To: Insurers Writing Premium in Commercial Property/Casualty Lines of Business Subject to the Terrorism Risk Insurance Program

Re: Terrorism Risk Insurance Data Call – Issuance of State Property Supplement

Insurance regulators in all states and the District of Columbia (“States”) have agreed to participate in a data call to collect information related to terrorism risk insurance to serve important regulatory objectives, such as monitoring the affordability and availability of insurance coverage for acts of terrorism and assessing insurers’ financial exposure to terrorism risk.

Certain data for calendar year 2018 has already been collected through the Joint Reporting Templates that were jointly issued earlier this year by the U.S. Treasury and the States. That data was due to the States and Treasury by May 15, 2019.

The purpose of this bulletin is to issue the State Property Supplement to the Joint Reporting Templates. Data collected through the State Property Supplement need only be provided to the States. Such data is due by September 30, 2019.

As with the Joint Reporting Templates, the New York State Department of Financial Services (“Department”) will serve as a single point of collection for the State Property Supplement. Pursuant to their statutory authority to obtain information from insurers doing business in their respective jurisdictions, the States, including the Department, are requesting such entities to submit the State Property Supplement data directly to the Department. As with the Joint Reporting Templates data, all data collected through the State Property Supplement will be treated as confidential in accordance with state law. Accordingly, the Department does not expect to grant third-party requests to access such information.

In conjunction with the other States, the Department will continue to use the services of the National Association of Insurance Commissioners (“NAIC”) to aggregate and analyze the information collected, as well as to undertake any other related tasks as directed by the States. New York law specifically authorizes the disclosure to the NAIC of such confidential information, and the NAIC is required to maintain its confidentiality.
State Property Supplement

As an insurer writing commercial property/casualty policies in lines subject to the Terrorism Risk Insurance Program (“TRIP”) and domiciled in one of the States, your company is hereby being requested by your state of domicile to complete the State Property Supplement for the period January 1, 2018 through December 31, 2018. The State Property Supplement applies to property coverages alone (lines 01, 2.1, 5.1, and 27 on the Annual Statement), and as in prior years continues to request ZIP Code-level data. Data should be reported on the State Property Supplement in csv format only; Excel will not be accepted. The State Property Supplement should be submitted to the States by September 30, 2019 through the Department portal at https://myportal.dfs.ny.gov. Please note that the States expect to move the deadline for such submissions in 2020 and thereafter to May to coincide with the submission of the Joint Reporting Templates. The States hope that with this advance notice, firms will be able to adequately prepare to submit such data within that timeframe.

The data sought through the State Property Supplement has been reduced again this year to include only those data elements necessary for States to review the size of the market, cost of coverage, and take up rates in a given geographic location for the TRIA-backed property lines of business. This information is necessary for States to understand how much terrorism coverage is available in the market as well as the willingness of companies to accept or insure against terrorism risk.

Instructions for the State Property Supplement portion of the data call, including the data specifications and definitions, file naming convention, and data entry checklist to cross check data submissions prior to upload can be accessed on the NAIC’s website at http://www.naic.org/industry_terrorism_risk_data_call.htm.

If you have technical questions concerning the State Property Supplement portion of the data call, please contact TRIAHELP@naic.org.

Exemptions

Insurance groups and individual insurers not part of a group with TRIP-eligible commercial direct earned premium of less than $10 million in 2018 are exempt from both parts of the 2019 data call (the Joint Reporting Templates and the State Property Supplement). This exemption does not apply to alien surplus lines insurers, as described below.

Data from Other Entities

The States have only required captive insurers to submit data on the Joint Reporting Templates. Captives are not required to file the State Property Supplement.

The NAIC’s International Insurance Department (“IID”), through the NAIC’s Surplus Lines (C) Working Group, has historically collected terrorism risk insurance data at an insurer level from alien surplus lines insurers. The IID will continue to collect such data, which is equivalent to what was sought in Treasury’s alien surplus lines Joint Reporting Template, and the IID’s data collection will remain separate from this data call. More information on this subject can be found at http://www.naic.org/cmte_c_surplus_lines_wg.htm.