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**United States Senate**  
COMMITTEE ON BANKING, HOUSING, AND  
URBAN AFFAIRS  
WASHINGTON, DC 20510-6075

August 6, 2024

The Honorable Gene L. Dodaro  
Comptroller General of the United States  
U.S. Government Accountability Office  
441 G St., NW  
Washington, D.C. 20548

Dear Comptroller General Dodaro:

The Senate Committee on Banking, Housing, and Urban Affairs (BHUA) seeks to better understand the state of the home insurance market, especially the factors creating market instability and driving up home insurance premiums for far too many Americans. Historic rate increases; frequent, unanticipated, and unprovoked notices of non-renewal; and recent public decisions by insurers to exit entire markets are harming homeowners, communities, and the general public.

As you know, the state of the home insurance market remains challenging for consumers across the country. Long-time insurance customers now find their policies dropped, coverages capped, face dramatic premium increases beyond many consumers' ability to pay, or suffer from limited or no availability of coverage as insurers exit states. I have heard of Ohioans and homeowners around the country experiencing rising home insurance rates, shrinking coverage, and surprise nonrenewals. In 2023, home insurance rates jumped double digits nationally, with some states experiencing rate hikes of more than 20 percent.<sup>1</sup> As customers face rising insurance rates, these additional costs make housing less affordable for homeowners and renters and make it more difficult to maintain existing housing stock and develop new housing supply. Policymakers need more information to better understand the home insurance situation and the factors creating instability in the marketplace.

For these reasons, I request that the Government Accountability Office (GAO) conduct a comprehensive review of the single- and multifamily home insurance marketplace and the factors creating instability and driving up costs for policy holders. As part of its review, I request that GAO consider the following matters:

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<sup>1</sup> *Homeowners Insurance Costs Are Going Through The Roof. Here's Why, and What you Can Do About It*, CBS News, June 12, 2024 (<https://www.cbsnews.com/news/homeowners-insurance-cost-rising-climate-change/>).

- The current state of the home insurance market; including the impacts of rising home and property insurance costs on the single-family and multifamily markets, including developers and operators of publicly subsidized, regulated, or naturally-occurring affordable rental housing;
- Those factors creating volatility in the market and the corresponding impact on overall cost and the availability and affordability of homeowners insurance;
- The primary and incidental effects of insurers non-renewing customers and exiting entire markets;
- The extent to which insurers are hollowing out coverages (*e.g.*, providing less coverage for the same or higher rate, increasing deductibles, or capping the amount paid by the insurer if a home suffers damage or is destroyed);
- The sustainability of residual markets as more customers find it difficult to obtain coverage through traditional markets (*i.e.*, insurers of last resort);
- The impacts, if any, of the global reinsurance market on costs; and
- Any benefits or limitations created by states' primary role in regulating insurance, including states' ability to respond to the current crisis and to protect consumers and the national economy.

Thank you in advance for your prompt attention to this matter. If you have any questions, please do not hesitate to contact my staff at (202) 224-7391.

Sincerely,



Sherrod Brown

Chairman

Senate Committee on Banking,  
Housing, and Urban Affairs