

LOSS COSTS/RULES – IMPLEMENTATION

OCTOBER 6, 2022

COMMERCIAL PROPERTY

LI-CF-2022-143

COMMERCIAL PROPERTY MULTISTATE RULES AND LOSS COSTS REVISION TO BE IMPLEMENTED IN VARIOUS JURISDICTIONS

KEY MESSAGE

We are implementing multistate and state-specific rules and loss costs revisions in **26** jurisdictions.

Effective Date: 08/01/2023

Filing IDs: CF-2022-REQRU (Rules) & CF-2022-REQLC (Loss Costs)

JURISDICTIONS

- Alabama
- Arkansas
- Arizona
- Colorado
- Connecticut
- Illinois
- Indiana
- Maryland
- Maine
- Michigan
- Minnesota
- North Carolina
- North Dakota
- Nebraska
- New Hampshire
- Nevada
- Ohio
- Oklahoma
- Oregon
- Pennsylvania
- Rhode Island
- Tennessee
- Virginia
- Wisconsin
- West Virginia
- Wyoming

BACKGROUND

In referenced circular [LI-CF-2022-074](#), we announced the submission of multistate rules revisions in Division 5 – Commercial Property of the Commercial Lines Manual (CLM).

In subsequent circulars, we provided state-specific rules supplements and loss costs revisions to these filings in certain jurisdictions.

INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the insurance departments for the above jurisdictions.

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**CF-2022-REQRU**

Alabama, Arizona, Indiana, Maine, Michigan, North Dakota, Nebraska, New Hampshire, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Virginia, Wisconsin, West Virginia

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

These changes are applicable to all policies written on or after August 1, 2023.

Connecticut, Maryland, North Carolina

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

These changes are applicable to all policies effective on or after August 1, 2023.

Arkansas, Colorado, Illinois, Minnesota, Nevada, Wyoming

We do not establish an effective date for Commercial Property rules revisions in this state. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

CF-2022-REQLC

Alabama, Arizona, Colorado, Indiana, Maine, Michigan, North Dakota, Nebraska, New Hampshire, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Virginia, Wisconsin, West Virginia

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

These changes are applicable to all policies written on or after August 1, 2023.

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

Connecticut, Maryland, North Carolina

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

These changes are applicable to all policies effective on or after August 1, 2023.

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

Arkansas, Illinois, Minnesota, Nevada, Wyoming

We do not establish an effective date for Commercial Property loss costs revisions in this state. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

COMPANY ACTION

Refer to the Summary of Company Action Requirements attached.

RATING SOFTWARE IMPACT**CF-2022-REQRU**

Refer to circular [LI-CF-2022-074](#) for the impact of the multistate filing.

CF-2022-REQLC

New attributes being introduced with this revision:

- Additional information will be required from the policyholder to complete a rating calculation.
- A new code is being introduced.
- Current loss costs are being withdrawn.
- Current factors are being withdrawn.
- A new calculation is being introduced.
- An existing rating formula is being rewritten.

IMPACT ON STATISTICAL REPORTING

Statistical Plan Holders circular [SP-EQ-2022-001](#), entitled "Earthquake Coding Established", dated August 16, 2022, announced the establishment of Earthquake (EQ) Revised Building Classifications and Construction Codes as well as the establishment of a Soft Story Indicator in the Earthquake module of the CSP and CSP-i.

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.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 8-23 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [SP-EQ-2022-001](#) (08/16/2022) Earthquake Coding Established
- [LI-CF-2022-074](#) (08/10/2022) Commercial Property Multistate Rules Revision Being Submitted

ATTACHMENT(S)

- Summary Of Company Action Requirements
- Status Report

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Please make sure that your company has authorized your use of this product and has complied with the requirements applicable in the jurisdiction where you plan to use it.

We distribute both state-specific and multistate products and services. We do not distribute all the multistate products and services for use in every jurisdiction due to corporate policy, regulatory preference, or variations or lack of clarity in state laws.

We provide participating insurers with information concerning the jurisdictions for which our products and services are distributed. Even in those jurisdictions, each insurer must determine what filing requirements, if any, apply and whether those requirements have been satisfied.

Now, as in the past, all of our products and services are advisory, and are made available for optional use by participating insurers as a matter of individual choice. Your company must decide for itself which, if any, ISO products or services are needed or useful to its operation and how those selected for use should be applied. We urge that you be guided by the advice of your attorneys on the legal requirements.

CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular, please contact:
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- Other issues for this circular, please contact Customer Support:
E-mail: 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. To keep abreast of the latest Insurance Lines Services updates, view www.verisk.com/ils.

