for Wind and Hail in Reporting Year	Count of Paid Claims for Water Damage and Freezing in Reporting Year	Losses Paid for Water Damage and Freezing in Reporting Year	Count of Paid Claims for Wildfire in Reporting Year	Losses Paid for Wildfire in Reporting Year	Count of Paid Claims for All Other Perils in Reporting Year	Losses Paid for All Other Perils in Reporting Year
		New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.

PART III: CANCELLATIONS AND NONRENEWALS								PART IV: MITIGATION DISCOUNTS FOR POLICIES IN FORCE (PIF)						
Count of Nonpayment Cancellations in Reporting Year	Count of Company Initiated Cancellations for Other Than Non-payment of Premium	Number of Company-initiated Cancellations That Occur in the First 59 Days After Effective Date of Policy	Number of Company-initiated Cancellations That Occur 60 to 90 Days After Effective Date of Policy	Number of Company-initiated Cancellations That Occur Greater Than 90 Days After Effective Date of Policy	Written Premium for Cancelled Policies in Reporting Year	Returned Premium for Cancelled Policies in Reporting Year	Count of Nonrenewals in Reporting Year	Count of PIF with State Required Mitigation Discounts	Count of PIF with State Required Fortified Standard Discounts	Average Percentage of State Required Fortified Standard Discounts	Count of PIF with State Required Wind Discounts	Average Percentage of State Required Wind Discounts	Count of PIF with State Required Fire/Wildfire Discounts	Average Percentage of State Required Fire/Wildfire Discounts
		New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.		New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.

Count of PIF with State Required Impact/Hail Discounts	Average Percentage of State Required Impact/Hail Discounts	Count of PIF with State Required Water Discounts	Average Percentage of State Required Water Discounts	Count of PIF with Non-State Required Mitigation Discounts	Count of PIF with Non-State Required Fortified Standard Discounts	Average Percentage of Non-State Required Fortified Standard Discounts	Count of PIF with Non-State Required Wind Discounts	Average Percentage of Non-State Required Wind Discounts	Count of PIF with Non-State Required Fire/Wildfire Discounts	Average Percentage of Non-State Required Fire/Wildfire Discounts	Count of PIF with Non-State Required Impact/Hail Discounts	Average Percentage of Non-State Required Impact/Hail Discounts	Count of PIF with Non-State Required Water Discounts	Average Percentage of Non-State Required Water Discounts
New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.	New for 2025.

Adopted by the Executive (EX) Committee and Plenary, Dec. __, 2025
Adopted by the Property and Casualty Insurance (C) Committee, Dec. 11, 2025
Adopted by the Homeowners Market Data Call (C) Task Force, Oct. 28, 2025

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DEFINITIONS FOR STATE REGULATOR

HOMEOWNERS MARKET DATA CALL October 14, 2025

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Dwelling Fire Policies – Policies that provide coverage for dwellings, other detached structures, and contents, caused by specified perils. It may also provide liability coverage and additional living expenses, and is usually written when a residential property does not qualify according to the minimum requirements of a homeowner's policy, or because of a requirement for the insured to select several different kinds of coverage and limits on this protection.

Include:

- Dwelling Fire and Dwelling Liability policies ONLY IF the policies written under these programs are for owner-occupied residential dwellings, not policies written for tenant-occupied dwellings, written under a commercial program and/or on a commercial lines policy form.

Homeowners Policies – Policies that provide comprehensive coverage for personal liability, medical payments, dwelling and other structures property damage, contents/personal property damage, and additional living expenses.

Include:

- Mobile/Manufactured homes intended for use as a dwelling regardless of where [or what line] on the Statutory Annual Statement state page associated premium is reported.
- Policies covering log homes, land homes, and site-built homes.
- Policies written on the HO-1, HO-2, HO-3, HO-4 HO-5, HO-6, HO-7 and HO-8 policy forms.

Exclude:

- Farmowners policies, as coverage is considered to be Commercial Lines for purposes of this data call.
- Umbrella policies.
- Lender-placed or creditor-placed policies.

