

LOSS COSTS/RULES – IMPLEMENTATION

APRIL 15, 2024

CRIME AND FIDELITY

LI-CR-2024-009

CRIME AND FIDELITY MULTISTATE RULES AND LOSS COSTS REVISIONS TO BE IMPLEMENTED IN DISTRICT OF COLUMBIA AND MARYLAND

KEY MESSAGE

We are implementing revised multistate rules and loss costs revisions in District of Columbia and Maryland.

Effective Date: 8/1/2024 (DC) and 9/1/2024 (MD)

Filing IDs: [CR-2023-RLA1](#) (Loss Costs) and [CR-2023-REL1](#) (Rules)

BACKGROUND

In circular:

- [LI-CR-2023-028](#), we announced the submission of multistate loss costs filing CR-2023-RLA1, which revised advisory prospective loss costs for Crime and Fidelity coverages.
- [LI-CR-2023-029](#), we announced the submission of multistate rules filing CR-2023-REL1, which revised the Supplemental Tables of the Rating Relativities and Factors section of Division Three – Crime and Fidelity of the Commercial Lines Manual (CLM).

INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the insurance departments in District of Columbia and Maryland.

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

Rules Filing CR-2023-REL1

District of Columbia

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

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

Maryland

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

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

Loss Costs Filing CR-2023-RLA1

District of Columbia

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

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

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

Maryland

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

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

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

IMPACT ON STATISTICAL REPORTING

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of August 1, 2024 (DC) and September 1, 2024 (MD), the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in referenced circular [LI-CR-2023-028](#).

COMPANY ACTION

Rules Filing CR-2023-REL1

District of Columbia and Maryland

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 CR-2023-REL1, not this circular number. In addition:

- Please see below for SERFF Tracking Numbers by state

District of Columbia , ISOF-133909823	Maryland , ISOF-133909832
--	----------------------------------

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 CR-2023-RLA1

District of Columbia and Maryland

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 CR-2023-RLA1, NOT this circular number. In addition:

- Please see below for SERFF Tracking Numbers by state

District of Columbia , ISOF-133910018	Maryland , ISOF-133910027
--	----------------------------------

CAUTION: This reference filing revises only certain advisory prospective loss costs for Crime and Fidelity in these states. 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.

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-2024-016](#) 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.

FUTURE ISO ACTION

In future circulars, we will:

- Inform you of the filing status of these filings in California, Georgia and Puerto Rico.
- Inform you of implementation status of these filings in additional jurisdictions.
- Provide an updated multistate status report summarizing filing activity.

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.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 8-24 (DC) and 9-24 (MD) (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [LI-CL-2024-016](#) (03/12/2024) Commercial Lines Revised Lead Time Requirements Listing
- [LI-CR-2023-029](#) (12/22/2023) Crime And Fidelity Multistate Rules Revision Being Filed
- [LI-CR-2023-028](#) (12/22/2023) Crime And Fidelity Multistate Loss Costs Revision Being Filed

ATTACHMENT(S)

Status Report

COPYRIGHT EXPLANATION

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file or use same in any manner without the written permission of the copyright owner. Permission is hereby granted to members, subscribers and service purchasers to reprint, copy or otherwise use the enclosed material for purposes of their own business use relating to that territory or line or kind of insurance, or subdivision thereof, for which they participate, provided that:

- (A) Where ISO copyrighted material is reprinted, copied, or otherwise used **as a whole**, it must reflect the copyright notice actually shown on such material.
- (B) Where ISO copyrighted material is reprinted, copied, or otherwise used **in part**, the following credit legend must appear at the bottom of each page so used:
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

IMPORTANT NOTICE FOR USERS OF ISO PRODUCTS AND SERVICES

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:
Martin Halldorson
ISO Strategic Actuarial Operations
201-469-2838
Martin.Halldorson@verisk.com
- The non-actuarial content of this circular, please contact:
Lakeisha Hunt
Production Operations, Compliance and Product Services
201-469-2899
prodops@verisk.com
- 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.

**Crime and Fidelity
Multistate Rules Revision (CR-2023-REL1)
Loss Costs Revision (CR-2023-RLA1)**

STATE	EFFECTIVE OR DISTRIBUTION DATE	FILED CIRCULARS		IMPLEMENTATION CIRCULAR
		LOSS COSTS	RULES	
ALABAMA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
ALASKA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
ARIZONA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
ARKANSAS	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
CALIFORNIA				
COLORADO	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
CONNECTICUT	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
DELAWARE	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
DIST. OF COLUMBIA	8/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-009
FLORIDA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
GEORGIA				
GUAM				
HAWAII (A)	BUREAU			
IDAHO	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
ILLINOIS	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
INDIANA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
IOWA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
KANSAS	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
KENTUCKY	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
LOUISIANA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
MAINE	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-006
MARYLAND	9/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-009
MASSACHUSETTS				
MICHIGAN	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
MINNESOTA	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
MISSISSIPPI	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
MISSOURI	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
MONTANA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
NEBRASKA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
NEVADA	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
NEW HAMPSHIRE	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
NEW JERSEY	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
NEW MEXICO	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
NEW YORK				
NORTH CAROLINA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-006
NORTH DAKOTA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
OHIO	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
OKLAHOMA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
OREGON	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
PENNSYLVANIA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
PUERTO RICO				
RHODE ISLAND	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
SOUTH CAROLINA	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
SOUTH DAKOTA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
TENNESSEE	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
TEXAS	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-005
U.S. VIRGIN ISLANDS				
UTAH	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
VERMONT	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
VIRGINIA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
WASHINGTON	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-006
WEST VIRGINIA	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
WISCONSIN	6/1/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002
WYOMING	6/2024	LI-CR-2023-028	LI-CR-2023-029	LI-CR-2024-002

(A) For Hawaii, refer to the Hawaii Insurance Bureau, Inc.