



## NATIONAL MEETING SPRING 2022

Date: 4/5/22

*2022 Spring National Meeting  
Kansas City, Missouri*

### **JOINT SESSION OF THE CATASTROPHE INSURANCE (C) WORKING GROUP NAIC/FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) (C) ADVISORY GROUP**

Monday, April 4, 2022

3:00 – 5:30 p.m.

#### **Meeting Summary Report**

The Catastrophe Insurance (C) Working Group met in joint session with the NAIC/FEMA (C) Advisory Group April 4, 2022. During this meeting, the Working Group and Advisory Group:

1. Adopted the Catastrophe Insurance (C) Working Group's March 4 minutes, which included the following action:
  - A. Adopted its 2021 Fall National Meeting minutes.
  - B. Heard a presentation regarding a survey sent to the states about the *Catastrophe Computer Modeling Handbook* (Handbook). Twenty-two states responded to the survey, and NAIC staff indicated that the purpose of the survey was to help the Working Group determine what information to include in the Handbook to make it a useful tool for state insurance regulators.
  - C. Discussed next steps regarding the Handbook. The Working Group created a drafting group to begin discussions and drafting updates to the Handbook. The drafting group will add updates to the Handbook addressing the perils of flood, and possibly convective storms and wildfire. The Handbook will address similarities and differences regarding state approaches to the use of catastrophe models, and the drafting group will consider adding a chart to the appendix that compiles a list of bulletins and regulations used around the country.
2. Adopted the NAIC/FEMA (C) Advisory Group's March 25 minutes, which included the following action:
  - A. Received a presentation regarding the status of the National Flood Insurance Program's (NFIP) Risk Rating 2.0. FEMA began rating existing policyholders under the new methodology April 1.
  - B. Received a presentation from FEMA regarding the NFIP's Community Rating System (CRS). The CRS provides NFIP premium discounts to communities that achieve specific metrics.
3. Received an update regarding federal legislation. The NFIP is operating under an extension through Sept. 30, and the NAIC continues to support a long-term reauthorization. Some of the key bills regarding reauthorization of the NFIP include: a) the NFIP Reauthorization and Reform Act of 2021; and b) the Continuous Coverage for Flood Insurance Act. Risk Rating 2.0 began phase two of its implementation on April 1. A bipartisan group of coastal senators have tried unsuccessfully to urge FEMA to postpone Risk Rating 2.0 due to concern regarding premium hikes. The following bills have been introduced in the U.S. Senate (Senate): a) the Flood Insurance Pricing Transparency Act; and b) the Community Disaster Resilience Zones Act of 2022.

4. Discussed Handbook updates. A drafting group of several state insurance regulators has been formed. The state insurance regulators who are members of the drafting group met March 29 to begin discussions regarding the drafting of the Handbook's updates. Future drafting group calls will include interested parties that have asked to be a part of the drafting group calls.
5. Received an update from the Iowa Department of Insurance (DOI) on recent tornadoes. Iowa has had several recent catastrophic events in the past year. These events included a derecho, severe convective storms, and most recently tornados.
6. Received an update from the Tennessee DOI on recent catastrophic events. Tennessee has experienced several catastrophic events in the past few months. These catastrophic events have included flooding, tornadoes, and wildfires.
7. Received an overview of FEMA Regional Meetings. The most recent FEMA Regional meeting was held virtually with FEMA Regions 8, 9, and 10 in 2021. FEMA Region 4 formed a Working Group following their regional meeting and they are meeting every other month with FEMA colleagues to discuss issues related to disasters. FEMA Region 6 will hold a workshop on May 3 and May 4 in Oklahoma City; the event will be held virtually for those that are unable to attend in person.
8. Received an Update on the NAIC Catastrophe Resource Center. NAIC staff is going to send out a survey to states soliciting feedback from state insurance regulators to help better meet their needs.

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