Reprinted With Permission Of The Publisher

PROPERTY INSURANCE REPORT

The Authority on Insuring Homes and Commercial Property

October 19, 2026 Vol. 33#10/778

INSIDE

Independent agents still dominate personal, commercial business. Page 2

Agents more likely to place business with insurers they view as "partners." Page 3

Minnesota regulators look at firearms coverage. Page 4

Mitigation grants in limbo. Page 7

Minnesota condo challenges. Page 8

Experts Join PIRNC to Talk Consumer AI, Investments

Registration for the 2026 Property Insurance Report National Conference is almost full. The conference takes place at the Ritz-Carlton Laguna Niguel in Dana Point, California, on Nov. 15-17. For more information and to register, click here or on the logo below. See Page 2 to read about some of the sessions that you won't want to miss. We hope you will join us!

Please see CONFERENCE on Page 2

2026 PROPERTY INSURANCE REPORT NATIONAL CONFERENCE

November 15-17 | The Ritz-Carlton, Laguna Niguel | Dana Point, CA

Agents Happier With Carriers, But Policyholders Stay Cranky

Independent agents are happier with personal lines carriers, thanks to lower rates and expanded insurer appetites, according to **J.D. Power's** 2026 study of independent agents. As the market softens, agents' views of carriers hinge more on trust and innovation than on price.

While overall satisfaction for both personal and commercial lines has improved from a recent low point in 2022, the postpandemic era of rate hikes and stricter underwriting looms over agent relationships with policyholders. Agents still face more pressure to explain tighter coverages and complicated policies amid broader affordability challenges.

Agents told J.D. Power that satisfaction with personal lines carriers over the last year improved most in product competitiveness, business support and compensation. Satisfaction increased slightly for ease of doing business, while agents were less satisfied in two categories: operational sup-

Please see AGENTS on Page 2

Election Clouds Reform Path For Minnesota Home Insurance

The fate of task force recommendations to strengthen the **Minnesota** property insurance market will likely hinge on next month's legislative and gubernatorial elections. Issued in February, the report includes suggestions for making homes more resilient to severe weather, curbing litigation costs and studying potential solutions to increase insurance options for commercial residential properties.

"Whether bills are introduced that align with or run counter to the insurance industry's priorities will depend largely on the makeup of the Legislature and the governor's office," **Aaron Cocking**, CEO of the **Insurance Federation of Minnesota**, said in an email. "Regardless, we will continue to advocate for policies that promote a competitive marketplace for consumers, support a fair and effective regulatory environment, reduce the onerous 'tort tax' on Minnesotans, and protect insurers' ability to meet their obligations to policyholders."

Please see MINNESOTA on Page 4

Reprinted With Permission Of The Publisher

CONFERENCE *Continued from Page 1*

Finding New Footing in Cyberspace

Large language models are changing the way people engage with the internet as insurers and other companies lean on Claude, ChatGPT, Gemini, Copilot and other artificial intelligence (AI) to engage with clients. **Corporate Insight's Justin Suter** has spent months investigating how AI chatbots are being deployed in today's marketplace. He'll be joined by **MediaAlpha's Alex Attarian** to address the future of lead generation in a world increasingly powered by AI.

Turning Investment Strategies Into a Strategic Advantage

Insurers are in the business of risk, which usually means they're looking for ways to minimize exposure. But those with a tolerance for longer term risk-taking, and that spend the time and energy to become sophisticated investors, may find the income allows for market differentiation. The only problem: Regulators and rating agencies have complicated feelings about these practices. **Matthew Reilly** of **Conning** joins us to talk about how carriers approach investments. PIR

AGENTS *Continued from Page 1*

port from carriers and servicing clients.

As more insurance buyers shop online, agents face greater pressure to act as true advisors, said **Craig Martin**, executive director of insurance intelligence at J.D. Power.

"The agent's role is evolving, and it's not that the agent is going to go away," he said. "Particularly at the lower end of the market, the days of just having the agent's role to quote and go find cheaper prices really aren't there anymore. More is being asked of the agent to prove their worth."

