



The Insurance Policy Advisory Committee (IPAC)

Record of Meeting

October 30, 2025

Washington, District of Columbia

1. Opening Statement

The IPAC Chair welcomed all members to the meeting and thanked members with terms expiring at the end of the year for their service.

2. Regulatory Initiatives

The IPAC Vice Chair facilitated a discussion on members' views of proposed regulatory initiatives related to asset-intensive reinsurance and the increased variety and complexity of insurer investments. In general, members supported the direction of the initiatives but were concerned about the pace of change. The committee discussed the view that regulation always follows innovation and that several of the regulatory initiatives are looking at one piece of an ever-changing picture. Members expressed support for increased transparency and data-driven measures that would empower commissioners to address risks in their jurisdictions and more broadly.

3. Life Insurance Structural Shifts Working Group Update

The working group co-chair provided an update on work completed by the group since the last meeting. This work included a prior discussion in July with Vice Chair for Supervision Bowman, other Board Governors, and staff providing background and historical context for life insurance structural shifts, as well as a roundtable discussion in October with Federal Reserve staff on the impact and implications of these shifts. The co-chair summarized the topics covered and identified areas of potential future work.

4. Roundtable Discussion on Insurance Market Conditions

IPAC members participated in a roundtable discussion, facilitated by the IPAC Chair, on how current and forecasted economic conditions may impact insurers and policyholders. Members discussed the drivers of availability and affordability issues in the homeowners insurance market, with one member noting the relationship between economic factors and premium increases.

IPAC members then discussed the insurance industry's positioning as either a mitigator or an amplifier of macroeconomic shocks. Members broadly agreed that the traditional life insurance industry is a mitigator of shocks because insurers can deploy liquidity into credit markets and still attract new funds during periods of economic stress. Moreover, they agreed that the insurance capital framework encourages stability, and the existence of structural protections tends to slow the impact of stresses on the industry. The property and casualty (P&C) industry was noted to be a mitigator as well, with one member noting that financial stresses could be amplified if there are significant uninsured or underinsured populations and/or if public insurance programs need to borrow funds. Further discussion centered around the potential implementation of the Basel III capital reforms; members observed that the insurance industry can play a valuable role as a credit risk mitigator if credit risk insurance products are recognized in the final version of the capital rules.

5. Property Insurance Working Group

The Property Insurance Working Group chair highlighted the group's work, which used risk modeling techniques to track potential economic outcomes of a Florida windstorm across primary insurers, reinsurers, residual markets, guarantee funds, and policyholders. Members discussed the work and potential extensions of the project.

6. 2026 Working Groups

Members spoke about potentially continuing the two existing working groups into 2026 and/or creating new groups on topics of interest. Several members suggested topics and others noted that new members who join in 2026 may have ideas and expertise that should be considered as well. IPAC members will continue to consider ideas ahead of the next meeting.

7. Additional Matters

The IPAC Chair then closed the meeting and thanked IPAC members for their engagement.