If policies are written on different forms, match to the following:

- DP-1 (Basic Form) – Covers the dwelling structure and attached structures against specific named perils like fire, lightning, and windstorm.
- DP-2 (Broad Form) – Covers the perils included in DP-1, plus additional named perils such as falling objects, weight of snow, and vandalism.
- DP-3 (Special Form) – Offers "all-risks" coverage for the dwelling and attached structures. Covers all perils except those explicitly excluded in the policy, such as floods or earthquakes.

Homeowners Policy Forms:

- HO-1 (Basic Form) – Covers named perils such as fire, lightning, windstorm, and theft.
- HO-2 (Broad Form) – Covers additional named perils than HO-1, including falling objects and water damage from specific causes.
- HO-3 (Special Form) – Covers all perils except those explicitly excluded, such as floods or earthquakes.
- HO-4 (Renter's Form) – Covers unscheduled personal property on a broad named perils basis
- HO-5 (Comprehensive Form) – Provides comprehensive coverage, including open perils for both dwelling and personal property.
- HO-6 (Condo Owner's Form) – Covers the real property interest and the personal property of insureds who own a unit in a condominium or share an ownership interest in a cooperative building. Earthquake Loss Assessment Condo policies should not be included in this count.
- HO-7 (Mobile home/Manufactured Home Form) – Covers mobile home and manufactured home structures on an open perils basis, personal property is covered on a named perils basis. Policies written on other forms that cover mobilehomes/manufactured homes should be reported as HO-7.
- HO-8 (Modified Coverage) – Provides limited coverage for older or high-risk homes.
- Other – Specially designed coverage forms, including wind only policies.

If data elements are not applicable to certain policies, such as renters or other, please leave those columns blank.

Coverage A – Dwelling: Provides coverage for damage to the dwelling and/or other attached structures caused by an insured peril.

Coverage B – Other Structures: Provides coverage for damage to other detached structures on the residence premises (1) separated from the dwelling by a clear space or (2) connect to the dwelling by a fence, wall, wire, or other form of connection but not otherwise attached caused by an insured peril.

Coverage C – Personal Property: Provides coverage for damage to dwelling contents or other covered personal property caused by an insured peril.

Coverage D – Loss of Use: Provides coverage for additional living expenses incurred by the insured or fair rental value when the insured dwelling becomes uninhabitable as the result of an insured loss or when access to the dwelling is barred by civil authority.

Fixed-Dollar Deductible – A maximum fixed dollar amount the insured must pay toward any claim against the homeowners insurance policy.

Percentage Deductible – A specified maximum percentage of the homeowners policy's total Coverage A amount the insured must pay toward any claim against the policy.

Data Element Definitions

COMPANY INFORMATION

NAIC Company Code – The five-digit code assigned by the NAIC to all U.S. domiciled companies which filed a Financial Annual Statement with the NAIC.

Company Name

Contact Name

Contact Title

Contact Phone Number

Contact Email Address

COMPOUNDING VARIABLES

Reporting Year – 4-digit year during which policy was written (2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018).

State Abbreviation – Two-character state abbreviation for location of insured property

Zip Code – 5-digit numerical zip code for location of insured property. Zip Code should match to the reported state.

Policy Form – Dwelling or Homeowners policy forms (DP-1, DP-2, DP-3, HO-1, HO-2, HO-3, HO-4 HO-5, HO-6, HO-7 HO-8 or the equivalent form in states without standard policy forms. See individual policy form definitions above. Specially designed policies, including wind only policies should be reported as "Other")

New or Renewed Policies for Reporting Year – Report "New" if policy was written for the first time in reporting year for your company. Report "Renewed" if the policy is a renewal in the reporting year.

PART I: PREMIUM, COVERAGE, AND DEDUCTIBLE INFORMATION FOR POLICIES IN FORCE (PIF)

Written Premium In-Force– Sum of direct written premium for all policies in force as of Dec. 31 of reporting year. Include premium for endorsements.

Count of Policies in Force – Count of all policies in which coverage is in effect as of Dec. 31 of the reporting year.

Coverage A Aggregate Limits – Aggregate sum of Coverage A Limits for all policies in force as of Dec. 31 of reporting year.

Coverage B Aggregate Limits – Aggregate sum of Coverage B Limits for all policies in force as of Dec. 31 of reporting year. Coverage C Aggregate Limits – Aggregate sum of Coverage C Limits for all policies in force as of Dec. 31 of reporting year. Coverage D Aggregate Limits – Aggregate sum of Coverage D Limits for all policies in force as of Dec. 31 of reporting year. Count of PIF Not Providing Wind Coverage –Count of policies in force as of Dec. 31 that do not provide coverage for claims relating to wind events.

