

Homeowners Insurance Premiums in Nebraska's 1st Congressional District

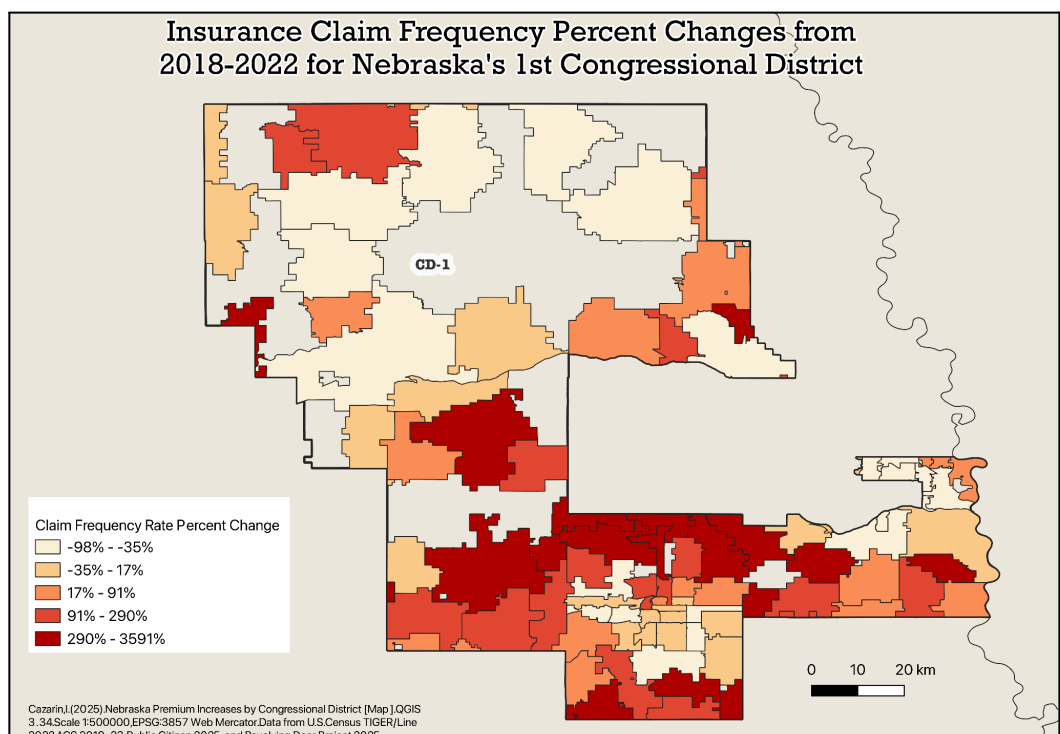
Premiums are rising nationwide, and though the highest costs are in vulnerable coastal ZIP codes, inland areas in the gulf states up through the mountain west and midwest are seeing consistent, state-wide and regional increases in cost, nonrenewal rates, and disaster frequency. A closer look at nine states using data [collected](#) by the Federal Insurance Office (FIO) is available [here](#).

