



DOI 2025 LEGISLATIVE AGENDA

Thank you for considering the DOI's legislative agenda. There are several challenges within the industry. Our primary goal is to efficiently and effectively regulate the insurance industry in a way that provides access to affordable coverage and protects Idahoans as they purchase these products.

We fundamentally believe Idahoans and our economy are better off when Idaho citizens are insured. Idahoans cannot purchase cars, build homes, start businesses, or secure their families' future without access to coverage. Our agenda focuses on that perspective.

RS31815 – Improvements to the Legislative Holding Act

- Purpose is to protect Idahoans from insolvencies of insurers owned by a holding company, especially foreign-owned.
- Group Capital and Liquidity Stress Testing are universally recognized standards. These p Idaho on the same playing field as other States and Nations, allowing our insurers and agents to transact the same as their peers, and for Idaho's authority to be reciprocated.
- Required for Idaho to continue to be accredited. Accreditation helps reduce the regulatory overhead of Idaho-domiciled insurance companies and Idaho insurance agents. It helps us retain insurers and their jobs in Idaho. If Idaho were not accredited, other states may enforce their laws and standards on Idaho insurers and agents.
- Many reinsurers and large insurers (including Farmers Insurance Company of Idaho) have foreign holdings or activities. Without these improvements, they may exit Idaho's marketplace because of inadequate standards. Adding these may help us attract more insurers and reinsurers to Idaho, as most states have passed these improvements.
- We do not know of any opposition. Industry supports.

01

RS31831 – Wildfire Risk Mitigation Pool and Stabilization Act

- The purpose is two-fold.
 - a. To create a pool that will help Idahoans harden their homes against wildfires.
 - b. To improve access to affordable homeowners' coverage.
- Similar approaches have been successful in other states, especially the Southeast, guarding against hurricanes.
- The bill has several funding sources designed to avoid negative impact on the general fund.
- Like our health insurance high-risk pool, the bill establishes a board to explore additional options to stabilize the market.
- We are not aware of opposition. Industry supports the mitigation pool and is neutral on other potential future approaches, which have not yet been developed.

02

RS31816 - Data Security Act

- With the ever-increasing threat of data breaches and personal information being gathered, the bill establishes insurance-industry standards for reporting breaches and standards for the protection of personal information.
- The bill is designed to protect Idahoans while not being a burden on the industry.
- The proposal only impacts insurance companies and agencies with more than 50 employees.
- National breaches, such as the Change Healthcare breach, will be reported more quickly to protect Idaho citizens from further harm.
- Unaware of any opposition. Industry supports or is neutral.

03



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RS31803 — Risk Mitigation Devices

- Modifies the statute to make it clear that providing risk mitigation devices like fitness trackers or water/leak detection devices, for free or at reduced cost with the purchase of insurance products would NOT be a violation of the insurance Unfair Trade Practices Act.
- Unaware of any opposition. Industry supports.

04

RS31818 — Repeal of the Small Employer Reinsurance Program

- Since the passage of the ACA, strategies for small employer-sponsored coverage have shifted and this program is no longer used or needed.
- The program's statutes require an annual assessment on insurers to pay for an audit of the previous year's assessment.
- The repeal will reduce costs to the insurers and eliminate unnecessary expense and work.
- Unaware of any opposition. Industry supports.

05

Two additional employees requested in the FY26 budget

- With the ever-increasing numbers of product filings and rate adjustments, the DOI has been contracting with outside firms for actuarial services. Therefore, we are requesting one position for an actuary.
 - a. We will save funds by having an employee versus contractors.
 - b. We will review product filings quicker and respond to rate adjustments quicker with an in-house actuary.
- With the ever-increasing complex legal and policy landscape, we are requesting a Regulatory Compliance Specialist. Currently, the DOI either makes determinations without the benefit of legal counsel or utilizes advice from our assigned deputy attorneys general.
 - a. Utilizing our DAGs detracts from their primary responsibilities which can impact the efficiency and promptness of administrative actions.
 - b. Utilization of the assigned DAGs can put them in a conflicted position and may inappropriately position them to be setting public policy versus enforcing.
 - c. In the last few years, the number of challenging, complex insurance issues has multiplied. For example, issues with non-renewal and policy cancellation requests, PBM oversight, data collection and contracts, any willing provider, insurer insolvencies, etc.

Four rule modifications recommended

Nine rules were reviewed, and after negotiated rulemaking, four rules have proposed changes. The proposed changes make the rules easier to understand and to follow, but do not change current regulation. We are unaware of any opposition and industry supports.

- IDAPA 18-0302-2401 – Life Settlements.
- IDAPA 18-0501-2401 – Title Insurance Industry.
- IDAPA 18-0606-2401 – Surplus Lines.
- IDAPA 18-0801-2401 – International Fire Code Modifications.