# State Regulator Terrorism Risk Insurance Data Call

July 15, 2016 -- DRAFT

## Summary

This data call is intended to serve multiple regulatory and oversight objectives with respect to the affordability and availability of insurance coverage for acts of terrorism, as well as monitoring insurers' financial exposure to terrorism risk. Data reporting requirements were added to the 2015 reauthorization of the Terrorism Risk Insurance Program to monitor the geographic location or risk, premiums and cost of coverage, take-up rates, and the availability of private reinsurance.

Separate exhibits within this data call were developed for:

1. Commercial property lines
2. Commercial liability lines
3. Inland and ocean marine

[Note: Terrorism risk insurance data related to workers' compensation coverage is being collected and submitted by the National Council on Compensation Insurance (NCCI) and the state independent rating bureaus via a separate data call. Insurers are not required to submit workers' compensation data individually.]

This data call is designed to capture data pertaining to all coverage for acts of terrorism in force or sold during the prior year. It is intended to capture both terrorism coverage mandated by TRIA as well as all other types of coverage for terrorism (for example, events not certified as terrorist acts under TRIA). Terrorism is defined broadly as all intentional illegal acts of violence carried out by non-state actors that have a primarily political purpose.

The primary unit of analysis is the *establishment*. An *establishment* is defined by the Bureau of the Census as a "…single physical location at which business is conducted or where services or industrial operations are performed. A *firm* is a business organization consisting of one or more establishments under common ownership or control. The data call requests information for both establishments and firms.

Where relevant, data should be reported for each ZIP code and/or state representing the physical location of covered establishments. Premium should be reported on a **direct** basis (before assumed and ceded reinsurance). If insurers cannot report at a ZIP code level for certain data elements, an insurer may ask for an exemption by contacting TRIAHELP@naic.org.

Each of the three exhibits is shown in table form below, followed by descriptions and/or definitions for each data element. Summary reports for each exhibit request data at a state level.

## Instructions for filing data:

Files must be submitted in csv format at [*portal address to be inserted*].

Example of file for Table 1 in csv format:
2015,12345,L,01,AL,11111,01,01,I,12345,A,A,01,C,1000,1000,100000,100000000,1000000000

The following file name format must be used:
      Cocode: 5 digits.
      Business Type: "P" for property.
      Year: 2015 for the most recent data year.
      Filing type code: "O" for original filing; "R" for refile.
      Filing type code: "T" for terrorism risk insurance.
      File name extension: .TXT

Example of file name: "12345P2015OT.TXT"

**Table 1: Lines with property coverage - lines 01 (combine the commercial portion of annual statement lines 01 and 02.1), 05.1, and 27**

| Element Number | Element Name | Business Name | Size | Format | Required or Optional |
|---|---|---|---|---|---|
| 1 | YEAR | Data Year | 4 | Number - YYYY | Required |
| 2 | COCODE | NAIC Company Code | 5 | Number | Required |
| 3 | COTYPE | Company Type | 1 | Alphanumeric | Required |
| 4 | LOB | Line Number | 2 | Number | Required |
| 5 | STABBR | State Abbreviation | 2 | Alphanumeric | Required |
| 6 | ZIP | Zip Code | 5 | Number | Required |
| 7 | POLCAT | Policy Category | 2 | Number | Required |
| 8 | COVERAGE | Property Coverage | 2 | Number | Required |
| 9 | IND_CODE_TYPE | Industry Class | 1 | Alphanumeric | Required |
| 10 | CODE | Industry Class Code | 5 | Number | Required |
| 11 | LIMITSE | Category for policy limits | 1 | Alphanumeric | Required |
| 12 | LIMITSF | Category for policy limits | 1 | Alphanumeric | Required |
| 13 | POLTYPE | Policy Type | 2 | Number | Required |
| 14 | COVTYPE | Coverage type | 1 | Alphanumeric | Required |
| 15 | ESTNUM | Establishment Count | 12 | Number | Required |
| 16 | PRWTERR | Direct written premium for terrorism coverage | 14 | Number | Required |
| 17 | PRWTOT | Direct Premium Written Total | 14 | Number | Required |
| 18 | TIVTERR | Total Insured Value of Terrorism | 14 | Number | Required |
| 19 | TIVTOT | Total Insured Value of Policy | 14 | Number | Required |

Files must be submitted in csv format.