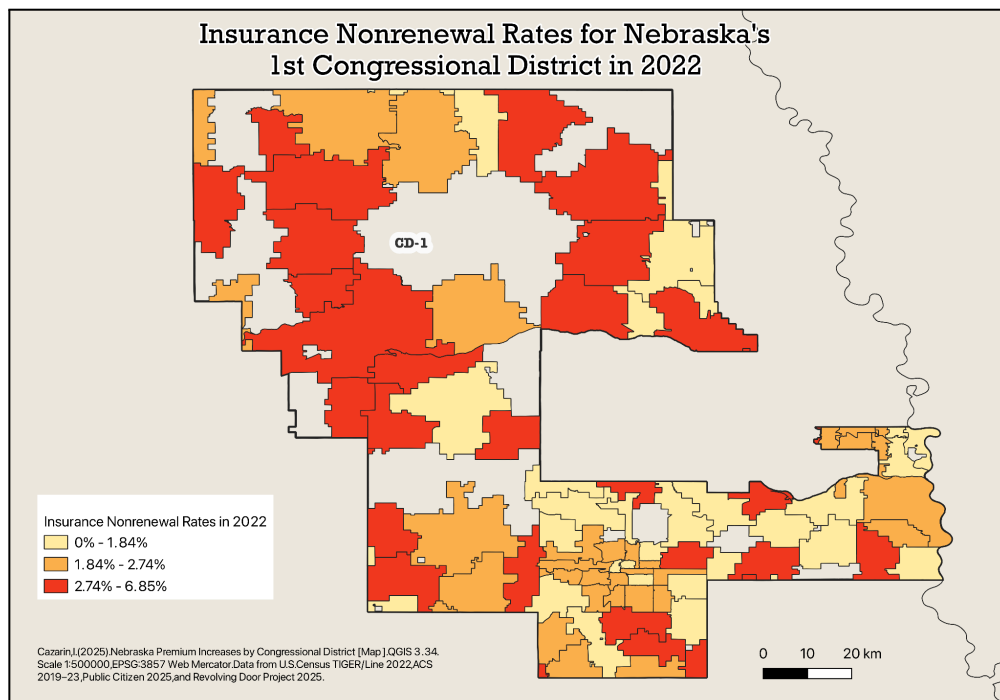


Nebraska is impacted by wildfires, severe convective storms, tornadoes, and winter storms – with most of the state [categorized](#) as at higher or the highest risk for total expected annual loss from climate impacts. The state faced consistent increases across quantitative categories, with most above national averages. Notably, due to lower population densities, many of the state's ZIP codes are [not represented](#) in this public dataset. Because statewide averages can obscure specific trends in rural areas, it is challenging to monitor rising costs and the threat of insurance withdrawal from these communities, and to target resilience investments where they are needed most. Further collection and analysis of localized, granular data on an annual basis is therefore vital.

Claim Frequency

Between 2018 and 2022, two thirds of 1st district ZIP codes saw an increase in claim frequency, with more than **half of those ZIP codes seeing over a 200% increase.**



