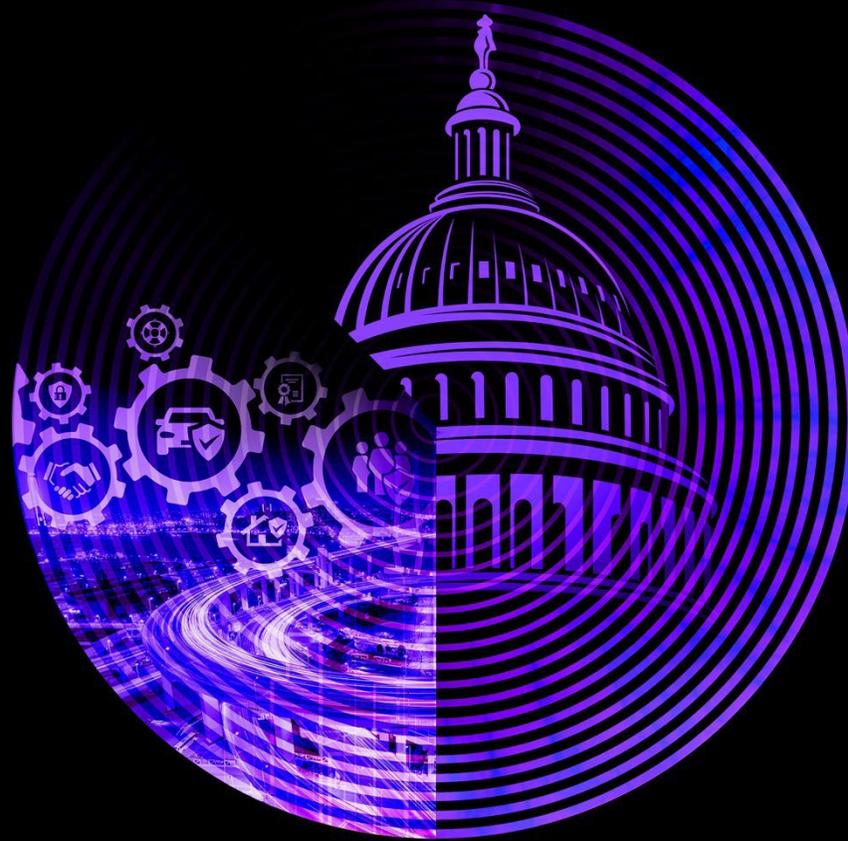


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## **RECAP: NAIC Summer National Meeting 2025**

**August 2025**

Center *for*  
**Regulatory  
Strategy**  
**US**



## NAIC Summer National Meeting 2025<sup>1</sup>

The **National Association of Insurance Commissioners (NAIC)** met August 9-13, 2025 in Minneapolis, bringing together over 1,600 participants to discuss pressing insurance regulatory challenges centered on market stability and consumer protection. The meeting explored key issues that state regulators and industry grapple with daily, including climate and wildfire resilience, property insurance policy language comprehension, financial oversight modernization, and ensuring safe and effective use and oversight of technologies such as artificial intelligence (AI) and cybersecurity.

*[John Godfread's speech](#)*: NAIC President Jon Godfread, also North Dakota insurance commissioner, delivered a keynote speech emphasizing the theme "Securing Tomorrow." He highlighted the importance of proactive regulation, modernized Risk-Based Capital (RBC) governance, and coordinated federal-state efforts. "RBC isn't a once-a-year number anymore. It's a year-round lens into solvency. It informs stress testing, shapes conversations with company leadership, lives within ORSA (Own Risk and Solvency Assessment), the Group Capital Calculation (GCC), interstate analysis, liquidity reviews, and global supervisory colleges," he said. Godfread highlighted the role of insurance in economic stability and consumer protection and advocated for honest communication to build public trust. He also continued the NAIC call for eliminating the Federal Insurance Office (FIO) to reinforce the model of state-based regulation.

### *[Major items adopted by the full NAIC:](#)*

- *The NAIC Catastrophe Modeling Primer* was adopted Aug. 13, 2025 during the Executive/Plenary session. Its goal is to provide information to state insurance regulators who need a basic understanding of catastrophe modeling. The *Primer's* stated intention is not to be all inclusive; instead, it suggests the consideration and exploration of areas and concepts that could help state insurance regulators better understand the basics of probabilistic catastrophe models. The NAIC states that the guidance offered is advisory only and is not intended for state insurance regulators to prescribe mandatory guidelines, standards, or guidance for rate review or other regulatory procedures; instead, it is intended to objectively discuss the issues and ramifications of catastrophe models.
- Actuarial Guideline 55 for Asset Adequacy Testing; Application of the Valuation Manual for Testing the Adequacy of Reserves Related to Certain Life Reinsurance Treaties was adopted by the NAIC during its Executive/ Plenary session on Aug. 13, effective for asset adequacy analysis of the reserves reported in the December 31, 2025, annual statement and for the asset adequacy analysis of the reserves reported in all subsequent annual statements.
- VOS Task force reorganization: The Financial Condition Committee voted to rename the Valuation of Securities (VOS) Task Force to the Invested Assets Task Force and form these new working groups under the task force: the Investment Analysis Working Group; Securities Valuation Office (SVO) and Structured Securities Working Group; and Credit Rating Provider (E) Working Group. These changes take effect on Jan. 1, 2026. The goal is to enhance regulatory oversight and expertise on invested assets.

