

Congress of the United States
Washington, DC 20515

May 23, 2024

Director Steven E. Seitz
Federal Insurance Office
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

President Andrew N. Mais
National Association of Insurance Commissioners
1101 K Street, N.W., Suite 650
Washington, DC 20005

Dear Director Seitz and President Mais:

We thank you for working with state insurance regulators to start collecting data to monitor climate risk in the property insurance industry. This information is essential for understanding the impact of climate change on insurance costs for homeowners across the country.

Congress created the Federal Insurance Office (FIO) to monitor issues and gaps in insurance regulations that could contribute to a systemic crisis and leave traditionally underserved communities without access to affordable insurance products. The *Dodd-Frank Wall Street Reform and Consumer Protection Act* gives the Director the power to subpoena data or information necessary to carry out this statutory role.¹

We are deeply concerned about the impact of rising homeowners' insurance premiums on our constituents. We have seen families reduce their coverage to cope with rising costs, making them even more vulnerable to a potential natural disaster.² In some states, major insurers are pulling out entirely, leaving households scrambling for coverage or simply going without. In a March 2024 report, the Consumer Federation of America found that approximately 6.1 million homeowners, which represents 7.4 percent of all homeowners, do not have homeowners' insurance.³ The report also found that the lack of insurance disproportionately affects Black, Hispanic, and low-income homeowners. Without concrete data on the impact of climate change on the insurance market, our communities cannot prepare for the future.

While we understand that the data call will cover 80% of the property insurance market,⁴ we are concerned to hear that some of the states that are feeling the most acute symptoms of climate change may not be participating in the data call. Therefore, we urge FIO to use its subpoena

¹ 31 USC 313

² New York Times, <https://www.nytimes.com/2024/02/16/business/homeowners-insurance-bills-coverage.html>

³ Consumer Federation of America, <https://consumerfed.org/wp-content/uploads/2024/03/Exposed-UninsuredHomes-1.pdf>

⁴ National Association of Insurance Commissioners, <https://content.naic.org/article/states-issue-property-casualty-market-intelligence-data-call-covering-over-80-us-market>

power to compel any states who fail to participate voluntarily to submit their data, and the National Association of Insurance Commissioners (NAIC) to publish the names of any states that refuse to participate. We also urge you to publish all deidentified reported data for public use.

We also have the following questions and requests for both FIO and NAIC:

1. Which states have submitted data for the data call? Which states are not participating?
2. Which insurance companies will be participating in each state's data collection?
3. Will this data call become an annual or quarterly reporting requirement for states? If yes, when is the next report due and what data will be covered? If no, why not?
4. Will you commit to a public process for stakeholder input on additional data necessary for future reporting years?
5. What plans do you have for collecting other residential and commercial property insurance data such as condominium, cooperative, manufactured home, and affordable rental housing development coverage?
6. Please provide a copy of the data sharing agreement between NAIC and the states, and between NAIC and FIO.
7. The data call only requests information from 2018 through 2022. Why does the data call not include 2023 data, now that it is available?
8. Will companies be required to report a description of all exposures covered at the time of their submissions?
9. Some of our constituents are being forced onto backstop insurance plans such as state-run FAIR plans because the traditional insurance market will not cover their home. Will future data collections include all residual market carriers that cover high risk properties that standard insurance companies will not cover?
10. Will the disaggregated raw data be published for researchers, policymakers, and the general public in a manner that does not risk public disclosure of personally identifiable information of policyholders?
11. Does your office have any plans to contract with, through competitive bidding, statistical agents to review the data for accuracy and completeness?

It is essential that the data collected via this data call be fully public, in the same format and with the same detail as collected by Departments of Insurance. The intersecting climate, housing, and insurance crises demand that researchers, advocates, policymakers, and the public have access to the information being collected.

This data is crucial to understanding the stability of our insurance industry and steps homeowners can take to protect their homes. We look forward to your responses to our questions and requests.

Sincerely,




Mike Levin
Member of Congress



Adam B. Schiff
Member of Congress



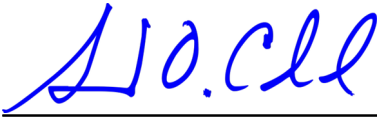
Elizabeth Warren
United States Senator



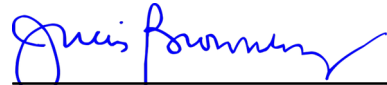
Chris Van Hollen
United States Senator



John Garamendi
Member of Congress



Salud Carbajal
Member of Congress



Julia Brownley
Member of Congress



Mike Thompson
Member of Congress



Bonnie Watson Coleman
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Katie Porter
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Jared Huffman
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Ted W. Lieu
Member of Congress



Barbara Lee
Member of Congress



Mark DeSaulnier
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Earl Blumenauer
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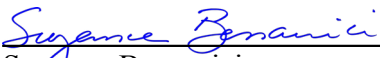
Tony Cárdenas
Member of Congress



Maxwell Alejandro Frost
Member of Congress



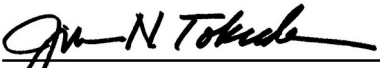
Doris Matsui
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Suzanne Bonamici
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