

RULES – IMPLEMENTATION

JANUARY 12, 2022

BUSINESSOWNERS

LI-BP-2022-007

---

**DISTRICT OF COLUMBIA BUSINESSOWNERS RULE 23.  
REVISION TO BE IMPLEMENTED**

---

**KEY MESSAGE**

Businessowners revised annual individual payroll amounts specific to District of Columbia have been acknowledged.

**BACKGROUND**

In circular [LI-BP-2021-110](#), we advised you that we submitted filing BP-2020-RPAY to the Insurance Department.

**CONSIDERATION OF COVID-19**

In anticipation of long-term behavioral, social and economic changes as a result of COVID-19, we expect, based on the information currently available, that those changes will have a modest but material impact on prospective loss costs for certain risks. In this filing, we have accounted for the impact that the COVID-19 pandemic had on the March-June 2020 data by adjusting the yearly weights used in the calculation of the statewide loss cost level indications for all Liability risks so that experience year 2020 receives less weight.

While there is still great uncertainty around COVID-19, the above referenced adjustment does not contemplate the possibility of widespread viral resurgence or the renewal of stay-at-home orders during the period in which the newly filed loss costs will be in effect. We have assumed that any recurrence of such extreme and unpredictable circumstances would generally be addressed, as appropriate, by individual carriers.

**INSURANCE DEPARTMENT ACTION**

The Insurance Department has acknowledged this revision as filed.

**EFFECTIVE DATE**

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

These changes are applicable to all policies written on or after May 1, 2022.

**COMPANY ACTION**

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-2020-RPAY](#), 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.

---

### **RATING SOFTWARE IMPACT**

No new attributes are being introduced with this revision.

---

### **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-2021-004](#) 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**

We will issue a Notice to Manualholders with an edition date of 5-22 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

---

### **RELATED LOSS COSTS REVISION**

We are announcing in a separate circular the implementation of a corresponding loss costs revision. Please refer to the Reference(s) block for identification of that circular.

---

### **REFERENCE(S)**

- [LI-BP-2022-006](#) (01/12/2022) District Of Columbia Businessowners Advisory Prospective Loss Cost Revision To Be Implemented
- [LI-BP-2021-110](#) (09/15/2021) District Of Columbia Businessowners Rule 23. Revision Filed
- [LI-CL-2021-004](#) (02/17/2021) Revised Lead Time Requirements Listing

---

## CONTACT INFORMATION

If you have any questions concerning:

- The actuarial content of this circular, please contact:  
Tiffany Fan  
Actuarial Operations  
(201) 469-3288  
[Tiffany.Fan@verisk.com](mailto:Tiffany.Fan@verisk.com)  
[casualtyactuarial@verisk.com](mailto:casualtyactuarial@verisk.com)
- The non-actuarial content of this circular, please contact:  
Evan Dattolo  
Production Operations, Compliance and Product Services  
(201) 469-2895  
[prodops@verisk.com](mailto:prodops@verisk.com)
- Other issues for this circular, please contact Customer Support:  
E-mail: [info@verisk.com](mailto:info@verisk.com)  
Phone: 800-888-4476

Callers outside the United States, Canada, and the Caribbean may contact us using our global toll-free number (International Access Code + 800 48977489). For information on all ISO products, visit us at [www.verisk.com/iso](http://www.verisk.com/iso). To keep abreast of the latest Insurance Lines Services updates, view [www.verisk.com/ils](http://www.verisk.com/ils).