Count of PIF Not Providing Wildfire Coverage– Count of all policies in force as of Dec. 31 that do not provide coverage for claims relating to wildfire events.

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Count of PIF Not Providing Earthquake Coverage– Count of policies in force as of Dec. 31 that do not provide coverage for claims relating to earthquake events.

Count of PIF s Not Providing Cosmetic Damage on Roof– Count of policies in force as of Dec. 31 that do not provide coverage for damage to roof structures that affects only the appearance and not the function of the roof.

Count of PIF Not Providing Cosmetic Damage on Siding– Count of policies in force as of Dec. 31 that do not provide coverage for damage to siding that affects only the appearance and not the function of the siding.

Count of PIF or Endorsements with Earthquake Coverage – Total number of policies in force or endorsements as of Dec. 31 that provide coverage for claims relating to an earthquake event. Only include policies or endorsements where the earthquake premium is explicitly rated and priced. Earthquake Loss Assessment Condo policies should not be included in this count.

Aggregate Premium for Earthquake Coverage – Total sum of written premium for the earthquake coverage portion of a policy or endorsement.

Count of PIF with Wind Endorsement – Total numbers of policies in force as of Dec. 31 that include an endorsement for coverage for claims relating to a wind event.

Aggregate Premium for Wind Endorsement – Total sum of premium charged for endorsements that provide coverage for claims relating to a wind event.

Count of PIF with Standalone Wind Coverage – Total number of policies in force as of Dec. 31 that provide coverage for claims relating to a wind event, written separate from a homeowners policy.

Aggregate Premium for Standalone Wind Coverage – Total sum of premium charged for a policy providing coverage for claims relating to a wind event, written separate from a homeowners policy.

> Note: For Hawaii only, where the data call asks for **Wind** data in "Count of Policies Not Providing Wind Coverage" Column, and Columns asking for "Policies with Wind Endorsement, "Premium for Wind Endorsement," "Count of Policies with Standalone Wind Coverage," and "Premium for Standalone Wind Coverage," it means **Hurricane**.

If a policy dictates ACV based on the covered property, please report as ACV. *There are instances in which a policy is issued with replacement cost coverage, but apply ACV coverage to property when the loss is attributed to a specified peril. For example, roof damage due to a wind/hail loss would fall under ACV coverage, while roof damage due to all other losses would be replacement cost coverage. In these instances, the policy should be reported in the applicable ACV column.*

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Count of PIF with RC Coverage on Dwelling– Count of policies in force as of Dec. 31 that provide replacement cost coverage on dwelling structures.

Count of PIF with ACV Coverage on Dwelling– Count of policies in force as of Dec. 31 that provide actual cash value coverage on dwelling structures. This includes policies with roof service policy schedules (RPS).

“Count of PIF with RC Coverage on Dwelling” + “Count of PIF with ACV Coverage on Dwelling” = “Count of PIF.”

Count of PIF with RC Coverage on Roof– Count of policies in force as of Dec. 31that provide replacement cost coverage on roof structures.

Count of PIF with ACV Coverage on Roof– Count of policies in force as of Dec. 31that provide actual cash value coverage on roof structures. This includes policies with roof service policy schedules (RPS).

“PIF with RC Coverage on Roof” + “PIF with ACV Coverage on Roof” = “Count of PIF.”

Count of PIF with RC Coverage on Siding– Count of policies in force as of Dec. 31that provide replacement cost coverage on siding materials.

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Count of PIF with ACV Coverage on Siding– Count of policies in force as of Dec. 31 that provide actual cash value coverage on siding materials.

“Count of Policies with RC Coverage on Siding” + “Count of Policies with ACV Coverage on Siding” = “Count of Policies in Force.”

Count of PIF Year with 100% RC– Count of policies in force as of Dec. 31 where coverage is up to and equal to 100% of replacement cost for Coverage A.

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Count of PIF Year with Extended Replacement Cost greater than 100% but less than or equal to 125%– Count of policies in force as of Dec. 31 where coverage is greater than 100% but less than or equal to 125% of replacement cost for Coverage A.

