

LOSS COSTS/RULES/FORMS – IMPLEMENTATION

APRIL 9, 2020

BUSINESSOWNERS

LI-BP-2020-038

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## BUSINESSOWNERS MULTISTATE FORMS, RULES AND LOSS COSTS REVISIONS TO BE IMPLEMENTED IN VERMONT

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### KEY MESSAGE

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

**Effective Date:** 7/1/2020

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

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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.

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## **INSURANCE DEPARTMENT ACTION**

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the insurance department in Vermont.

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

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## **EFFECTIVE DATE**

### **Forms Filing BP-2019-OMITF**

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

These changes are applicable to all policies written on or after July 1, 2020.

### **Rules Filing BP-2019-RMITR**

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

These changes are applicable to all policies written on or after July 1, 2020.

### **Loss Costs Filing BP-2019-RMITL**

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

These changes are applicable to all policies written on or after July 1, 2020.

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.

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## **COMPANY ACTION**

### **Forms Filing BP-2019-OMITF**

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 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.

### **Rules Filing BP-2019-RMITR**

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 JUNE 1, 2020. 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 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.

### **Loss Costs Filing BP-2019-RMITL**

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.

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

WE WILL SUBMIT OUR REFERENCE FILING TO THE INSURANCE DEPARTMENT ON JUNE 1, 2020. ANY SUBMISSION YOU MAY MAKE WITH THE INSURANCE DEPARTMENT WITH RESPECT TO THIS FILING SHOULD NOT BE SUBMITTED PRIOR TO THIS DATE.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number BP-2019-RMITL, NOT this circular number.

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.

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## **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](http://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.

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## **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.

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## 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.

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## 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-2019-057](#) 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.

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## REVISION DISTRIBUTION

### Rules/Loss Costs

We will issue a Notice to Manualholders with an edition date of 7-20 (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 7-20 (or the earliest possible subsequent date), along with any new and/or revised forms.

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## REFERENCE(S)

- [LI-CL-2019-057](#) (12/10/2019) Revised Lead Time Requirements Listing
- [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

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## ATTACHMENT(S)

Status Report

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**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	**	<a href="#">LI-BP-2019-039</a>
ALASKA	11/1/2019	<a href="#">LI-BP-2019-060</a>	<a href="#">LI-BP-2019-064</a>
ARIZONA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
ARKANSAS	11/1/2019	<a href="#">LI-BP-2019-054</a>	<a href="#">LI-BP-2019-064</a>
CALIFORNIA	10/2019	**	<a href="#">LI-BP-2019-052</a>
COLORADO	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
CONNECTICUT	9/1/2019	<a href="#">LI-BP-2019-037</a>	<a href="#">LI-BP-2019-039</a>
DELAWARE	11/1/2019	**	<a href="#">LI-BP-2019-064</a>
DIST. OF COLUMBIA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
FLORIDA		**	
GEORGIA		**	
GUAM *	9/2019	**	<a href="#">LI-BP-2019-039</a>
HAWAII***	BUREAU		
IDAHO	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
ILLINOIS	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
INDIANA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
IOWA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
KANSAS	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
KENTUCKY		**	
LOUISIANA ****	12/1/2019	<a href="#">LI-BP-2019-071</a>	<a href="#">LI-BP-2019-078</a>
MAINE	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
MARYLAND	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
MASSACHUSETTS	6/1/2020	**	<a href="#">LI-BP-2020-001</a>
MICHIGAN	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
MINNESOTA	9/2019	**	<a href="#">LI-BP-2019-039</a>
MISSISSIPPI	11/1/2019	**	<a href="#">LI-BP-2019-064</a>
MISSOURI	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
MONTANA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
NEBRASKA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
NEVADA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
NEW HAMPSHIRE	9/1/2019	<a href="#">LI-BP-2019-036</a>	<a href="#">LI-BP-2019-039</a>
NEW JERSEY	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
NEW MEXICO	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
NEW YORK		<a href="#">LI-BP-2019-043</a>	
NORTH CAROLINA	11/1/2019	<a href="#">LI-BP-2019-059</a>	<a href="#">LI-BP-2019-064</a>
NORTH DAKOTA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
OHIO	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
OKLAHOMA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
OREGON	9/1/2019	<a href="#">LI-BP-2019-028</a>	<a href="#">LI-BP-2019-039</a>
PENNSYLVANIA	11/1/2019	<a href="#">LI-BP-2019-055</a>	<a href="#">LI-BP-2019-064</a>
PUERTO RICO	5/1/2020	<a href="#">LI-BP-2019-029</a>	<a href="#">LI-BP-2019-162</a>
RHODE ISLAND	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
SOUTH CAROLINA	9/2019	**	<a href="#">LI-BP-2019-039</a>
SOUTH DAKOTA	11/1/2019	<a href="#">LI-BP-2019-056</a>	<a href="#">LI-BP-2019-064</a>
TENNESSEE	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
TEXAS	9/2019	**	<a href="#">LI-BP-2019-039</a>
U.S. VIRGIN ISLANDS *		**	
UTAH	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
VERMONT	7/1/2020	<a href="#">LI-BP-2019-193 / LI-BP-2020-034</a>	<a href="#">LI-BP-2020-038</a>
VIRGINIA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
WASHINGTON***	BUREAU		
WEST VIRGINIA	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
WISCONSIN	9/1/2019	**	<a href="#">LI-BP-2019-039</a>
WYOMING	9/1/2019	**	<a href="#">LI-BP-2019-039</a>

\* ISO has no jurisdiction for rules/loss costs.

\*\*\* Under the jurisdiction of an independent bureau.

\*\* There are no state supplements.

\*\*\*\* FO/RU (ISO/PIAL Joint Filing), LC (PIAL-only Rate Filing).

MULTISTATE FILED CIRCULAR		
FORMS	RULES	LOSS COSTS
<a href="#">LI-BP-2019-024</a>	<a href="#">LI-BP-2019-025</a>	<a href="#">LI-BP-2019-026</a>