



MASSACHUSETTS PROPERTY INSURANCE UNDERWRITING ASSOCIATION

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December 26, 2024

TO: All Massachusetts Producers

Re: **Homeowners Policy Program (HO 2000 Program)**
New Rules – Rule A10. Flood Insurance Requirement – Forms HO 00 02, HO 003 and HO 005 and
Rule A11. Amount of Insurance Requirements – Forms HO 00 02, HO 00 03 and HO 00 05.
Effective Date; New Business Effective on or after February 1, 2025

The Massachusetts Division of Insurance has recently “placed on file” a filing by the Massachusetts Property Insurance Underwriting Association (MPIUA) allowing the introduction of two (2) new Rules; Rule A10. Flood Insurance Requirement – Forms HO 00 02, HO 003 and HO 005 and Rule A11. Amount of Insurance Requirements – Forms HO 00 02, HO 00 03 and HO 00 05.

The MPIUA’s Plan of Operation, filed with and approved by the Massachusetts Division of Insurance, contains an “Underwriting Standard” regarding properties situated in a flood zone. This standard provides “The right to decline or cancel insurance for any coastal risk subject to storm surge or flooding from the sea, which is eligible for flood insurance under the National Flood Insurance Program, and which does not have the maximum coverage permitted by such program or the amount of coverage sought from the Association, whichever is less. New Rule A10. Flood Insurance Requirement for Forms HO 00 02, 00 03 and 00 05 clarifies where it applies and broadens the compliance to include private flood insurance options.

New Rule A10. also specifies that the MPIUA will require flood insurance to be carried by all properties within Special Flood Hazard Areas in communities overseen by the Massachusetts Office of Coastal Zone Management. Flood insurance can be from the National Flood Insurance Program, admitted or non-admitted insurers. Coverage amount must be at least the maximum coverage permitted by the NFIP or the amount of coverage sought from the Association, whichever is less.

New Rule A11. Amount of Insurance Requirements – Forms HO 00 02, HO 00 03 and HO 00 05 specifies that the MPIUA will now require that the Coverage A Limit of Liability must be at least 90% of the reconstruction value subject to the Association’s minimum and maximum limits.

Enclosed is Homeowners Policy Program MPIUA Exception Page (MPIUA-HO-EXC-11) which details the newly introduced Rules.

As mentioned above, these changes will be effective for a new business effective on or after February 1, 2025.

Yours truly,

Paul Driscoll
Vice President of Underwriting

RULE A10.
FLOOD INSURANCE REQUIREMENT – FORMS
HO 00 02, HO 00 03 AND HO 00 05

- A. The MPIUA will require flood insurance to be carried by all properties within Special Flood Hazard Areas in communities served by the Massachusetts Office of Coastal Zone Management. Flood insurance can be from the National Flood Insurance Program (NFIP), Admitted or non-admitted insurers. Coverage amount must be at least the maximum coverage permitted by the NFIP or the amount of coverage sought from the Association, whichever is less.
- B. Proof of Flood insurance coverage will be required to be submitted within 30 days of each policy inception (new and renewal).
- C. Special Flood Hazard Areas are high-risk flood zones which are shown on flood maps as all zones beginning with “A” and “V”.
- D. The Massachusetts Office of Coastal Zone Management oversees seventy-eight coastal communities: Acushnet, Amesbury, Aquinnah, Barnstable, Berkley, Boston, Beverly, Bourne, Braintree, Brewster, Chelsea, Cohasset, Chatham, Chilmark, Danvers, Dartmouth, Dennis, Dighton, Duxbury, Eastham, Edgartown, Essex, Everett, Fairhaven, Fall River, Falmouth, Freetown, Gloucester, Gosnold, Harwich, Hanover, Hingham, Hull, Ipswich, Kingston, Lynn, Manchester-by-the-Sea, Marblehead, Marion, Marshfield, Mashpee, Mattapoisett, Milton, Nahant, Nantucket, Newbury, Newburyport, New Bedford, Norwell, Oak Bluffs, Orleans, Pembroke, Peabody, Plymouth, Provincetown, Quincy, Rehoboth, Revere, Rockport, Rowley, Salem, Salisbury, Sandwich, Saugus, Scituate, Seekonk, Somerset, Swampscott, Swansea, Tisbury, Truro, Wareham, Westport, West Tisbury, Weymouth, Winthrop Yarmouth

RULE A11.
AMOUNT OF INSURANCE REQUIREMENTS – FORMS
HO 00 02, HO 00 03 AND HO 00 05

Coverage A Limit of Liability must be at least 90% of the replacement value subject to the Associations minimum and maximum limits.