

TO: All Insurers Licensed to Write Fire Insurance and Homeowners Insurance and All P&C Interested Parties

RE: Reminder about upcoming Filing and Compliance Dates for Chapter 341 (Dwelling Property Insurance Policies) and Chapter 342 (Homeowners Insurance Policies); INS-2022-00154

The Bureau of Insurance (Bureau) reminds insurers of the requirement to file all updated dwelling property and homeowners insurance policy forms and endorsements by the deadlines set forth below. The updated policy forms and endorsements must comply with the new regulations, 14VAC-5-341-10 et seq (dwelling property) and 14VAC-5-342-10 et seq (homeowners).

These new regulations were effective January 1, 2022. The orders adopting the regulations specified two mandatory compliance dates:

Important Dates

January 1, 2022	The effective date of the new rules (Chapters 341 and 342). and the repeal of Chapter 340.
May 1, 2023	Insurers must file their updated policy forms and endorsements.
December 31, 2023	Insurers must use compliant and approved forms for all policies delivered or issued for delivery that are effective on or after this date

The May 1 and December 31 dates will not be extended. Failure to comply with the Commission's order could prompt regulatory action.

Insurers relying on a rate service organization (RSO) for their policy forms and endorsements are reminded that any independent forms or endorsements must be filed by the May 1, 2023, deadline and should communicate with the RSOs to determine the status of the RSO forms.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, DECEMBER 8, 2022

SOC - CLERK'S OFFICE
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COMMONWEALTH OF VIRGINIA, *ex rel.*

2022 DEC -8 P 4:19

STATE CORPORATION COMMISSION

CASE NO. INS-2022-00154

Ex Parte: In the matter of amending Rules
Governing Standards for the Content of
Dwelling Property Insurance Policies and
Rules Governing Standards for the
Content of Homeowners Insurance Policies

ORDER ADOPTING REGULATIONS

On October 27, 2022, the State Corporation Commission ("Commission") entered an Order to Take Notice to amend rules set forth in Chapter 341 of the Virginia Administrative Code, 14 VAC 5-341-10 *et seq.*, entitled "Rules Governing Standards for the Content of Dwelling Property Insurance Policies," and Chapter 342 of the Virginia Administrative Code, 14 VAC 5-342-10 *et seq.*, entitled "Rules Governing Standards for the Content of Homeowners Insurance Policies" ("Rules").

Specifically, and solely, the Commission's Bureau of Insurance ("Bureau") proposes changing the deadline to submit filings for compliance from December 31, 2022 to May 1, 2023; and proposes to require compliance for policies delivered or issued for delivery in Virginia from those with effective dates on and after July 1, 2023, to those with effective dates on and after December 31, 2023.¹

The Order to Take Notice and proposed amendments to the Rules were posted on the Commission's website; sent to all carriers licensed in Virginia to write fire and homeowners insurance and to all interested persons on October 31, 2022; sent to the Office of the Virginia

¹ The Bureau proposed amendments to 14VAC5-341-10 B and 14VAC5-342-10 B that contain identical language.

Attorney General's Division of Consumer Counsel ("Consumer Counsel"); and published in the Virginia Register of Regulations on November 21, 2022. Licensees, Consumer Counsel, and other interested parties were afforded the opportunity to file written comments and request a hearing on or before December 5, 2022.

The Bureau received four comments to the proposed amendments to the Rules, which were filed by the following: American Association of Insurance Services; Insurance Services Office, Inc.; National Association of Mutual Insurance Companies; and American Property and Casualty Insurance Association. The Commission received no request for a hearing.

The Bureau considered the comments filed and responded to such comments in its Response to Comments ("Response"), filed with the Clerk of the Commission on December 6, 2022. In its Response, the Bureau indicates why it does not believe that suggested revisions are warranted.

NOW THE COMMISSION, having considered the proposal to amend the Rules, the comments filed, and the recommendation of the Bureau to adopt the amendments to the Rules, concludes that the attached amendments to the Rules should be adopted, effective December 31, 2022.

Accordingly, IT IS ORDERED THAT:

(1) The amendments to "Rules Governing Standards for the Content of Dwelling Property Insurance Policies," 14 VAC 5 341-10 *et seq.* of the Virginia Administrative Code and "Rules Governing Standards for the Content of Homeowners Insurance Policies," 14 VAC 5-342-10 *et seq.* of the Virginia Administrative Code, which are attached hereto and made a part hereof, are hereby ADOPTED effective December 31, 2022.

(2) The Bureau shall provide notice of the adopted amendments to the Rules to all carriers licensed in Virginia to write fire and homeowners insurance and to all persons known to the Bureau to have an interest in fire and homeowners insurance.