Count of PIF with Extended Replacement Cost Greater than 125%– Count of policies in force as of Dec. 31 where coverage is greater than 125% of replacement cost for Coverage A. Guaranteed Replacement Cost policies should be reported here.

Maximum % RC Written – The maximum percentage of extended replacement cost for Coverage A written on the reported Policy Form. Guaranteed Replacement Cost policies and any amount over 125% should be reported as 126%. Input as a whole number (10, 25, etc.)

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Aggregate All Perils Policy Deductible - Total sum of deductibles in policies providing “all-perils” coverage or “all other perils” coverage. If the policy has a percentage deductible, convert to dollar amount based on policy coverage limits. In the case of “named perils” policies, report the total policy deductible for all covered perils.

Aggregate Tropical Cyclone/Hurricane/Named Storm Deductible – Total sum of deductibles relating to tropical cyclone, hurricane, or named storm events. If the policy has a percentage deductible, convert to dollar amount based on policy coverage limits.

Aggregate Wind/Hail Deductible - Total sum of deductibles relating to wind or hail events. If the policy has a percentage deductible, convert to dollar amount based on policy coverage limits.

<u>For All Peril or All Other Perils Policies</u>

- <u>Policies should only be reported ONCE for the below</u>

Count of PIF with $500 or Lower Deductible – Total number of policies where all deductible amounts equal $500 or less.

Count of PIF with Deductible between $500 and $2,000 – Total number of policies where all deductible amounts are greater than $500 and less than $2,000.

Count of PIF with $2,000 or Greater Deductible – Total number of policies where all deductible amounts equal $2,000 or greater.

Count of PIF with 2% or less Deductible – Total number of policies where the (non-wind/hail) deductible is stated as 2% or less than the Coverage A amount.

Count of PIF with Deductible between 2% and 5% - Total number of policies where the deductible is stated as a percentage between 2% and 5% of the Coverage A amount.

Count of PIF with 5% or Greater Deductible – Total number of policies where the deductible is stated as 5% or more of the Coverage A amount.

[*Add example]

<u>For Policies Covering Specific Perils</u>

<u>For Hurricane/Named Storm Deductibles</u>

- <u>Policies should only be reported ONCE for the below</u>

Count of PIF with $500 or Lower Deductible – Total number of policies where the deductible for claims relating to a hurricane or named storm event is stated as $500 or less.

Count of PIF with Deductible between $500 and $2,000 – Total number of policies where the deductible for claims relating to a hurricane or named storm event is stated greater than $500 and less than $2,000.

Count of PIF with $2,000 or Greater Deductible – Total number of policies where the deductible for claims relating to a hurricane or named storm event is equal or greater than $2,000.

Count of PIF with 2% or less Deductible - Total number of policies where the deductible for claims relating to a hurricane or named storm event is stated as 2% or less than the Coverage A amount.

Count of PIF with Deductible between 2% and 5% - Total number of policies where the deductible for claims relating to a hurricane or named storm event is stated as a percentage between 2% and 5% of the Coverage A amount.

Count of PIF with 5% or Greater Deductible – Total number of policies where the deductible for claims relating to a hurricane or named storm event is stated as 5% or more of the Coverage A amount.

<u>For Wind-Hail Deductibles</u>

- <u>Policies should only be reported ONCE for the below</u>

Count of PIF with $500 or Lower Deductible – Total number of policies where the deductible for claims relating to a wind or hail event is stated as $500 or less.

Count of PIF with Deductible between $500 and $2,000 – Total number of policies where the deductible for claims relating to a wind or hail event is stated as greater than $500 and less than $2,000.

Count of PIF with $2,000 or Greater Deductible – Total number of policies where the deductible for claims relating to a wind or hail event is equal or greater than $2,000.

Count of PIF with 2% or less Deductible - Total number of policies where the deductible for claims relating to a wind or hail event is stated as 2% or less than the Coverage A amount.

Count of PIF with Deductible between 2% and 5% - Total number of policies where the deductible for claims relating to a wind or hail event is stated as a percentage between 2% and 5% of the Coverage A amount.

Count of PIF with 5% or Greater Deductible – Total number of policies where the deductible for claims relating to a wind or hail event is stated as 5% or more of the Coverage A amount.

