

LOSS COSTS/RULES/FORMS – IMPLEMENTATION

JULY 11, 2019

BUSINESSOWNERS

LI-BP-2019-064

BUSINESSOWNERS MULTISTATE FORMS, RULES AND LOSS COSTS REVISIONS TO BE IMPLEMENTED IN ADDITIONAL JURISDICTIONS

KEY MESSAGE

We are implementing Businessowners multistate and state-specific endorsements, rules and loss costs in 7 jurisdictions.

Effective Date: 11/1/2019

Filing IDs: BP-2019-OMITF (Forms), BP-2019-RMITR (Rules) and BP-2019-RMITL (Loss Costs)

JURISDICTIONS

- | | | |
|------------|------------------|----------------|
| • Alaska | • Mississippi | • Pennsylvania |
| • Arkansas | • North Carolina | • South Dakota |
| • Delaware | | |
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BACKGROUND

In circular:

- [LI-BP-2019-024](#), we announced the submission of multistate forms filing BP-2019-OMITF, which introduced cannabis-related exclusionary endorsements and revised **BP 07 01** – Contractors' Installation, Tools And Equipment Coverage under ISO's Businessowners Program.
- [LI-BP-2019-025](#), we announced the submission of multistate rules filing BP-2019-RMITR, which revised multistate rules in Division Ten – Businessowners of the Commercial Lines Manual to reflect, in part, changes made in companion forms filing BP-2019-OMITF.
- [LI-BP-2019-026](#), we announced the submission of multistate loss costs filing BP-2019-RMITL, which revised advisory prospective loss costs associated with the ISO Contractors' Installation, Tools And Equipment Coverage Endorsement **BP 07 01** and introduced a loss cost for the new coverage option for Blanket Contractors' Tools And Equipment with a \$1,000 per tool sublimit.
- [LI-BP-2019-040](#), we provided you with final copies of the multistate endorsements included in forms filing BP-2019-OMITF.

In subsequent circulars, which are listed in the attached multistate status report, we provided state-specific forms, rules and loss costs supplements to these filings in certain jurisdictions.

These filings were submitted jointly by ISO and the Mississippi State Rating Bureau (MSRB).

INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the insurance departments in the jurisdictions listed in the Jurisdictions block.

Note: The announcement of implementation in a particular jurisdiction includes the implementation of the multistate filings and any state supplement and/or amendment filing.

EFFECTIVE DATE

Forms Filing BP-2019-OMITF

Arkansas, Delaware, Mississippi, Pennsylvania and South Dakota

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies written on or after November 1, 2019.

Alaska and North Carolina

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies effective on or after November 1, 2019.

Rules Filing BP-2019-RMITR

Delaware, Mississippi, Pennsylvania and South Dakota

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies written on or after November 1, 2019.

Alaska and North Carolina

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies effective on or after November 1, 2019.

Arkansas

We do not establish an effective date for Businessowners rule revisions in these states. Each insurer that elects to utilize this revision in these jurisdictions is responsible for determining its own effective date.

Loss Costs Filing BP-2019-RMITL

Mississippi, Pennsylvania and South Dakota

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies written on or after November 1, 2019.

This effective date applies only to those insurers who have filed their Businessowners loss cost adjustments to be automatically applicable to future ISO loss cost revisions.

Alaska and North Carolina

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies effective on or after November 1, 2019.

This effective date applies only to those insurers who have filed their Businessowners loss cost adjustments to be automatically applicable to future ISO loss cost revisions.

Arkansas and Delaware

We do not establish an effective date for Businessowners loss cost revisions in these states. Each insurer that elects to utilize this revision in these jurisdictions is responsible for determining its own effective date.

COMPANY ACTION

Refer to the Summary of Company Action Requirements attached.

SPECIAL NOTE (ALASKA FORMS AND RULES)

The Alaska Division of Insurance has asked that we notify participating insurers that adopt ISO forms or form-related rule revisions that they must accept the explanatory materials in the ISO filing submission. The Division will consider insurers that do not accept the explanatory materials as deviating from the ISO filing. These insurers must explain their deviation as they would in any other form or form-related rule revision. The Division will assume that insurers that have provided ISO with filing authorization have accepted the explanatory materials in filings ISO makes on their behalf unless the insurer provides a written explanation for the deviation. Insurers that have not provided ISO with filing authorization must include in their adoption letters to the Division a statement either acknowledging that they are accepting the explanatory materials that were part of the ISO filing, or an explanation for their deviation.