(3) The Commission's Office of General Counsel shall cause a copy of this Order and the amendments to the Rules to be forwarded to the Virginia Registrar of Regulations for appropriate publication in the *Virginia Register of Regulations*.

(4) The Commission's Division of Information Resources shall make available this Order and the attached amendments on the Commission's website:
scc.virginia.gov/pages/Case-Information.

(5) The Bureau shall file with the Clerk of the Commission a certificate of compliance with the notice requirements of Ordering Paragraph (2) above.

(6) This case is dismissed.

A COPY hereof shall be sent electronically by the Clerk of the Commission to:
C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General,
Division of Consumer Counsel, 202 North 9th Street, 8th Floor, Richmond, Virginia
23219-3424, at MBrowder@oag.state.va.us; and a copy hereof shall be delivered to the
Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy
Commissioner Rebecca Nichols.

Project 5997 - Proposed

State Corporation Commission, Bureau of Insurance

**Chapter 341 and 342 Rules Governing Standards for the Content of Dwelling Property
and Homeowners Insurance**

Chapter 341

Rules Governing Standards for the Content of Dwelling Property Insurance Policies

14VAC5-341-10. Scope and applicability.

A. This chapter sets forth the standards of content for policies of dwelling property insurance covering solely owner-occupied dwellings, including condominium units. This chapter applies to insurers licensed to do business in Virginia and issuing policies of dwelling property insurance pursuant to the provisions of Chapter 21 (§ 38.2-2100 et seq.) of Title 38.2 of the Code of Virginia.

B. Compliance with this chapter is required for policies delivered or issued for delivery in Virginia with effective dates on and after ~~July 1~~ December 31, 2023. Insurers and rate service organizations shall submit filings for compliance with this chapter no later than ~~December 31,~~ 2022 May 1, 2023.

C. No insurer shall represent to a prospective purchaser or a policyholder that a dwelling property policy subject to the provisions of this chapter is a homeowners policy as defined in § 38.2-130 of the Code of Virginia.

D. This chapter does not apply to policies that:

1. Are lender-placed;
2. Insure owner-occupied farms;

3. Insure manufactured homes as defined in § 46.2-100 of the Code of Virginia, except for policies insuring manufactured homes as defined in § 46.2-653.1 of the Code of Virginia;
4. Are issued pursuant to Chapter 27 (§ 38.2-2700 et seq.) of Title 38.2 of the Code of Virginia;
5. Are issued pursuant to Chapter 48 (§ 38.2-4800 et seq.) of Title 38.2 of the Code of Virginia; or
6. Primarily insure the personal property of renters.

E. Insurers shall file with the commission all policies or endorsements for approval before use.

F. Policies and endorsements shall not be less favorable than the provisions set forth in this chapter. Insurers may provide broader and more favorable coverages, terms, and conditions than those set forth in this chapter. Insurers may use any policy language that is not less favorable to the insured and complies with provisions of this chapter.

Chapter 342

Rules Governing Standards for the Content of Homeowners Insurance Policies

14VAC5-342-10. Scope and applicability.

A. This chapter sets forth the standards of content for policies of homeowners insurance, including policies insuring owner-occupied condominium units. This chapter applies to insurers licensed to do business in Virginia and issuing policies of homeowners insurance and condominium unit owners insurance pursuant to Chapter 21 (§ 38.2-2100 et seq.) of Title 38.2 of the Code of Virginia.

B. Compliance with this chapter is required for policies delivered or issued for delivery in Virginia with effective dates on and after ~~July 4~~ December 31, 2023. Insurers and rate service organizations shall submit filings for compliance with this chapter no later than ~~December 31, 2022~~ May 1, 2023.

C. Pursuant to § 38.2-130 of the Code of Virginia, homeowners insurance policies are indivisible package policies that insure owner-occupied dwellings.

D. This chapter does not apply to policies that:

1. Are lender-placed;
2. Insure owner-occupied farms;
3. Insure manufactured homes as defined in § 46.2-100 of the Code of Virginia, except for policies insuring manufactured homes as defined in § 46.2-653.1 of the Code of Virginia;
4. Primarily insure the personal property of renters;
5. Are issued pursuant to Chapter 27 (§ 38.2-2700 et seq.) of Title 38.2 of the Code of Virginia; or
6. Are issued pursuant to Chapter 48 (§ 38.2-4800 et seq.) of Title 38.2 of the Code of Virginia.

E. Insurers shall file with the commission all policies and endorsements for approval before use.

F. Policies and endorsements shall not be less favorable than the provisions set forth in this chapter. Insurers may provide broader and more favorable coverages, terms and conditions than those set forth in this chapter. Insurers may use any policy language that is not less favorable to the insured and complies with provisions of this chapter.