Despite rapid technological shifts in insurance shopping, independent agents have stubbornly held on to market share. Independent agents wrote about 39.5% of personal lines business in 2025, compared to 34.8% for captive agents and 25.5% for direct response carriers, according to the **Independent Insurance Agents & Brokers of America** market share report based on premium data from **A.M. Best, Co**. Independent agents wrote about 39.2% of business in 2024.

Independent agents wrote about 87.7% of commercial lines business in 2025, compared to about 87.9% in 2024.

Agents' satisfaction with individual carriers greatly influences where they place business. After a big improvement in 2023, agent satisfaction has largely plateaued with only slight fluctuations since 2024, according to Martin.

Revenue growth for both personal lines and commercial lines agencies has also slowed sharply since the 2023 peak, when drastic rate increases drove double-digit increases. Commercial lines revenue growth slowed to 4.5% in the second quarter of 2026, down from 7.3% a year ago, according to **Reagan Consulting's** quarterly market update. Personal lines growth fell to 1.2% in the second quarter of 2026 compared to 8.8% one year ago. Agency profitability remained firm, despite the slowdown in growth, according to the report.



Craig Martin
J.D. Power

Independent agent satisfaction with commercial lines carriers declined this year but remained higher than the low point in 2022.

"One of the key reasons for the decline was driven by lower perceptions of the ease of working with insurers overall, particularly among small to mid-size agencies," Martin said. "There wasn't a specific aspect of the experience that stood out; rather it seemed to be the case across various aspects of the relationship."

The gap between the top-ranked personal lines carriers and others with above-average scores narrowed, according to the study. For personal lines,

Please see AGENTS on Page 3

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.

Reprinted With Permission Of The Publisher

AGENTS *Continued from Page 2*

Auto-Owners Insurance overtook **Erie Insurance** as the most favored by independent agents, though satisfaction with both carriers fell this year. The three other personal lines carriers with above-average ratings – **Liberty Mutual**, **Chubb** and **Travelers** – all saw satisfaction rise, closing the gap with the top two. **Progressive**, which announced a new strategy to court independent agents to grow its homeowners business, also saw an increase in favorability, climbing to just below the industry average. (PIR 8/24/26)

The remaining three carriers with enough agent responses to be ranked in the J.D. Power report – **The Hartford**, **Nationwide** and **National General** – all scored well below average.

J.D. Power organized carriers into three categories based on how agents viewed them: 48% of agents viewed carriers rated by J.D. Power as "partners," the best designation. Of the rest, 29% viewed carriers as "providers," and 18% viewed them as "vendors," the lowest designation.

> ***The agent's role is evolving, with more emphasis put on their work as advisors to potential customers.***

(J.D. Power did not directly ask agents if they view the carrier as a partner, provider or vendor; rather, the designations are based on responses to a series of questions.)

When independent agents view carriers as trusted partners, they are 43% more likely to recommend that carrier within the next six months and 37% more likely to write more policies with that carrier, according to J.D. Power.

Surveys showed that carriers viewed as partners communicated with agents more in-person, over the phone, and with texts and video calls, rather than simply relying on email or digital dashboards to convey risk appetites. Partners also offer regular training, more non-commission incentives and compensation that is easy to understand, according to the study.

During interviews with J.D. Power, agents passionate about their partnerships with carriers didn't emphasize technology. "They want that good technology and good support," Martin said. "But what stands out in many ways is the human element that you bring to bear."

When J.D. Power asked agents to identify the attributes that describe partners, as opposed to providers and vendors, two terms stood out: "trustworthy" and "innovative."

Agents want a carrier they can trust to write harder-to-place business, Martin added, and "who's always looking ahead, who's trying to grow the business, who's doing things in a way that is with the view toward the future."

Digital shopping has made agents' role as advisors even more important, yet that is exactly where they struggle, according to J.D. Power surveys.

According to last month's home insurance study by J.D. Power, homeowners who bought their policies through agents reported the lowest understanding of their coverage of any channel. About 53% of those who purchased through an agent said they "completely" understood their policy and what is covered, compared to 59% who bought through a call center, 62% who bought on the carrier's website and 66% on an insurer's mobile app.