FUTURE ISO ACTION

In future circulars, we will:

- Update the status of this revision. This status report will be updated periodically to provide you with the latest status. For interim updates, please check the Insurance Lines Services web site (www.verisk.com/ils). In addition to other information, this web site contains copies of major multistate filing status reports that are updated approximately every two weeks.
- Inform you of implementation status of these filings in additional jurisdictions.
- Provide an updated multistate status report summarizing filing activity.

RATING SOFTWARE IMPACT**BP-2019-OMITF**

Refer to circular [LI-BP-2019-024](#) for the impact of the multistate filing.

BP-2019-RMITR

Refer to circular [LI-BP-2019-025](#) for the impact of the multistate filing.

BP-2019-RMITL

Refer to circular [LI-BP-2019-026](#) for the impact of the multistate filing.

IMPACT ON STATISTICAL REPORTING

Statistical Plan Holders circular [SP-BP-2019-001](#), entitled "Businessowners Contractors' Installation, Tools And Equipment Coding Established," was issued on March 26, 2019 announcing the establishment of additional Businessowners coding in support of ISO's Businessowners Contractors' Installation, Tools And Equipment Coverage Endorsement.

POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2018-044](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

REVISION DISTRIBUTION

Rules/Loss Costs

We will issue a Notice to Manualholders with an edition date of 11-19 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

Forms

We will issue a Notice to Portfolioholders with an edition date of 11-19 (or the earliest possible subsequent date), along with any new and/or revised forms.

REFERENCE(S)

- [LI-BP-2019-040](#) (05/08/2019) Businessowners Multistate Endorsements (Edition 09 19) Available
 - [SP-BP-2019-001](#) (03/26/2019) Businessowners Contractors' Installation, Tools And Equipment Coding Established
 - [LI-BP-2019-026](#) (03/13/2019) Businessowners Multistate Loss Costs Revision Being Submitted
 - [LI-BP-2019-025](#) (03/13/2019) Businessowners Multistate Rules Revision Being Submitted
 - [LI-BP-2019-024](#) (03/13/2019) Businessowners Multistate Forms Revision Being Submitted
 - [LI-CL-2018-044](#) (11/27/2018) Revised Lead Time Requirements Listing
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ATTACHMENT(S)

- Summary of Company Action Requirements
- Status Report

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SUMMARY OF COMPANY ACTION REQUIREMENTS

FORMS filing: BP-2019-OMITF

Alaska

Arkansas

Delaware

Mississippi

North Carolina

Pennsylvania

South Dakota

If you have authorized us to file on your behalf and decide:

- to use our revision and effective date, you are not required to file anything with the Insurance Department.
- to use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Designation Number BP-2019-OMITF, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing. In addition, for:

- **Alaska**, refer to SERFF Tracking Number ISOF-131840811 & ISOF131960648.
 - **North Carolina**, refer to SERFF Tracking Number ISOF-131840858 & ISOF131958995.
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SUMMARY OF COMPANY ACTION REQUIREMENTS

RULES filing: BP-2019-RMITR

Alaska

If you have authorized us to file on your behalf and decide:

- to use our revision and effective date, you are not required to file anything with the Insurance Department.
- to use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

Delaware

Mississippi

North Carolina

Pennsylvania

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Designation Number BP-2019-RMITR, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing. In addition, for:

- **Alaska**, refer to SERFF Tracking Number ISO-131840837 & ISO-131959861.
- **North Carolina**, refer to SERFF Tracking Number ISO-131840962 & ISO-131959181.