SUMMARY OF COMPANY ACTION REQUIREMENTS

RULES filing: CF-2022-REQRU

Indiana
Maine
Michigan
North Carolina
Nebraska
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
Tennessee
Virginia
West Virginia

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 CF-2022-REQRU, NOT this circular number.

In addition:

- Please see below for SERFF Tracking Numbers by state:

Indiana , ISOF-133339598	Oregon , ISOF-133339614
Maine , ISOF-133339600	Pennsylvania , ISOF-133339615
Michigan , ISOF-133339602	Rhode Island , ISOF-133339616
North Carolina , ISOF-133339610	Tennessee , ISOF-133339617
Nebraska , ISOF-133339605	Virginia , ISOF-133339619
Ohio , ISOF-133339612	West Virginia , ISOF-133339620

- For **Oklahoma**, refer to Type of Insurance Code (TOI) 01.0 Property and Sub-TOI 01.0001 Commercial Property (Fire and Allied Lines), the State File Number ISOF-133339613, SERFF Tracking Number ISOF-133339613, and the approval date September 14, 2022, 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.

Alabama
Arizona
Connecticut
Maryland
North Dakota
New Hampshire
Wisconsin

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:

JULY 6, 2023 (ALABAMA)	JULY 21, 2023 (NORTH DAKOTA)
JUNE 29, 2023 (ARIZONA)	JUNE 29, 2023 (NEW HAMPSHIRE)
JUNE 29, 2023 (CONNECTICUT)	JULY 21, 2023 (WISCONSIN)
JUNE 29, 2023 (MARYLAND)	

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 CF-2022-REQRU, NOT this circular number.

In addition:

- Please see below for SERFF Tracking Numbers by state:

Alabama , ISOF-133339592	North Dakota , ISOF-133339611
Arizona , ISOF-133339593	New Hampshire , ISOF-133339607
Connecticut , ISOF-133339596	Wisconsin , ISOF-133339621
Maryland , ISOF-133339601	

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

RULES filing: CF-2022-REQRU (Cont'd)

Arkansas

ISO has not filed this revision on behalf of insurers.

Minnesota

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 Filing Number CF-2022-REQRU, NOT this circular number.

In addition:

- Please see below for SERFF Tracking Numbers by state:

Arkansas , ISOF-133339594	Minnesota , ISOF-133339603
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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.

Colorado

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 ISO's 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 CF-2022-REQRU and SERFF Tracking Number ISOF-133339595, 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.

Illinois

ISO has not filed this revision.

Nevada

Wyoming

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 Filing Number CF-2022-REQRU, 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: CF-2022-REQLC

Colorado
Indiana
Maine
Michigan
North Carolina
Nebraska
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
Tennessee
Virginia
West Virginia

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.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number CF-2022-REQLC, NOT this circular number.

In addition:

- Please see below for SERFF Tracking Numbers by state:

Colorado , ISOF-133339649	Oregon , ISOF-133339690
Indiana , ISOF-133339674	Pennsylvania , ISOF-133339691
Maine , ISOF-133339676	Rhode Island , ISOF-133339712
Michigan , ISOF-133339678	Tennessee , ISOF-133339713
North Carolina , ISOF-133339686	Virginia , ISOF-133339715
Nebraska , ISOF-133339681	West Virginia , ISOF-133339716
Ohio , ISOF-133339688	

- For **Oklahoma**, refer to Type of Insurance Code (TOI) 01.0 Property and Sub-TOI 01.0001 Commercial Property (Fire and Allied Lines), the State File Number ISOF-133339689, SERFF Tracking Number ISOF-133339689, and the approval date September 14, 2022, NOT this circular number.

CAUTION: This reference filing revises only certain advisory prospective loss costs for Commercial Property 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.

Alabama
Arizona
Connecticut
Maryland
North Dakota
New Hampshire
Wisconsin

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:

JULY 6, 2023 (ALABAMA)	JULY 21, 2023 (NORTH DAKOTA)
JUNE 29, 2023 (ARIZONA)	JUNE 29, 2023 (NEW HAMPSHIRE)
JUNE 29, 2023 (CONNECTICUT)	JULY 21, 2023 (WISCONSIN)
JUNE 29, 2023 (MARYLAND)	

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 CF-2022-REQLC, NOT this circular number.

In addition:

- Please see below for SERFF Tracking Numbers by state:

Alabama , ISOF- 133339646	North Dakota , ISOF-133339687
Arizona , ISOF-133339647	New Hampshire , ISOF-133339683
Connecticut ISOF-133339651	Wisconsin , ISOF-133339717
Maryland , ISOF-133339677	

CAUTION: This reference filing revises only certain advisory prospective loss costs for Commercial Property 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.