Policies themselves have become more difficult to understand. Carriers have gut-rehabbed homeowners policy forms, specifically, switching from replacement cost value roof coverage to actual cash value and increasing wind and hail deductibles to curb losses in many states. (PIR 1/26/26)

The knowledge gap may also reflect agency priorities. Independent agents dominate commercial lines and tend to focus on business accounts, where there is more opportunity to sell additional lines.

"There's this tension to be seen as giving guidance, but at the same time, how much time can you dedicate, particularly in personal lines, to one individual client?" Martin said. PIR

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.

Reprinted With Permission Of The Publisher

State Market Focus: MINNESOTA

Continued from Page 1

Polls show that Democratic U.S. Sen. **Amy Klobuchar** is favored to win the governor's seat now held by two-term Gov. **Tim Walz**, the 2024 Democratic vice-presidential candidate. Democrats, who outnumber Republicans 34-33 in the state Senate, are predicted to hold their majority. The Republican gubernatorial candidate, **Lisa Demuth**, currently serves as speaker of the House, which is tied 67-67.

Future leadership of the **Minnesota Department of Commerce** is also up in the air, as the new governor will appoint the next commerce commissioner. Deputy Insurance Commissioner **Julia Dreier** has served as temporary commissioner of the Commerce Department since former Commerce Commissioner **Grace Arnold** stepped down Aug. 7.



Julia Dreier
Temporary Commissioner of Commerce

With the political outlook uncertain, major initiatives – including those focused on strengthening the property insurance market – remain unsettled.

One outstanding issue stems from the Walz administration's focus on reducing gun violence. In response to a directive from the governor, the Commerce Department conducted a data call asking insurers to describe firearms coverage, exclusions and limitations in homeowners, personal umbrella, dwelling and inland marine policies. It also asked if gun ownership affected eligibility for a policy, the types of losses covered and if the company had firearms-related claims during the period 2020-2024.

Dreier would not discuss the findings until the governor's office completed its review of the report, which was due Oct. 1. Walz's office did not respond to a request for comment.

A month after the Commerce Department announced the data call, a lawmaker introduced a bill that would have created a $100,000 coverage mandate for firearm owners for accidental occurrences under homeowners and tenant policies. The bill did not advance.



Chad Bjugan
Richfield State Insurance

Despite volatility in the political environment, the homeowners insurance market has steadied after enduring several years of steep rate hikes, tighter underwriting and shrinking coverage in response to big losses.

The statewide incurred loss ratio fell to 41.4% last year from 64.8% in 2024, 110.2% in 2023 and 158.4% in 2022. For the decade ended 2024, Minnesota home insurers generated an average annual loss of 8.3% compared to the 5.5% profit for home insurers countrywide.

"We were seeing double-digit increases the last few years, and people have been sticker-shocked by it, but I think it's more stable now," said **Chad Bjugan**, who owns the **Richfield State Insurance** agency and sits on the board of directors of the **Independent Insurance Agents & Brokers of Minnesota** (Big I Minnesota). "What we are seeing as well is more eligibility for new business. It used to be they were very strict the last few years … but now it's been a little more open."

According to RateWatch from **S&P Global Market Intelligence**, the top 10 Minnesota home insurers have increased rates an average 2.0% so far this year, down from an average 17.8% last year, 22.2% in 2024 and 15.6% in 2023. The cumulative increase since 2021 for the top 10 is 90.1%.

Please see MINNESOTA on Page 5

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.

Reprinted With Permission Of The Publisher

State Market Focus: MINNESOTA

Continued from Page 4

While several top 10 insurers have kept rates flat this year, regulators approved a 9.7% increase for No. 3 **Auto-Owners Insurance**, a 5.3% hike for No. 4 **Farmers Insurance Group** and a 4.5% increase for No. 7 **Allstate**.