<u>For Earthquake Deductibles</u>

<u>Count of Policies with any Fixed $ Deductible – Total number of policies where the deductible is a fixed dollar amount, rather than a percentage.</u>

- <u>Policies should only be reported ONCE for the below</u>

Count of PIF with less than 5%Deductible - Total number of policies where the deductible for claims relating to an earthquake event is stated as less than 5% the Coverage A amount.

Count of PIF with Deductible 5% or greater and less than 10% - Total number of policies where the deductible for claims relating to an earthquake event is stated as a percentage equal to or greater than 5% and less than 10% of the Coverage A amount.

Count of PIF with Deductible 10% or greater and less than 15% - Total number of policies where the deductible for claims relating to an earthquake event is stated as a percentage equal to or greater than 10% and less than 15% of the Coverage A amount.

Count of PIF with Deductible 15% or greater and less than 20% - Total number of policies where the deductible for claims relating to an earthquake event is stated as a percentage equal to or greater than 15% and less than 20% of the Coverage A amount.

Count of PIF with Deductible 20% or greater and less than 25% - Total number of policies where the deductible for claims relating to an earthquake event is stated as a percentage equal to or greater than 20% and less than 25% of the Coverage A amount.

Count of PIF with 25% or Greater Deductible – Total number of policies where the deductible for claims relating to an earthquake event is stated as equal to 25% or greater of the Coverage A amount.

DEDUCTIBLE INFORMATION

Minimum Deductible for Fixed Deductible – Minimum fixed-dollar deductible selected by the policyholder, for the reported Policy Form.

Maximum Deductible for Fixed Deductible – Maximum fixed-dollar deductible selected by the policyholder, for the reported Policy Form. Do not aggregate deductibles for all policies within the record. Select only the highest deductible within the record.

Minimum Deductible for Percentage Deductible – Minimum percentage deductible selected by the policyholder, for the reported Policy Form.

Maximum Deductible for Percentage Deductible – Maximum percentage deductible selected by the policyholder, for the reported Policy Form. Do not aggregate deductibles for all policies within the record. Select only the highest deductible within the record.

PART II: CLAIMS AND LOSSES

For paid claims, include claims closed with payment where the claim was closed during the reporting year regardless of the date of loss or when the claim was reported. Does not include claims where the loss amount is zero (claims closed without payment). In the case of partial payments, only one paid claim is included --successive payments are included as paid losses but without adding to the paid claim count.

For losses paid, include the total sum of losses paid during the reporting year. Direct losses paid should include losses paid less salvage & subrogation, not including case loss reserves or unpaid claim amounts. Losses are not developed or adjusted for trend and exclude loss adjustment expenses.

Count of Paid Claims in Reporting Year – Total number of claims closed with payment where the claim was closed during the reporting year regardless of the date of loss or when the claim was reported. Does not include claims where the loss amount is zero (claims closed without payment). In the case of partial payments, only one paid claim is included --successive payments are included as paid losses but without adding to the paid claim count.

Losses Paid in Reporting Year – Total sum of losses paid during the reporting year. Direct losses paid should include losses paid less salvage & subrogation, not including case loss reserves or unpaid claim amounts. Losses are not developed or adjusted for trend and exclude loss adjustment expenses.

Count of Paid Claims for Fire, Not Including Wildfire, in Reporting Year – Total number of claims closed with payment for fire where the claim was closed during the reporting year regardless of the date of loss of when the claim was reported. Do not include claims for wildfire.

Losses Paid for Fire, Not Including Wildfire, in Reporting Year - Total sum of losses paid during the reporting year for fire losses. Do not include losses for wildfire.

Count of Paid Claims for Wind and Hail in Reporting Year – Total number of claims closed with payment for wind and hail where the claim was closed during the reporting year regardless of the date of loss of when the claim was reported.

Losses Paid for Wind and Hail in Reporting Year - Total sum of losses paid during the reporting year for wind and hail damage.

Count of Paid Claims for Water Damage and Freezing in Reporting Year – Total number of claims closed with payment for water damage and freezing where the claim was closed during the reporting year regardless of the date of loss of when the claim was reported.

Losses Paid for Water Damage and Freezing in Reporting Year - Total sum of losses paid during the reporting year for water damage and freezing.