South Dakota

If you have authorized us to file on your behalf and decide:

- to use our revision and effective date, you are not required to file anything with the Insurance Department.
- to use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

WE WILL SUBMIT THIS REVISION TO THE INSURANCE DEPARTMENT ON SEPTEMBER 13, 2019. IF STATE FILING REQUIREMENTS DICTATE THAT YOU MAKE A SUBMISSION WITH THE INSURANCE DEPARTMENT, DO NOT SUBMIT IT PRIOR TO THIS DATE.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Designation Number BP-2019-RMITR, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

Arkansas

ISO has not filed this revision on behalf of insurers.

You must independently determine what revision to make and when to make any revision effective. If you decide to use all or any part of our revision, you are NOT required to file anything with the Insurance Department.

You must document your files in case the Insurance Department wishes to review the information at a later date. In all internal correspondence on this revision, you should refer to ISO Revision Designation Number BP-2019-RMITR, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

SUMMARY OF COMPANY ACTION REQUIREMENTS

LOSS COSTS filing: BP-2019-RMITL

Alaska Mississippi North Carolina Pennsylvania	<p>You must independently determine the final rates you will use. The action, if any, you must take in response to this filing is dependent upon how you filed to have your loss cost adjustments apply to subsequent revisions of ISO loss costs. Any submission you make with respect to this revision must comply with applicable regulatory filing requirements.</p> <p>For guidance on submission requirements, consult the ISO State Filing Handbook.</p> <p>In all correspondence with the Insurance Department on this revision, you should refer to ISO Reference Filing Number <u>BP-2019-RMITL</u>, NOT this circular number. In addition, for:</p> <ul style="list-style-type: none"> • Alaska, refer to SERFF Tracking Number <u>ISOF-131840989</u>. • North Carolina, refer to SERFF Tracking Number <u>ISOF-131841095</u>. <p>CAUTION: This reference filing revises only certain advisory prospective loss costs for BUSINESSOWNERS in this state. In determining whether or not to revise your rates, you should consider the application of your loss cost adjustments to any loss costs not included in this revision.</p>
South Dakota	<p>You must independently determine the final rates you will use. The action, if any, you must take in response to this filing is dependent upon how you filed to have your loss cost adjustments apply to subsequent revisions of ISO loss costs. Any submission you make with respect to this revision must comply with applicable regulatory filing requirements.</p> <p>For guidance on submission requirements, consult the ISO State Filing Handbook.</p> <p>WE WILL SUBMIT OUR REFERENCE FILING TO THE INSURANCE DEPARTMENT ON SEPTEMBER 13, 2019. ANY SUBMISSION YOU MAY MAKE WITH THE INSURANCE DEPARTMENT WITH RESPECT TO THIS FILING SHOULD NOT BE SUBMITTED PRIOR TO THIS DATE.</p> <p>In all correspondence with the Insurance Department on this revision, you should refer to ISO Reference Filing Number <u>BP-2019-RMITL</u>, NOT this circular number.</p> <p>CAUTION: This reference filing revises only certain advisory prospective loss costs for BUSINESSOWNERS in this state. In determining whether or not to revise your rates, you should consider the application of your loss cost adjustments to any loss costs not included in this revision.</p>
Delaware	<p>You must independently determine the final rates you will use and the effective date of any rate change. If you decide to use our prospective loss costs to revise your rates, you must make an appropriate submission with the Insurance Department.</p> <p>For guidance on submission requirements, consult the ISO State Filing Handbook.</p> <p>In all correspondence with the Insurance Department on this revision, you should refer to ISO Reference Filing Number <u>BP-2019-RMITL</u>, NOT this circular number.</p> <p>CAUTION: This reference filing revises only certain advisory prospective loss costs for BUSINESSOWNERS in this state. In determining whether or not to revise your rates, you should consider the application of your loss cost adjustments to any loss costs not included in this revision.</p>
Arkansas	<p>You must independently determine the final rates you will use and the effective date of any rate change. If you decide to use our prospective loss costs to revise your rates, you are NOT required to file anything with the Insurance Department.</p> <p>You must document your files in case the Insurance Department wishes to review the information at a later date. In all internal correspondence on this revision, you should refer to ISO Revision Designation Number <u>BP-2019-RMITL</u>, NOT this circular number.</p>

Status of Businessowners 2019 Multistate Filings
BP-2019-OMITF (Forms), BP-2019-RMITR (Rules), BP-2019-RMITL (Loss Costs)