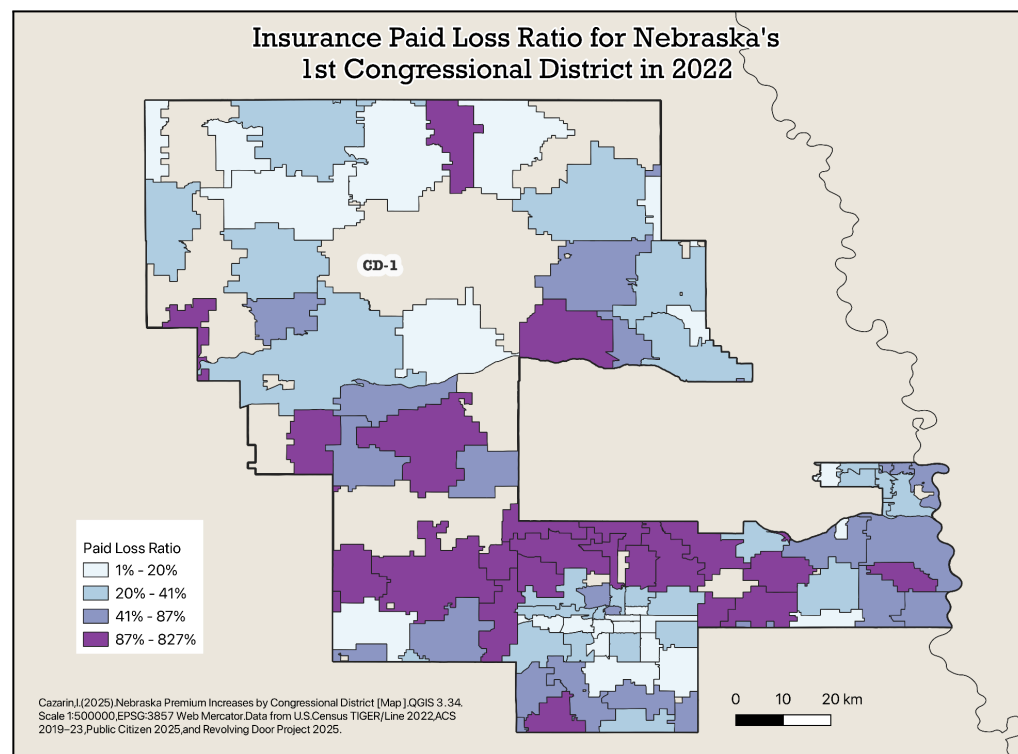


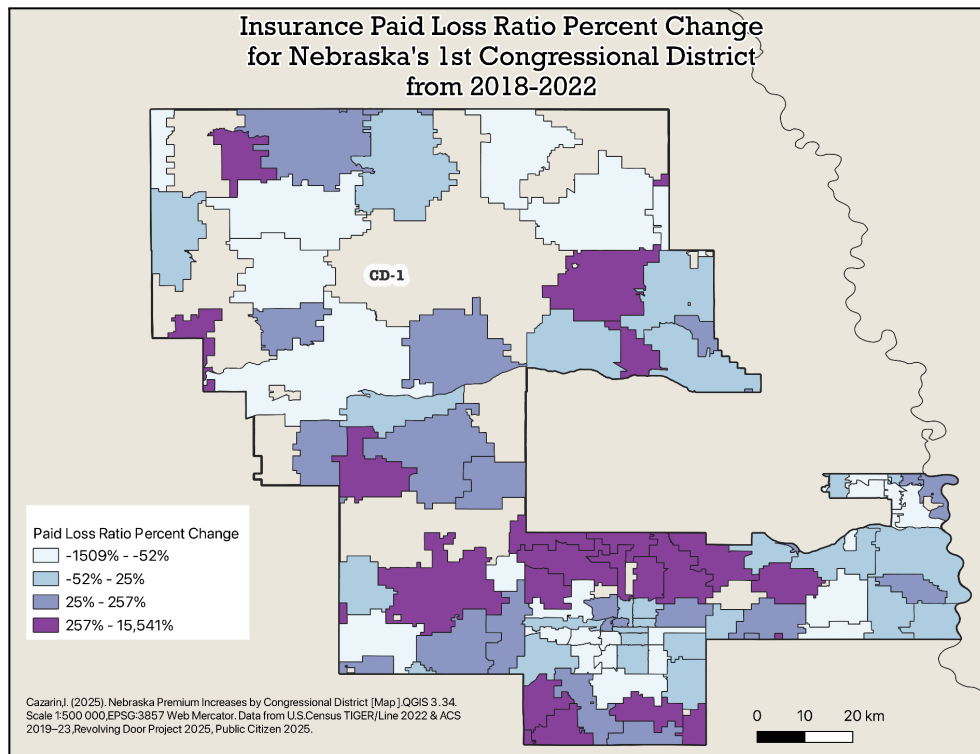
Nonrenewal Rate

In 2022, 92% of ZIP codes in the state's 1st congressional district were above the national average nonrenewal rate of 1%, with **one in eight ZIP codes above 4%**. Between 2018 and 2022, 72% of ZIP codes saw nonrenewal rates **more than double**.

Paid Loss Ratio

In 2022, paid loss ratios – the amount insurers pay on claims relative to premiums received – were very high in parts of the 1st district, with more than a third of ZIP codes over the national average of 57.5%, and nearly **a quarter over 100%** (meaning premiums did not cover paid losses).





Between 2018 and 2022,
**35% of ZIP codes had
paid loss ratios at least
double.**

Recommendations for Federal Policymakers

- Fund federal disaster programs and resources, including to help consumers file insurance claims, apply for state and federal relief, and provide other services such as access to housing counselors.
- Fund and disseminate public climate data collection, modeling, and risk assessment tools, including through the National Oceanic and Atmospheric Administration.
- Support the collection and disclosure of insurer coverage and price data by calling for FIO and the National Association of Insurance Commissioners to continue their joint data [collection](#).
- Encourage state policymakers to enact the following insurance reforms:
 - Conduct statewide risk assessments using the best available science and, after public engagement, publish risk maps with a public appeals process.
 - Require insurers to disclose underwriting guidelines and, with plain-language explanations, insurer property risk scores to individual policyholders.
 - For one year following a disaster, require one-year notice of nonrenewals, increase penalties for unfair claims handling, cap rate increases, and require fast, no-questions-asked claim payouts to cover emergency expenses.
 - Apply federal disbursement rules for insurance claims proceeds to all mortgages to provide access to funds for rebuilding and prevent premature application of funds to mortgage balances.
- Expand discounts offered for National Flood Insurance Program (NFIP) policyholder mitigation efforts, provide property-specific guidance to policyholders, and encourage states to require the same for all public and private homeowners lines.
- Provide permanent income-based subsidies under NFIP for lower income households.
- Immediately update Special Flood Hazard Area (SFHA) maps across the entire country, require compliance with the statutory update schedule, and appropriate the funds necessary to do so.
- Move to multi-year NFIP authorization to avoid annual fights over reauthorization.