## Table 1 Summary Report: Data Reported at the State Level

| Element Number | Element Name | Business Name | Size | Format | Required or Optional |
|---|---|---|---|---|---|
| 1 | YEAR | Data Year | 4 | Number - YYYY | Required |
| 2 | COCODE | NAIC Company Code | 5 | Number | Required |
| 3 | STABBR | State Abbreviation | 2 | Alphanumeric | Required |
| 4 | PRWTERR | Direct Written Premium for terrorism coverage | 14 | Number | Required |
| 5 | PRWTOT | Total written premium | 14 | Number | Required |
| 6 | PRETERR | Terrorism earned premium | 14 | Number | Required |
| 7 | PRETOT | Total earned premium | 14 | Number | Required |
| 8 | GREINSPREM | Gross reinsurance premiums ceded | 14 | Number | Required |
| 9 | TIVTERR | Total insured value (amount of insurance) corresponding to written policies with terrorism coverage | 14 | Number | Required |
| 10 | TIVTOT | Total insured value (amount of insurance) for the underlying policy | 14 | Number | Required |
| Files must be submitted in csv format. | | | | | |

## Table 2: Liability Lines  - lines 05.2, 17 (combine FAS lines 17.1 & 17.2), 18

| Element Number | Element Name | Business Name | Size | Format | Required or Optional |
|---|---|---|---|---|---|
| 1 | YEAR | Data Year | 4 | Number - YYYY | Required |
| 2 | COCODE | NAIC Company Code | 5 | Number | Required |

| | | | | | |
|---|---|---|---|---|---|
| 3 | COTYPE | Company Type | 1 | Alphanumeric | Required |
| 4 | LOB | Line Number | 2 | Alphanumeric | Required |
| 5 | STABBR | State Abbreviation | 2 | Alphanumeric | Required |
| 6 | ZIP | Zip Code | 5 | Number | Required |
| 7 | POLCAT | Policy Category | 2 | Number | Required |
| 8 | COVERAGE | Property Coverage | 2 | Number | Required |
| 9 | IND_CODE_TYPE | Industry Class | 1 | Alphanumeric | Required |
| 10 | CODE | Industry Class Code | 5 | Number | Required |
| 11 | POLTYPE | Policy Type | 2 | Number | Required |
| 12 | COVTYPE | Coverage type | 1 | Alphanumeric | Required |
| 13 | POLNUM | Number of Policies | 12 | Number | Required |
| 14 | PRWTERR | Direct written premium for terrorism coverage | 14 | Number | Required |
| 15 | PRWTOT | Direct Premium Written Total | 14 | Number | Required |
| 16 | LIMITSTERR | Liability limits for Terrorism | 14 | Number | required |
| 17 | LIMITSTOT | Total liability Limits | 14 | Number | Required |
| Files must be submitted in csv format. | | | | | |

## Table 2 Summary Report: Data Reported at the State Level

| Element Number | Element Name | Business Name | Size | Format | Required or Optional |
|---|---|---|---|---|---|
| 1 | YEAR | Data Year | 4 | Number - YYYY | Required |
| 2 | COCODE | NAIC Company Code | 5 | Number | Required |
| 3 | STABBR | State Abbreviation | 2 | Alphanumeric | Required |

| | | Direct written premium for terrorism coverage | 14 | Number | Required |
|---|---|---|---|---|---|
| 4 | PRWTERR | | | | |
| 5 | PRWTOT | Total direct written premium | 14 | Number | Required |
| 6 | PRETERR | Terrorism earned premium | 14 | Number | Required |
| 7 | PRETOT | Total earned premium | 14 | Number | Required |
| 8 | GREINSPREM | Gross reinsurance premiums ceded | 14 | Number | Required |
| 9 | LIMITSTERR | Liability limits for terrorism | 14 | Number | Required |
| 10 | LIMITSTOT | Total liability limits | 14 | Number | Required |

Files must be submitted in csv format.