Aaron Cocking Insurance Federation of Minnesota

"I think certainly Minnesotans are feeling cost pressure in lots of different places in their lives right now, and homeowners insurance is part of that, unfortunately," Dreier said in an interview. "We're trying to make sure we're thinking through how we make sure that these products continue to be available for people and also that they're affordable long term."

Regulators have put risk mitigation at the center of their discussions about insurance availability and affordability.

"The big thing that we're regularly thinking about in our department is that our risk in the state is changing, and that we are certainly seeing the effects of extreme weather in our state," Dreier said. "So, we're really thinking through what it means to reduce that risk, both through having stronger homes, mitigation incentives, making sure homeowners are better informed and just making sure we have a good long-term plan to address those situations."

In 2025, the Legislature established a task force to recommend measures to strengthen and stabilize the homeowners and commercial property insurance industry. Three of the seven recommendations pertained to increasing resiliency, two related to legal system abuse, and two recommended studies to address challenges in coverage for condominiums and other commercial residential properties.

Please see MINNESOTA on Page 6

Minnesota
Property Insurance Profit Margins

10-Year Summary, Percent of Direct Premiums Earned, With National Averages

Line of Business	2024 Total Profit	2023 Total Profit	2022 Total Profit	2021 Total Profit	2020 Total Profit	2019 Total Profit	2018 Total Profit	2017 Total Profit	2016 Total Profit	2015 Total Profit	Avg Total Profit
State Homeowner	11.8	-28.2	-74.7	-2.0	-10.7	-10.8	10.9	-13.2	18.5	15.8	-8.3
Nat'l Homeowner	13.7	4.5	0.8	1.4	2.7	10.3	-2.0	-2.6	11.8	14.0	5.5
State Fire	42.4	14.6	29.2	29.8	-33.2	21.6	16.6	20.2	25.1	25.5	19.2
Nat'l Fire	33.4	28.5	12.2	7.3	9.3	5.8	4.8	4.7	11.0	24.2	14.8
State Comm MP	17.3	-4.8	-32.7	6.3	-13.5	0.3	16.7	-3.7	14.3	13.5	1.4
Nat'l Comm MP	17.6	6.5	7.3	5.5	3.2	8.2	4.1	0.6	9.8	14.5	7.7
State Allied Lines	2.2	-13.2	1.6	10.5	6.6	-30.4	16.4	29.2	24.0	11.1	5.8
Nat'l Allied Lines	10.6	12.4	2.1	7.3	-0.3	7.6	2.2	-37.6	10.6	19.2	3.4

Note: Profit calculations are by *Property Insurance Report* using data from the National Association of Insurance Commissioners. Calculations are estimates, some based on national averages.

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.

Reprinted With Permission Of The Publisher

State Market Focus: MINNESOTA

Continued from Page 5

The most significant resiliency recommendation called for funding the Strengthen Minnesota Homes Program so it could fulfill its mission of providing grants to help homeowners upgrade roofs to meet the Fortified standard established by the **Insurance Institute for Business & Home Safety** (IBHS). In 2023, Minnesota became one of the first inland states to pass legislation (Senate File 2744) creating a Fortified grant program, and while lawmakers provided $1 million in startup funding to establish the program, they did not allocate money for the actual grants.

In March, the Commerce Department issued a bulletin directing insurers to file discounts on wind and hail premiums for Fortified roofs that include hail-specific retrofits. Regulators set benchmarks of 35% for Fortified

Please see MINNESOTA on Page 7

Minnesota
Homeowners Multiperil Insurers

Groups Ranked by Total 2025 Direct Premium Written (000)