Count of Paid Claims for Wildfire in Reporting Year – Total number of claims closed with payment for wildfire where the claim was closed during the reporting year regardless of the date of loss of when the claim was reported.

Losses Paid for Wildfire in Reporting Year - Total sum of losses paid during the reporting year for wildfire damage.

Count of Paid Claims for All Other Perils in Reporting Year – Total number of claims closed with payment for damage caused by all other perils where the claim was closed during the reporting year regardless of the date of loss of when the claim was reported.

Losses Paid for All Other Perils in Reporting Year - Total sum of losses paid during the reporting year for damage cause by all other perils.

PART III: CANCELLATIONS AND NONRENEWALS

Count of Nonpayment Cancellations in Reporting Year – Total number of cancellations due to nonpayment by the insured where the cancellation effective date is during the reporting year.

Count of Company Initiated Cancellations for Other than Non-payment of Premium – Total number of policy cancellations that were initiated by the reporting company for reasons other than non-payment of premium during the reporting year. (These would be separate from non-renewals, as cancellations occur at anytime during the policy period. Non-renewals allow for the policy to remain in-force through the end of the policy period, and then is not renewed for the next policy year.) Do not include policies rescinded or voided where there is no liability. Do not include “cancel rewrites” where an insurer merely rewrites an existing policy, such as to align policy due dates.

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Number of Company-initiated Cancellations that Occur in the First 59 days After Effective Date of Policy - Company-initiated cancellations for new business where the notice of cancellation was issued within the first 59 days after the original effective date of the policy.

- The calculation of the number of days is from the original inception date of the policy, not the renewal date.
- This time frame should be used regardless of individual state requirements related to the 'underwriting' period for new business.
- The notice of cancellation is the date the cancellation notice was mailed to the insured.

Number of Company-initiated Cancellations that Occur 60 to 90 days After Effective Date of Policy - Company-initiated cancellations where the notice of cancellation was issued 60 to 90 days after the original effective date of the policy.

- The calculation of the number of days is from the original inception date of the policy, not the renewal date.
- This time frame should be used regardless of individual state requirements related to the 'underwriting' period for new business.
- The notice of cancellation is the date the cancellation notice was mailed to the insured.

Number of Company-initiated Cancellations That Occur Greater than 90 days After Effective Date of Policy - Cancellations greater than 90 days – Company-initiated cancellations where the notice of cancellation was issued more than 90 days after the original effective date of the policy.

- The calculation of the number of days is from the original inception date of the policy, not the renewal date.
- This time frame should be used regardless of individual state requirements related to the 'underwriting' period for new business.
- The notice of cancellation is the date the cancellation notice was mailed to the insured.

Written Premium for Cancelled Policies in Reporting Year – Total premium written for policies that were written during reporting year but cancelled before year end. Premium reported would not be included in 'Written Premium' reported in Part I. For multiple cancellations, the final cancellation should be reported.

Returned Premium for Policies Cancelled in Reporting Year – Total amount of premium returned to insureds after policy cancellation. Report return premium in the year the policy was cancelled even if the policy was written and reported in a previous year.

Count of Nonrenewals in Reporting Year– Total number of existing policies that the insurer elected not to renew the coverage for circumstances allowed under the “non-renewal” clause of the policy during the reporting year.

PART IV: MITIGATION DISCOUNTS FOR POLICIES IN FORCE

Count of PIF with State Required Mitigation Discount – Total number of policies that include discounts for efforts to mitigate potential loss from natural hazards in accordance with state established guidelines. State required means a program established through legislation or regulations where premium discounts are required if the covered property meets certain requirements.

Count of PIF with State Required Fortified Standard Discount – Total number of policies in ‘Count of Policies with State Required Mitigation Discounts’ with discounts for mitigation efforts related to a “Fortified Standard” program. (Ex. Strengthen Alabama Homes, Strengthen Oklahoma Homes, etc.)

Average Percentage of State Required Fortified Standard Discount– Average percentage of discounts given for efforts to mitigate potential loss from natural hazards in accordance with state established guidelines, based on the policies reported in ‘Count of Policies with State Required Fortified Standard Discount’.