| Table 3: Commercial Inland and Ocean Marine - Lines 08 and 09 | | | | | |
|---|---|---|---|---|---|
| Element Number | Element Name | Business Name | Size | Format | Required or Optional |
| 1 | YEAR | Data Year | 4 | Number - YYYY | Required |
| 2 | COCODE | NAIC Company Code | 5 | Number | Required |
| 3 | COTYPE | Company Type | 1 | Alphanumeric | Required |
| 4 | LOB | Line Number | 2 | Number | Required |
| 5 | STABBR | State Abbreviation | 2 | Alphanumeric | Required |
| 6 | ZIP | Zip Code | 5 | Number | Required |
| 7 | POLCAT | Policy Category | 2 | Number | Required |
| 8 | IND_CODE_TYPE | Industry Class | 1 | Alphanumeric | Required |
| 9 | CODE | Industry Class Code | 5 | Number | Required |
| 10 | POLTYPE | Policy Type | 2 | Number | Required |

| | | | Size | Format | |
|---|---|---|---|---|---|
| 11 | COVTYPE | Coverage type | 1 | Alphanumeric | Required |
| 12 | POLNUM | Number of Policies | 12 | Number | Required |
| 13 | PRWTERR | Direct written premium for terrorism coverage | 14 | Number | Required |
| 14 | PRWTOT | Direct Premium Written Total | 14 | Number | Required |
| 15 | LIMITSTERR | Policy limits for Terrorism | 14 | Number | required |
| 16 | LIMITSTOT | Total liability Limits | 14 | Number | Required |
| Files must be submitted in csv format. | | | | | |

| **Table 3 Summary Report: Data Reported at the State Level** | | | | | |
|---|---|---|---|---|---|
| Element Number | Element Name | Business Name | Size | Format | Required or Optional |
| 1 | YEAR | Data Year | 4 | Number - YYYY | Required |
| 2 | COCODE | NAIC Company Code | 5 | Number | Required |
| 3 | STABBR | State Abbreviation | 2 | Alphanumeric | Required |
| 4 | PRWTERR | Direct written premium for terrorism coverage | 14 | Number | Required |
| 5 | PRWTOT | Total direct written premium | 14 | Number | Required |
| 6 | PRETERR | Terrorism earned premium | 14 | Number | Required |
| 7 | PRETOT | Total earned premium | 14 | Number | Required |
| 8 | GREINSPREM | Gross reinsurance premiums ceded | 14 | Number | Required |
| 9 | TIVTERR | Total insured value (amount of insurance) corresponding to written policies with terrorism coverage | 14 | Number | Required |
| 10 | TIVTOT | Total insured value (amount of insurance) for the underlying policy | 14 | Number | Required |

| | |
|---|---|
| Files must be submitted in csv format. | |

# Definitions for the Terrorism Risk Insurance Data Call

**YEAR - Data Year.** Calendar year for the data reported.

**COCODE – NAIC Company Code.** Five digit NAIC company code for reporting entity.

**COTYPE – Company type.** Use one of six company type codes as shown below.

| Company Type Code | Description |
|---|---|
| L | Licensed company |
| E | Excess & surplus lines |
| R | Risk Retention Group |
| C | Captive |
| P | Pool (i.e., a risk-sharing pool |
| O | Other |

**LOB – Line of Business.** Report the line number representing the line of business, as follows. Definitions should correspond to the state page (page 19) of the P&C Financial Annual Statement, except that lines 17.1 & 17.2 and lines 01 and 02.1 are combined for this data call.

| Line Number | Line | Report in |
|---|---|---|
| 01 | Commercial Fire & Allied Lines, Corresponds to the commercial portion of business reported on FAS lines 01 and 02.1* | Table 1 |
| 05.1 | Commercial multiple peril (non-liability portion) | Table 1 |
| 05.2 | Commercial multiple peril (liability portion) | Table 2 |
| 08 | Ocean marine | Table 3 |
| 09 | Inland marine | Table 3 |
| 17 | Other liability  - report both annual statement lines 17.1 & 17.2  (occurrence & claims made) as line 17 on this data call. | Table 2 |
| 18 | Products liability | Table 2 |
| 27 | Boiler and machinery | Table 1 |

*As per federal regulations, include the commercial portion of hybrid policies that combine both commercial and non-commercial coverages, and with more than 25 percent of premium associated with commercial coverage.