Group Name	2025			2024			2023		
	Premium	Market Share	Loss Ratio	Premium	Market Share	Loss Ratio	Premium	Market Share	Loss Ratio
State Farm Mutual	$1,261,962	27.4%	47.3%	$1,061,934	26.3%	61.8%	$841,769	24.9%	120.9%
American Family Insurance	$696,161	15.1%	28.6%	$623,302	15.5%	55.2%	$522,911	15.4%	99.5%
Auto-Owners Insurance	$419,667	9.1%	41.3%	$348,187	8.6%	72.6%	$231,155	6.8%	123.9%
Farmers Insurance Group	$320,325	7.0%	33.8%	$309,890	7.7%	46.3%	$258,268	7.6%	84.8%
Liberty Mutual	$224,549	4.9%	44.2%	$205,017	5.1%	68.2%	$202,799	6.0%	88.0%
USAA Insurance Group	$212,719	4.6%	48.6%	$177,135	4.4%	86.3%	$143,799	4.3%	119.0%
Allstate Corp.	$198,974	4.3%	48.1%	$164,742	4.1%	67.8%	$149,554	4.4%	77.0%
Travelers Companies Inc.	$180,473	3.9%	42.6%	$173,191	4.3%	81.0%	$162,248	4.8%	134.5%
Auto Club Insurance Assn. (Michigan)	$110,177	2.4%	34.0%	$82,238	2.0%	52.4%	$59,071	1.7%	90.5%
Nationwide Mutual Group	$90,124	2.0%	36.3%	$100,322	2.5%	90.7%	$107,040	3.2%	138.6%
North Star Mutual Insurance Co	$83,183	1.8%	36.4%	$76,698	1.9%	55.1%	$65,335	1.9%	85.8%
Progressive Corp.	$78,527	1.7%	28.0%	$77,678	1.9%	45.4%	$72,737	2.2%	81.0%
Chubb Ltd.	$72,829	1.6%	76.8%	$63,007	1.6%	95.7%	$53,559	1.6%	103.3%
Western National Insurance	$56,376	1.2%	24.4%	$57,368	1.4%	54.0%	$56,201	1.7%	143.4%
Westfield Insurance	$54,470	1.2%	49.2%	$52,619	1.3%	109.7%	$47,445	1.4%	204.7%
West Bend Mutual Insurance Co.	$53,279	1.2%	37.1%	$47,064	1.2%	68.3%	$44,856	1.3%	104.0%
Country Financial	$49,179	1.1%	40.4%	$48,804	1.2%	65.4%	$42,346	1.3%	97.6%
Acuity Mutual Insurance	$46,859	1.0%	40.2%	$38,266	1.0%	62.8%	$26,862	0.8%	134.1%
Farm Bureau Financial Services	$38,442	0.8%	32.3%	$32,921	0.8%	45.8%	$23,833	0.7%	104.1%
Universal Insurance Holdings Inc.	$36,775	0.8%	47.6%	$26,265	0.7%	108.1%	$19,285	0.6%	134.1%
Hartford Financial Services	$32,834	0.7%	29.0%	$19,503	0.5%	67.9%	$13,636	0.4%	96.0%
Cincinnati Financial Corp.	$29,915	0.7%	30.0%	$24,489	0.6%	34.5%	$20,114	0.6%	67.7%
Grange Insurance	$27,538	0.6%	51.0%	$13,305	0.3%	67.8%	$12,083	0.4%	127.9%
RAM Mutual Insurance Co.	$27,115	0.6%	32.9%	$26,430	0.7%	69.1%	$21,896	0.7%	109.1%
Selective Insurance Group	$26,974	0.6%	63.2%	$20,291	0.5%	80.7%	$16,002	0.5%	178.8%
Statewide Totals	$4,607,074		41.4%	$4,030,901		64.8%	$3,385,649		110.2%

Source: S&P Global Market Intelligence and *Property Insurance Report*.
Loss ratio = incurred losses/direct premium earned and does not include dividends or loss adjustment expense.

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.

Reprinted With Permission Of The Publisher

State Market Focus: MINNESOTA

Continued from Page 6

roofs, 38% for Fortified Silver and 40% for Fortified Gold.

Most companies used the benchmark discounts in their filings, but if carriers felt their actuarial data supported smaller discounts, "we just review that in a slightly different way," Dreier said. "If they file with that benchmark level or higher, then it helps us review a lot faster … so they're able to get their product to market faster."

Lawmakers tried again to fund the grant program this year, with $35 million, but House File 4223 did not advance. "We don't get to make the decisions about how the state spends its money; that's the Legislature's job," Dreier said.