# Key themes



## Innovation oversight

### AI use and tools

The **NAIC** is weighing whether to proceed on a model law governing the use of AI to build a more formal framework atop its *AI model bulletin* adopted in December 2023.

Comments from a Request for Information are under consideration. The Big Data and AI Working Group is consulting with leadership on the way forward. The group is also gearing up to create an **AI Systems Evaluation Tool** as a resource for insurance departments. The comment period ends Sept. 5, 2025.

The Third-Party Data and Models Working Group is busy fashioning a definition of third-party vendors for potential future regulatory oversight of these relationships, It plans to expose the crafted definition this fall.

### Cybersecurity:

The NAIC is continuing to explore the creation of a centralized Cybersecurity Event Notification Portal. Next steps include legal research. State regulators at the meeting voiced strongly support for the creation of a portal to streamline the event reporting process. They will take a phased-in approach that includes security testing.

## RBC Model Governance

### RBC headlines discussions at the NAIC meeting

The NAIC is forging ahead on its broad solvency strategic framework for assessing and changing components of the state-based RBC system. RBC preliminary proposed guiding principles are drafted and under consideration with a year-end anticipated adoption date. Other goals include a gap analysis of RBC components, an educational campaign, and an overarching governance framework with a process for analyzing both retrospective and future adjustments to RBC calculations.

**What to expect:** Any future RBC changes must align with both the future RBC guiding principles and quantitative guidelines. The purpose is “to ensure accountability and to make sure RBC is governed with the same rigor it demands from the companies we regulate,” as Godfreed noted.

Discussions in Minneapolis focused on the RBC system's evolution from a compliance metric to a continuous solvency gauge integral to insurer risk management and international coordination. Stakeholders debated the scope of RBC, emphasizing its role as a minimum capital standard to identify undercapitalized insurers without impeding product availability.

## Protection and NatCat gaps

### Catastrophe Modeling Primer adopted

The NAIC Catastrophe Modeling Primer is meant as a resource for state insurance departments. It will address modeling components key metrics and regulatory interactions.

### Homeowners Market Data Call: Task Force

The Task Force plans to discuss input on its data template and definitions as well as confidentiality, data sharing, and company participation requirements in late September 2025 after comments are received. The goal is to have an annual data call and refine the call going forward. Future data elements might include elements such as dwelling square footage, but the NAIC will work each year on data inputs.

### Availability and Affordability Playbook

The NAIC noted that a majority of homes are underinsured by over 20%, with costs from rebuilding and higher costs widening the protection gap, making the Playbook development a top priority for the NAIC. It is designed to be a resource to address the growing challenges related to homeowners' insurance affordability and availability. Discussion as to its contents and emphasis is expected to continue to take shape in 2026.

## Disclosures only

### AG 55 in place for reserve reporting

The NAIC adopted Actuarial Guideline 55, applying to asset adequacy analysis of the reserves beginning with those reported in the December 31, 2025, annual statement. AG 55 will apply to all life insurers with asset intensive reinsurance transactions ceded to entities that are not required to submit a VM30 memorandum to US state regulators in transactions established 1/1/2016 or later, with any exceptions delineated in the guideline. The actuaries who helped craft the guideline noted that it is disclosure only, though some feel it did not go far enough.

**Purpose:** Its primary purpose is to provide state regulators with information needed to review the reserves and solvency of US life insurers while not conflicting with existing reciprocal jurisdictions and covered agreements with other jurisdictions. State regulators can still require additional reserves upon review and companies can also post more reserves if they deem it necessary.

## Select quotes



“We’re seeing more assets move to offshore jurisdictions that don’t offer the same transparency or oversight as our reciprocal counterparts. That opens the door to regulatory arbitrage, draws increased scrutiny, and weakens the trust that underpins our financial system. ... Trust is the bedrock of our system, and trust is earned through open dialogue and honest oversight. Unfortunately, not every jurisdiction receiving these assets has earned that level of trust. We will continue to learn, monitor, and, if necessary, take action to protect the long-term solvency of our system and the interests of consumers. We cannot and will not stand for a lack of transparency or regulatory misdirection.” - **Jon Godfread**, NAIC President and North Dakota Insurance Commissioner during his speech to attendees on solvency oversight.

“Regulators need to have information about data and models being used by insurers ... we often struggle to get the same information from third parties, impeding regulators from exercising inappropriate oversight, and thus creating an untenable situation.” - **Jason Lapham**, deputy insurance commissioner, Colorado Division of Insurance

“Long-term access to capital of the reinsurance markets is critical for the future insurance access in all of our states, and therefore it is critical to our jobs as regulators.” - **Tim Temple**, Louisiana insurance commissioner and co-chair of the NAIC Climate and Resiliency Task Force.

“It is devastating to see somebody and have them come to me and you know crying, I have no idea that I wasn’t covered for this I have no idea and then and people just don’t understand and so you know we can study this again over and over again, but we just need to get enough room figure it out and come up with recommendation and come up with some sort of model law because we can we can get this done. I mean technology there’s AI there’s willing to get this done just do it.” - California Insurance Commissioner **Ricardo Lara**, after a presentation on research on transparency in policy language at the Property & Casualty Insurance Committee



## Endnotes:

1. National Association of Insurance Commissioners, “[2025 Summer National Meeting Schedule](#),” August 2025.

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