**STABBR – State abbreviation.** Two character US Postal Service state abbreviation, including the District of Columbia. The state should be the physical location of each establishment.

| US State | Abbr. | US State | Abbr. | US State | Abbr. |
|---|---|---|---|---|---|
| Alabama | AL | Kentucky | KY | North Dakota | ND |
| Alaska | AK | Louisiana | LA | Ohio | OH |
| Arizona | AZ | Maine | ME | Oklahoma | OK |
| Arkansas | AR | Maryland | MD | Oregon | OR |
| California | CA | Massachusetts | MA | Pennsylvania | PA |
| Colorado | CO | Michigan | MI | Rhode Island | RI |
| Connecticut | CT | Minnesota | MN | South Carolina | SC |
| Delaware | DE | Mississippi | MS | South Dakota | SD |
| District of Columbia | DC | Missouri | MO | Tennessee | TN |
| Florida | FL | Montana | MT | Texas | TX |
| Georgia | GA | Nebraska | NE | Utah | UT |
| Hawaii | HI | Nevada | NV | Vermont | VT |
| Idaho | ID | New Hampshire | NH | Virginia | VA |
| Illinois | IL | New Jersey | NJ | Washington | WA |
| Indiana | IN | New Mexico | NM | West Virginia | WV |
| Iowa | IA | New York | NY | Wisconsin | WI |
| Kansas | KS | North Carolina | NC | Wyoming | WY |

**ZIP – ZIP Code.** Five digit ZIP code of the physical location of each insured establishment.
Note: Exemptions may be offered on a case-by-case basis.

**POLCAT – Policy Category.** Code representing the type of insurance policy, as follows:

| Codes For Tables 1 – 3 (Not all codes applicable to all tables) | |
|---|---|
| **Code** | **Description** |
| 01 | Monoline |
| 02 | Commercial Multi-peril |
| 03 | Businessowners |
| 04 | Other Package |
| 05 | Blanket Rating |
| 06 | All Other |

Monoline – A policy for a single line of business. For example, a commercial property policy that covers Fire & Allied Lines would be considered monoline.

Commercial Multi-Peril –Standard multiple coverage parts or lines of business combined to form a package policy. This package typically includes commercial property and general liability in addition to other coverage parts.

Businessowners – A policy written for property and liability lines of business on a businessowners policy (generally for small businesses.)

Other Package – A policy written for multiple lines of business not considered a standard CMP or Businessowners policy. For example, a Professional Liability policy that covers the professional for errors and omissions as well as the general liability coverage and commercial property coverage for the professional's office. The take-up rate for these unique types of policies may be different from traditional package policies.

Blanket Rating – A policy encompassing multiple locations rated on a blanket rated basis. It's important to separate out these policies as little detail may be available on the terrorism specific premium on a blanket rated policy and therefore these policies may not be appropriate to include in some analyses. Blanket rating trumps all other policy categories. Both monoline blanked rated policies and package blanket rated policies should be reported under Blanket Rating.

Other – Other than above. This category is included to cover niche products that may not fall into any of the other categories.

## COVERAGE  – Type of property or liability coverage, as shown below

| Codes for Table 1: Commercial Property Lines | |
|---|---|
| **Code** | **Description** |
| 01 | Direct damage – building (i.e. landlord) |
| 02 | Direct damage – contents (i.e. tenant) |
| 03 | Direct damage – building & contents (owner occupied or tenant must insure) |
| 04 | Time element or business interruption |
| 05 | All property combined |
| 06 | Other |

Note that not all policy categories will necessitate records for each coverage. For example, a Businessowners policy category would require a single record with a coverage of All Property Combined, a monoline Time Element policy would require a single Time Element coverage record, and a Commercial Multi-Peril package policy may require a Direct Damage – Buildings & Contents, Time Element, and/or other records for the property piece depending on the package. Since terrorism

coverage may vary depending on both the type of policy and coverage provided this detail allows for meaningful analyses by either.

| Codes for Table 2: Liability Lines | |
|---|---|
| **Code** | **Description** |
| **01** | Basic CGL (Prem/Ops, Products, Personal & Advertising Injury) |
| **02** | Products Liability |
| **03** | Pollution Liability |
| **04** | Umbrella/ Excess Insurance |
| **05** | Directors & Officers |
| **06** | Other |

**Note: Coverage codes are not needed for Table 3.**

## IND  CODE  TYPE - NAICS/ISO Class Code/SIC Code. Insurers may report one of three codes – North American Industrial Classification System (NAICS), ISO Class Code, or the Standard Industrial Classification (SIC).

| **IndCodeType** | **Description** |
|---|---|
| **N** | NAICS |
| **I** | ISO |
| **S** | SIC |