Without funds to start issuing grants, the Commerce Department has been building out the infrastructure to promote Fortified roofs, including training for appraisers and contractors.



April Goodin
Big I Minnesota

"Minnesota is still an emerging market for Fortified, but the foundation is taking shape," IBHS General Counsel **Michael Newman** said in an email. "More than 40 Minnesota companies offer Fortified-related services, and early designations are being issued."

April Goodin, CEO of Big I Minnesota, said her group has been working to educate agents about how to talk about Fortified with policyholders who may need to replace their roofs.

"The Fortified question is fairly new, and there's not a lot of uptake on it yet," Bjugan added.

The task force offered two other resilience-related recommendations, including updating building codes to incorporate elements of the IBHS Fortified roofing standards into residential and

Please see MINNESOTA on Page 8

Minnesota
Commercial Multiperil Nonliability Insurers
Groups Ranked by 2025 Premiums Written (000)

Group Name	2025 Premium	2025 Market Share	2025 Loss Ratio
Auto-Owners Insurance	$123,862	13.5%	42.8%
Travelers Companies Inc.	$93,131	10.2%	119.3%
State Farm Mutual	$84,252	9.2%	50.1%
Chubb Ltd.	$57,549	6.3%	58.6%
Hartford Financial Services	$35,158	3.8%	37.0%
Secura Insurance Companies	$33,698	3.7%	19.3%
Cincinnati Financial Corp.	$30,761	3.4%	13.8%
Hanover Insurance Group	$25,969	2.8%	25.6%
Liberty Mutual	$25,490	2.8%	-8.5%
Nationwide Mutual Group	$20,684	2.3%	50.9%
Acuity Mutual Insurance	$17,930	2.0%	51.6%
American Family Insurance Group	$16,947	1.9%	124.3%
Church Mutual	$16,726	1.8%	35.5%
Farmers Insurance Group	$16,180	1.8%	3.3%
Grinnell Mutual	$16,108	1.8%	20.8%
W. R. Berkley Corp.	$15,782	1.7%	52.7%
Westfield Insurance	$13,096	1.4%	90.4%
Midwest Family	$13,028	1.4%	79.3%
Munich Re	$12,707	1.4%	21.9%
Grange Insurance	$11,776	1.3%	43.1%
HAI Group	$11,645	1.3%	16.0%
AmTrust Financial Services	$10,593	1.1%	21.7%
Allstate Corp.	$10,445	1.1%	60.0%
Allianz Group	$10,369	1.1%	37.6%
West Bend Insurance	$10,176	1.1%	24.5%
Brotherhood Mutual Insurance Co.	$9,776	1.1%	45.7%
Tokio Marine	$8,233	0.9%	37.0%
Zurich Insurance Group	$8,214	0.9%	59.4%
CNA Financial Corp.	$8,170	0.9%	3.8%
Berkshire Hathaway Inc.	$7,653	0.8%	50.3%
GuideOne Insurance	$7,422	0.8%	8.1%
North Star Mutual Insurance Co	$7,280	0.8%	32.3%
American International Group	$7,029	0.8%	15.7%
Selective Insurance Group	$6,942	0.8%	24.8%
United Fire Group Inc.	$6,842	0.8%	16.5%
Society Insurance Mutual	$6,819	0.7%	42.8%
Farm Bureau Financial Services	$6,625	0.7%	-14.3%
Triangle Insurance Co.	$6,457	0.7%	20.5%
Rural Mutual	$6,442	0.7%	52.0%
Encova Insurance	$6,336	0.7%	35.8%
Country Financial	$5,952	0.7%	58.2%
Statewide Totals	$917,672		49.3%

Source: S&P Global Market Intelligence and *Property Insurance Report*. Loss ratio = incurred losses/direct premium earned and does not include dividends or loss adjustment expense.

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.

Reprinted With Permission Of The Publisher

State Market Focus: MINNESOTA

Continued from Page 7

commercial building codes. HF 4137, which would have added the roof-hardening standard to the building code, did not advance.