STATE	EFFECTIVE OR DISTRIBUTION DATE	STATE-SPECIFIC SUPPLEMENT/AMENDMENT CIRCULAR (FO, RU, LC)	IMPLEMENTATION CIRCULAR (FO, RU, LC)
ALABAMA	9/1/2019	**	LI-BP-2019-039
ALASKA	11/1/2019	LI-BP-2019-060	LI-BP-2019-064
ARIZONA	9/1/2019	**	LI-BP-2019-039
ARKANSAS	11/1/2019	LI-BP-2019-054	LI-BP-2019-064
CALIFORNIA	10/2019	**	LI-BP-2019-052
COLORADO	9/1/2019	**	LI-BP-2019-039
CONNECTICUT	9/1/2019	LI-BP-2019-037	LI-BP-2019-039
DELAWARE	11/1/2019	**	LI-BP-2019-064
DIST. OF COLUMBIA	9/1/2019	**	LI-BP-2019-039
FLORIDA		**	
GEORGIA		**	
GUAM *	9/2019	**	LI-BP-2019-039
HAWAII***	BUREAU		
IDAHO	9/1/2019	**	LI-BP-2019-039
ILLINOIS	9/1/2019	**	LI-BP-2019-039
INDIANA	9/1/2019	**	LI-BP-2019-039
IOWA	9/1/2019	**	LI-BP-2019-039
KANSAS	9/1/2019	**	LI-BP-2019-039
KENTUCKY		**	
LOUISIANA			
MAINE	9/1/2019	**	LI-BP-2019-039
MARYLAND	9/1/2019	**	LI-BP-2019-039
MASSACHUSETTS		**	
MICHIGAN	9/1/2019	**	LI-BP-2019-039
MINNESOTA	9/2019	**	LI-BP-2019-039
MISSISSIPPI	11/1/2019	**	LI-BP-2019-064
MISSOURI	9/1/2019	**	LI-BP-2019-039
MONTANA	9/1/2019	**	LI-BP-2019-039
NEBRASKA	9/1/2019	**	LI-BP-2019-039
NEVADA	9/1/2019	**	LI-BP-2019-039
NEW HAMPSHIRE	9/1/2019	LI-BP-2019-036	LI-BP-2019-039
NEW JERSEY	9/1/2019	**	LI-BP-2019-039
NEW MEXICO	9/1/2019	**	LI-BP-2019-039
NEW YORK		LI-BP-2019-043	
NORTH CAROLINA	11/1/2019	LI-BP-2019-059	LI-BP-2019-064
NORTH DAKOTA	9/1/2019	**	LI-BP-2019-039
OHIO	9/1/2019	**	LI-BP-2019-039
OKLAHOMA	9/1/2019	**	LI-BP-2019-039
OREGON	9/1/2019	LI-BP-2019-028	LI-BP-2019-039
PENNSYLVANIA	11/1/2019	LI-BP-2019-055	LI-BP-2019-064
PUERTO RICO		LI-BP-2019-029	
RHODE ISLAND	9/1/2019	**	LI-BP-2019-039
SOUTH CAROLINA	9/2019	**	LI-BP-2019-039
SOUTH DAKOTA	11/1/2019	LI-BP-2019-056	LI-BP-2019-064
TENNESSEE	9/1/2019	**	LI-BP-2019-039
TEXAS	9/2019	**	LI-BP-2019-039
U.S. VIRGIN ISLANDS *		**	
UTAH	9/1/2019	**	LI-BP-2019-039
VERMONT		**	
VIRGINIA	9/1/2019	**	LI-BP-2019-039
WASHINGTON***	BUREAU		
WEST VIRGINIA	9/1/2019	**	LI-BP-2019-039
WISCONSIN	9/1/2019	**	LI-BP-2019-039
WYOMING	9/1/2019	**	LI-BP-2019-039

* ISO has no jurisdiction for rules/loss costs.

** There are no state supplements.

*** Under the jurisdiction of an independent bureau

MULTISTATE FILED CIRCULAR		
FORMS	RULES	LOSS COSTS
LI-BP-2019-024	LI-BP-2019-025	LI-BP-2019-026