## CODE - Industry class code. ISO reporting companies that choose to report ISO Class Codes, should refer to the ISO Statistical Plan for coding. Companies using the NAICS codes should use the first two-digits of the 2012 North American Industry Classification System (NAICS). Details can be found at the US Census Bureau at

http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012

| **Code** | **Description** |
|---|---|
| **11** | Agriculture, Forestry, Fishing & Hunting |
| **21** | Mining, quarrying and oil and gas extraction |
| **22** | Utilities |
| **23** | Construction |
| **31** | (Includes codes 31-33) Manufacturing |
| **42** | Wholesale Trade |
| **44** | (Includes codes 44-45) Retail Trade |
| **48** | (Includes codes 48 & 49) Transportation & Warehousing |
| **51** | Information |

| Code | Description |
|------|-------------|
| 52 | Finance & Insurance |
| 53 | Real Estate and Rental and Leasing |
| 54 | Professional, Scientific & Technical Service |
| 55 | Management of Companies and Enterprises |
| 56 | Administrative & Support & Waste Management & Remediation Services |
| 61 | Educational Services |
| 62 | Health Care & Social Assistance |
| 71 | Arts, Entertainment & Recreation |
| 72 | Accommodation & Food Services |
| 81 | Other Services (except public administration) |
| 92 | Public Administration |

**LIMITSE** – **policy limits for establishment.** Category for coverage limits for each establishment. Occurrence limits are being requested. In future years, regulators may contemplate collecting aggregate limits.

**LIMITSF** – **policy limits for firm (may be the same as LimitsEstab).** Category for the coverage limits for firm, across all establishments covered by policy regardless of location. Occurrence limits are being requested. In future years, regulators may contemplate collecting aggregate limits.

**Use the same table for both LIMITSE and LIMITSF.**

| Code | Policy Limits |
|------|---------------|
| A | Less than $500,000 |
| B | $500,000 to $999,999 |
| C | $1 million to $4,999,999 |
| D | $5 million to $19,999,999 |
| E | $20 million to $99,999,999 |
| F | $100 million and above |

**POLTYPE** – **Policy Type.** Code indicating type of policy and coverage:

| Code | Description |
|------|-------------|
| 01 | Stand-alone terrorism coverage, not sold as an endorsement to any underlying policy |
| 02 | Sold as an endorsement to an underlying policy, for which terrorism coverage is explicitly rated |

| Code | Description |
|------|-------------|
| 03 | Terrorism coverage that is not explicitly rated or provided for additional premium, including policies which don't exclude terrorism |
| 04 | All other policies that provide coverage for acts of terrorism not included in categories 01, 02 or 03. |
| 05 | No terrorism coverage |

**COVTYPE – Coverage Type.** Code indicating type of coverage:

| Code | Description |
|------|-------------|
| A | Certified |
| B | Not Certified |
| C | Both |
| D | No Terrorism Coverage |

**ESTNUM – Number of establishments insured**, as of year-end (or end of the reporting period).  Count each location as a single establishment, even though multiple physical structures may be present at the location.

**PRWTERR – Premium written for terrorism coverage.**  For terrorism coverage that is not explicitly rated, enter '0'. Earned premium is collect on the state level exhibit.

**PRWTOT – Total premium written**. Note:  Earned premium is collected on the state level exhibit.

**TIVTERR (or LIMITSTERR) –Insured value or liability limits associated with coverage for losses due to terrorism.**   For Table 1 (commercial property) and Table 3 (inland & ocean marine), enter total coverage limits for all property insured across all policies.  For example, if you have 3 policies each with coverage limits for property of $100,000, the total value is $300,000.  For Table 2 (liability lines), use the same method to determine total coverage extended for liability losses.

**TIVTOT (or LIMITSTOT) – Total insured value or liability limits associated with coverage provided by the policies.**  For Table 1 (commercial property) and Table 3 (inland & ocean marine), enter total coverage limits for all property insured across all policies.  For example, if you have 3 policies each with coverage limits for property of $100,000, the total value is $300,000. For Table 2 (liability lines), use the same method to determine total coverage extended for liability losses.

**Summary Report Table. Data is reported at the state level.**

**PRWTERR –** Direct written premium for terrorism coverage.

**PRWTOT -** Total written premium.

**PRETERR.** Terrorism earned premium.

**PRETOT**. Total earned premium.

**GREINSPREM.** Gross reinsurance premiums ceded.

**TIVTERR.** Total insured value (amount of insurance) corresponding to written policies *with terrorism coverage.*

**TIVTOT.** Total insured value (amount of insurance) for the underlying policy.