As a longer-term goal, the task force recommended creating catastrophic and mitigation savings accounts that would allow consumers to accumulate savings free of state tax to fund mitigation.

The task force also recommended that the Minnesota FAIR Plan examine the feasibility of offering additional products to fill coverage gaps in the market, including coverage for commercial property insurance.Another recommendation sought to respond to challenges for condominium owners facing large assessments due to the high cost and large deductibles in master policies. It included a mandate for condo owners to carry an HO6 policy.

To tame litigation abuse, the task force recommended continuing to examine issues related to third-party litigation financing (TPLF) and "appropriate legal reforms to lessen the burden of the tort tax on Minnesotans."

The **U.S. Chamber of Commerce Institute for Legal Reform** estimated the Minnesota "tort tax" at $3,183 per household.

The Insurance Federation of Minnesota didn't have any luck with a bill that it backed last year

Please see MINNESOTA on Page 9

Minnesota
Fire Insurers

Groups Ranked by 2025 Premiums Written (000)

Group Name	2025 Premium	2025 Market Share	2025 Loss Ratio
Auto-Owners Insurance	$63,026	10.2%	30.6%
Farmers Insurance Group	$50,318	8.2%	17.4%
Travelers Companies Inc.	$46,016	7.5%	12.6%
Liberty Mutual	$37,653	6.1%	-3.1%
FM Global	$31,947	5.2%	39.7%
Starr Cos.	$23,977	3.9%	55.5%
Old Republic Insurance	$22,657	3.7%	11.6%
West Bend Insurance	$22,215	3.6%	22.1%
Berkshire Hathaway Inc.	$20,692	3.4%	51.4%
American International Group	$18,156	2.9%	36.0%
Heartland Mutual Insurance Co.	$14,620	2.4%	31.2%
North Star Mutual Insurance Co	$13,684	2.2%	29.6%
Federated Insurance	$13,124	2.1%	49.9%
Munich Re	$13,078	2.1%	0.1%
Fairmont Farmers Mutual Ins Co.	$12,919	2.1%	48.7%
Allianz Group	$11,722	1.9%	25.5%
Western National Insurance	$11,012	1.8%	38.5%
Acuity Mutual Insurance	$10,735	1.7%	17.9%
Zurich Insurance Group	$10,129	1.6%	14.2%
Bloomfield Mutual Insurance Co	$7,719	1.3%	22.9%
Selective Insurance Group	$7,366	1.2%	-28.0%
EMC Insurance	$7,190	1.2%	-28.4%
Tokio Marine	$6,930	1.1%	-11.3%
Statewide Totals	$617,593		27.6%

Source: S&P Global Market Intelligence and *Property Insurance Report.* Loss ratio = incurred losses/direct premium earned and does not include dividends or loss adjustment expense.

Minnesota
Allied Lines Insurers

Groups Ranked by 2025 Premiums Written (000)

Group Name	2025 Premium	2025 Market Share	2025 Loss Ratio
North Star Mutual Insurance Co.	$193,721	27.2%	24.4%
Travelers Companies Inc.	$49,594	7.0%	15.0%
Fairmont Farmers Mutual Ins Co	$35,688	5.0%	18.5%
FM Global	$34,999	4.9%	8.0%
West Bend Insurance	$29,843	4.2%	18.7%
Farmers Insurance Group	$28,888	4.1%	44.3%
EMC Insurance Companies	$21,939	3.1%	33.1%
Berkshire Hathaway Inc.	$20,796	2.9%	7.6%
Federated Insurance	$19,615	2.8%	34.5%
Liberty Mutual	$18,059	2.5%	69.7%
Zurich Insurance Group	$16,365	2.3%	326.8%
Acuity Mutual Insurance	$14,639	2.0%	37.0%
Heartland Mutual Insurance Co.	$13,574	1.9%	6.6%
Western National Insurance	$13,127	1.8%	18.8%
Selective Insurance Group Inc.	$12,785	1.8%	33.3%
American International Group	$11,204	1.6%	763.2%
Nationwide Mutual Group	$8,733	1.2%	45.4%
Western Mutual Ins Co. of MN	$7,233	1.0%	4.7%
MS&AD Insurance	$7,067	1.0%	4.2%
Cincinnati Financial Corp.	$7,041	1.0%	6.3%
Munich Re	$6,896	1.0%	78.0%
Great Rivers Mutual Ins Co.	$6,562	0.9%	-0.9%
USAA Insurance Group	$6,510	0.9%	63.5%
Statewide Totals	$712,691		44.9%

