

RULES – IMPLEMENTATION

FEBRUARY 15, 2024

GENERAL LIABILITY

LI-GL-2024-017

MISSOURI GENERAL LIABILITY GOVERNMENTAL UNITS/POLITICAL SUBDIVISIONS INCREASED LIMITS RULE REVISION TO BE IMPLEMENTED

KEY MESSAGE

We are announcing implementation of a revision to CLM Division Six Rule 56.B.8.

BACKGROUND

In accordance with MO. REV. STAT. Section 537.610, the liability of governmental units and political subdivisions is limited. The limitation on awards for liability is increased or decreased on an annual basis effective January 1 of each year in accordance with information published by the US Department of Commerce. The Director of the Missouri Department of Insurance, Financial Institutions & Professional Registration determines the sovereign immunity limits, which are subsequently published in the *Missouri Register*.

For 2024, the limit for any one person in a single accident or occurrence was increased to \$505,520 and the limit for all claims arising out of a single accident or occurrence was increased to \$3,370,137.

ISO ACTION

To reflect the updated limits, we are implementing Missouri [GL-2024-IGOV1](#), which revises Rule 56.B.8. Governmental Units Premises/Operations (Subline Code 334) – \$100/200 Basic Limit in the Exception Pages for Missouri in the Commercial General Liability division of the Commercial Lines Manual.

Refer to the attachment for complete details.

For more information on the status of filings in a particular state, including filed and approved documents, associated circulars and links to Print Ready Manuals and Commercial Lines Manual, please feel free to access our [Filings](#) feature within the ISOnet Circulars product.

EFFECTIVE DATE

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

These changes are applicable to all policies written on or after September 1, 2024.

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.

WE WILL SUBMIT THIS REVISION TO THE INSURANCE DEPARTMENT ON AUGUST 12, 2024. 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 [GL-2024-IGOV1](#) and SERFF Tracking Number [ISOF-133988121](#), 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-2023-005](#) 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 9-24 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

[LI-CL-2023-005](#) (02/21/2023) Commercial Lines Revised Lead Time Requirements Listing

ATTACHMENT(S)

Filing [GL-2024-IGOV1](#)

ACKNOWLEDGMENT OF ACTUARIAL QUALIFICATIONS

The American Academy of Actuaries' "Qualifications Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" requires that an actuary issuing a Statement of Actuarial Opinion should include an acknowledgment with the opinion that he/she has met the qualification standards of the AAA. ISO considers this rules filing a Statement of Actuarial Opinion; therefore, we are including the following acknowledgment:

I, Stuart Gelbwasser, am an Actuarial Director for ISO, and I, James Davidson, am a Senior Actuarial Director for Commercial Lines for ISO. We are jointly responsible for the content of this Statement of Actuarial Opinion. We are both members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

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Missouri General Liability Premises/Operations Governmental Units/Political Subdivisions Rule Revision

About This Filing

We are revising the policy limits and increased limit factors in our Missouri General Liability Premises/Operations increased limits rule for governmental units/political subdivisions, reflecting statutory changes in the policy limits published in the *Missouri Register*.

Revised Rules

We are revising Rule 56.B.8. Governmental Units Premises/Operations (Subline Code 334) – \$100/200 Basic Limit in the Exception Pages for Missouri in the Commercial General Liability division of the Commercial Lines Manual.

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes.

Background

In accordance with MO. REV. STAT. Section 537.610, the liability of governmental units and political subdivisions is limited. The limitation on awards for liability is increased or decreased on an annual basis effective January 1 of each year in accordance with information published by the US Department of Commerce. The Director of the Missouri Department of Insurance, Financial Institutions & Professional Registration determines the sovereign immunity limits, which are subsequently published in the *Missouri Register*.

Explanation of Changes

For 2024, the limit for any one person in a single accident or occurrence was increased to \$505,520 and the limit for all claims arising out of a single accident or occurrence was increased to \$3,370,137.

We are revising Table 56.B.8., the Premises/Operations increased limit factor (ILF) table for governmental units/political subdivisions in Rule 56.B.8., to reflect

the revised limits. We display those limits in thousands in the table as \$506 and \$3,371, respectively. We also are revising the ILFs in the table to reflect the updated limits, based on our most recent experience review of the factors from 2018 that we implemented in filing GL-2019-IALL1.

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8. Governmental Units Premises/Operations (Subline Code 334) – \$100/200 Basic Limit

The following increased limits factors are provided for policies covering governmental units or political subdivisions in compliance with Mo. Rev. Stat. Sections 537.600 and 537.610:

Limit Per Person/ Occurrence/ Aggregate	Factor
\$ <u>506489/3,3713,259/</u> 4,000	<u>1.261.25</u>
\$ <u>506489/3,3713,259/</u> 5,000	<u>1.271.26</u>

Table 56.B.8. Governmental Units Premises/Operations (Subline Code 334) – \$100/200 Basic Limit