Count of PIF with State Required Wind Discount – Total number of policies in ‘Count of Policies with State Required Discounts’ with discounts for mitigation efforts related to wind. (Ex. South Caroline Safe Home Program)

Average Percentage of State Required Wind Discount – Average percentage of discounts given for efforts to mitigate potential loss from natural hazards in accordance with state established guidelines, based on the policies reported in ‘Count of Policies with State Required Wind Discount’.

Count of PIF with State Required Fire/Wildfire Discount – Total number of policies in ‘Count of Policies with State Required Discounts’ with discounts for mitigation efforts related to fire/wildfire. (Ex. California Safer from Wildfires program)

Average Percentage of State Required Fire/Wildfire Discount – Average percentage of discounts given for efforts to mitigate potential loss from natural hazards in accordance with state established guidelines, based on the policies reported in ‘Count of Policies with State Required Fire/Wildfire Discount’.

Count of PIF with State Required Impact/Hail Discount– Total number of policies in ‘Count of Policies with State Required Discounts’ with discounts for mitigation efforts related to impact/hail.

Average Percentage of State Required Impact/Hail Discount – Average percentage of discounts given for efforts to mitigate potential loss from natural hazards in accordance with state established guidelines, based on the policies reported in ‘Count of Policies with State Required Impact/Hail Discount’.

Count of PIF with State Required Water Discount– Total number of policies in ‘Count of Policies with State Required Discounts’ with discounts for mitigation efforts related to water damage.

Average Percentage of State Required Water Discount – Average percentage of discounts given for efforts to mitigate potential loss in accordance with state established guidelines, based on the policies reported in 'Count of Policies with State Required Water Discount'.

Count of PIF with Non-State Required Mitigation Discounts – Total number of policies that include voluntary, non-state required, discounts for efforts by the insured to mitigate potential loss to the dwelling structure (e.g. Roof strapping, installing impact resistant roofing material, installing storm shutters etc.). This should not include common discounts such as smoke alarms, security systems, etc. Non-state required means laws or regulations do not exist to require the insurer to offer premium discounts.

Count of PIF with Non-State Required Fortified Standard Discount – Total number of policies in 'Count of Policies with Non-State Required Discounts' with discounts for mitigation efforts related to a "Fortified Standard" program. These discounts are not required by law or regulation but do require fulfilling the requirements of the "Fortified Standard."

Average Percentage of Non-State Required Fortified Standard Discount– Average percentage of discounts given for efforts to mitigate potential loss based on the policies reported in 'Count of Policies with Non-State Required Fortified Standard Discount'.

Count of PIF with Non-State Required Wind Discount – Total number of policies in 'Count of Policies with Non-State Required Discounts' with discounts for mitigation efforts related to wind. Examples include Roof strapping, installing impact resistant roofing material, installing storm shutters.

Average Percentage of Non-State Required Wind Discount – Average percentage of discounts given for efforts to mitigate potential loss based on the policies reported in 'Count of Policies with Non-State Required Wind Discount'.

Count of PIF with Non-State Required Fire/Wildfire Discount – Total number of policies in 'Count of Policies with Non-State Required Discounts' with discounts for mitigation efforts related to fire/wildfire. Examples include fire rated roofs, noncombustible zones implemented around a property, ember resistant vents.

Average Percentage of Non-State Required Fire/Wildfire Discount – Average percentage of discounts given for efforts to mitigate potential loss based on the policies reported in 'Count of Policies with Non-State Required Fire/Wildfire Discount'.

Count of PIF with Non-State Required Impact/Hail Discount – Total number of policies in 'Count of Policies with State Required Discounts' with discounts for mitigation efforts related to impact/hail. Examples include installing impact resistant shingles and siding.

Average Percentage of Non-State Required Impact/Hail Discount – Average percentage of discounts given for efforts to mitigate potential loss based on the policies reported in 'Count of Policies with Non-State Required Impact/Hail Discount'.

Count of PIF with Non-State Required Water Discount – Total number of policies in 'Count of Policies with State Required Discounts' with discounts for mitigation efforts related to water damage. Examples include water shut off and leak detection systems.

Average Percentage of Non-State Required Water Discount – Average percentage of discounts given for efforts to mitigate potential loss based on the policies reported in ‘Count of Policies with Non-State Required Water Discount’.