Source: S&P Global Market Intelligence and *Property Insurance Report.* Loss ratio = incurred losses/direct premium earned and does not include dividends or loss adjustment expense.

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.

Reprinted With Permission Of The Publisher

Focus: MINNESOTA

Continued from Page 8

to regulate the TPLF market.

SF 2929 called for immediate disclosure of consumer litigation funding agreements to all parties and insurers and registration of funding companies with the Commerce Department. It also banned financing companies from influencing legal decisions or accepting funding from foreign entities of concern.

"Minnesotans deserve a stable insurance market where premiums pay for genuine protection rather than excessive litigation," Cocking said. "The task force confirmed that unchecked legal abuse is distorting the market and making insurance less affordable for everyone. We encourage legislators to follow the data and enact meaningful reforms that lower the temperature on litigation and lower costs for consumers."

Lawmakers addressed other insurer concerns in 2024 when they passed legislation (SF 4097) that strengthened consumer protections against unscrupulous contractors, eased requirements for implementing a percentage wind/hail deductible at renewal and carved out an exception to a long-standing ban on nonrenewing a homeowners policy based on weather-related claims, according to a summary prepared by the agents group. Under the new law, insurers can nonrenew a policy if the homeowner had three or more covered losses, each over $10,000, from lightning, wind, rain or hail during a five-year period immediately preceding the nonrenewal.

In addition to increasing premiums and nonrenewals, insurers have dramatically narrowed coverage in policies.

"Five years ago, you could get replacement cost coverage on roofs for 20-year-old homes from almost all of our companies that are in the state of Minnesota," Bjugan said. "But I think a lot of them have gone away from that, and they are only giving replacement cost for maybe the first five to 10 years.

PROPERTY INSURANCE REPORT

Established 1993

Brian P. Sullivan Sr., Executive Editor
bpsullivan@riskinformation.com

Patrick Sullivan, Editor
(949) 412-5851
patsullivan@riskinformation.com

Leslie Werstein Hann, Managing Editor
(908) 310-7129
leslie@hannwriting.com

Ed McMenamin, Senior Editor
(217) 201-3956
edm@riskinformation.com

Korri Romero, Assistant Managing Editor
(512) 230-6634
kromero@riskinformation.com

Layout Editor: William Murphy

Dana Horst Sullivan, Subscription Director
dana@riskinformation.com

www.riskinformation.com

Click Here for Index of Back Issues

Property Insurance Report, © 2026, published bi-weekly, 24 times a year, by Risk Information Inc., 33765 Magellan Isle, Dana Point, CA 92629. It is a violation of federal law to reproduce any part of this publication without first obtaining permission from the Publisher. ISSN: 1087-5220

"The second change is a lot of them have gone to higher wind/hail deductibles or percentage deductibles, which they hadn't done before," he added.

The Commerce Department's biggest concern is whether policyholders "understand what they are buying and are being treated fairly when they need to use it," Dreier said.

Allowing insurers to adapt coverage to manage their exposure ensured homeowners could find coverage even as the market tightened. The homeowners market today is "fairly competitive," Dreier said, and there are signs that availability issues are easing.

"A year or two ago we were hearing that people in some cases were going to the nonadmitted market to get coverage," she added. "We don't have strong data to back it up, but we're certainly hearing that people were coming back and finding [admitted] policies again." PIR

Warning: ***Property Insurance Report*** is a confidential, copyrighted newsletter for subscribers only. No part of this publication may be shared outside of the subscribing organization without prior permission of the Publisher. For information email dana@riskinformation.com.