SUMMARY OF COMPANY ACTION REQUIREMENTS

LOSS COSTS filing: CF-2022-REQLC (Cont'd)

Arkansas	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.
Illinois	
Minnesota	You must document your files in case the Insurance Department wishes to review the information at a later date. In all correspondence on this revision, you should refer to ISO Filing Number <u>CF-2022-REQLC</u> , NOT this circular number.
Nevada	
Wyoming	

**Status of 2022 Commercial Property Earthquake Multistate
Rules and Loss Costs Filings CF-2022-REQRU/CF-2022-REQLC**

STATE	EFFECTIVE OR DISTRIBUTION DATE	STATE-SPECIFIC SUPPLEMENT/FILED CIRCULARS		IMPLEMENTATION CIRCULAR
		RULES	LOSS COSTS	
ALABAMA	8/1/2023	LI-CF-2022-076	LI-CF-2022-077	LI-CF-2022-143
ALASKA				
ARIZONA	8/1/2023	LI-CF-2022-086	LI-CF-2022-087	LI-CF-2022-143
ARKANSAS	8/2023	LI-CF-2022-119	LI-CF-2022-120	LI-CF-2022-143
CALIFORNIA				
COLORADO	8/1/2023	LI-CF-2022-121	LI-CF-2022-122	LI-CF-2022-143
CONNECTICUT	8/1/2023	LI-CF-2022-088	LI-CF-2022-089	LI-CF-2022-143
DELAWARE				
DIST. OF COLUMBIA		LI-CF-2022-090	LI-CF-2022-091	
FLORIDA				
GEORGIA				
GUAM (B)				
HAWAII				
IDAHO				
ILLINOIS	8/2023	LI-CF-2022-123	LI-CF-2022-124	LI-CF-2022-143
INDIANA	8/1/2023	LI-CF-2022-126	LI-CF-2022-127	LI-CF-2022-143
IOWA		LI-CF-2022-078	LI-CF-2022-079	
KANSAS				
KENTUCKY				
LOUISIANA				
MAINE	8/1/2023	LI-CF-2022-082	LI-CF-2022-083	LI-CF-2022-143
MARYLAND	8/1/2023	LI-CF-2022-080	LI-CF-2022-081	LI-CF-2022-143
MASSACHUSETTS				
MICHIGAN	8/1/2023	LI-CF-2022-084	LI-CF-2022-085	LI-CF-2022-143
MINNESOTA	8/2023	LI-CF-2022-092	LI-CF-2022-093	LI-CF-2022-143
MISSISSIPPI				
MISSOURI		LI-CF-2022-137	LI-CF-2022-138	
MONTANA				
NEBRASKA	8/1/2023	LI-CF-2022-098	LI-CF-2022-099	LI-CF-2022-143
NEVADA	8/2023	LI-CF-2022-139	LI-CF-2022-140	LI-CF-2022-143
NEW HAMPSHIRE	8/1/2023	LI-CF-2022-100	LI-CF-2022-101	LI-CF-2022-143
NEW JERSEY		LI-CF-2022-102	LI-CF-2022-103	
NEW MEXICO				
NEW YORK				
NORTH CAROLINA	8/1/2023	LI-CF-2022-094	LI-CF-2022-095	LI-CF-2022-143
NORTH DAKOTA	8/1/2023	LI-CF-2022-096	LI-CF-2022-097	LI-CF-2022-143
OHIO	8/1/2023	LI-CF-2022-104	LI-CF-2022-105	LI-CF-2022-143
OKLAHOMA	8/1/2023	LI-CF-2022-106	LI-CF-2022-107	LI-CF-2022-143
OREGON	8/1/2023	LI-CF-2022-128	LI-CF-2022-129	LI-CF-2022-143
PENNSYLVANIA	8/1/2023	LI-CF-2022-108	LI-CF-2022-109	LI-CF-2022-143
PUERTO RICO (B)				
RHODE ISLAND	8/1/2023	LI-CF-2022-110	LI-CF-2022-111	LI-CF-2022-143
SOUTH CAROLINA				
SOUTH DAKOTA				
TENNESSEE	8/1/2023	LI-CF-2022-130	LI-CF-2022-131	LI-CF-2022-143
TEXAS				
U.S. VIRGIN ISLANDS (B)				
UTAH		LI-CF-2022-132	LI-CF-2022-133	
VERMONT				
VIRGINIA	8/1/2023	LI-CF-2022-112	LI-CF-2022-113	LI-CF-2022-143
WASHINGTON				
WEST VIRGINIA	8/1/2023	LI-CF-2022-116	LI-CF-2022-117	LI-CF-2022-143
WISCONSIN	8/1/2023	LI-CF-2022-114	LI-CF-2022-115	LI-CF-2022-143
WYOMING	8/2023	LI-CF-2022-134	LI-CF-2022-135	LI-CF-2022-143

Bold Indicates Changes.

(B) Not Applicable