



125 Years of NAMIC

1895

The first auto insurance policy was sold to a man named Gilbert J. Loomis. He paid \$12.25 for the policy.

The lack of standardization in mutual insurance laws and in policy forms were named as two of the biggest problems of the year.

Loss prevention was a major topic for the year. Some marveled over the use of asbestos building materials, citing the fire-protective qualities.

A Conference Committee comprised of representatives from the various classes of mutuals worked with the National Association of Insurance Commissioners on the development of uniform laws.

An annual report of the Farm Loan Board suggested the authorization of a system by which the Federal Land Bank might furnish fire insurance to their borrowers.

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NAMIC holds its organizational meeting.



Much has been written about the founding and subsequent history of the National Association of Mutual Insurance Companies. Former NAMIC President Harold "Hap" Walters wrote a detailed account of the association's first 100 years in the 1995 book "A Century of Commitment." NAMIC's founder W.A. Rutledge wrote about the original meeting in the February 1929 issue of the Mutual Insurance Bulletin — now IN magazine. "In November 1895, the state of Iowa held a very interesting and satisfactory convention ..," Rutledge writes. "After the convention adjourned, the board of Farmers Mutual Hail [Insurance Company of Iowa] was sitting around a table in one of the rooms of their office telling stories and discussing the problems of mutual insurance.

"Someone suggested that an association covering the United States similar to the Iowa state association would be a good thing," Rutledge continues. "The idea seemed to be a good one and was quite enthusiastically advocated by most of those present. It was finally agreed that the secretary should call a meeting in Chicago."

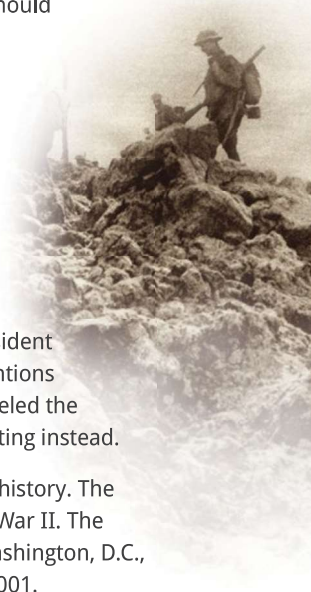
That meeting occurred in early 1896 with between 20 and 30 mutual insurance industry representatives from several states.

NAMIC cancels the 23rd Annual Convention.



With so many efforts to assist the U.S. military and help those in need in the United States and overseas during World War I, President Woodrow Wilson issued a proclamation asking that large conventions not be held. Therefore, the association's board of directors canceled the 23rd Annual Convention, opting to hold an expanded board meeting instead.

This cancellation was one of only four during NAMIC's 125-year history. The conventions in 1943 and 1945 were canceled because of World War II. The 106th Annual Convention, which was planned to take place in Washington, D.C., didn't occur because of the terrorist attacks on September 11, 2001.



25th Annual Convention, Boston, Massachusetts



Pioneer Lake Mutual Insurance Company Pioneer State Mutual Insurance Company Planters Cooperative Insurance Company, Inc. PLN Mutual Insurance Company Pocahontas Mutual Insurance Association Policyholders Mutual Insurance Company Polk & Butler Mutual Insurance Company Polk County Mutual Insurance Company Poweshiek Mutual Insurance Association Prairie Mutual Insurance Association Prairie Pine Mutual Insurance Company Prairie West Mutual Insurance Company Preble Farmers Mutual Fire Insurance Company Preferred Mutual Insurance Company Price County Town Mutual Insurance Company Prince Edward Island Mutual Insurance Company Prophetstown Farmers Mutual Insurance Company Providence Mutual Fire Insurance Company PURE Pymatuning Mutual Fire Insurance Company Quincy Mutual Fire Insurance Company Racine County Mutual Insurance Company Ralls County Mutual Insurance Company RAM Mutual Insurance Company Ranchers & Farmers Mutual Insurance Company Randolph Mutual Insurance Company Red River Mutual Insurance Company Redwood County Farmers Mutual Insurance Company Reedsburg-Westfield Mutual Insurance Company

Advocacy work by the mutual insurance industry led to the repeal of the premium tax by the Revenue Act of 1921. It took effect January 1, 1922.

1921

NAMIC establishes the Mutual Reinsurance Bureau.



"One of the major accomplishments at the [26th Annual] Convention was the establishment of the Mutual Reinsurance Bureau, which was organized specifically to serve the needs of NAMIC members," according to NAMIC's "A Century of Commitment." "Sixteen companies agreed to be accepting companies, and the MRB began operations a month later on October 15, 1921."

A resolution was passed to move NAMIC's headquarters from Crawfordsville, Indiana, to Indianapolis.

- 1922
- 1923
- 1924
- 1925
- 1926
- 1927

The McCarran-Ferguson Act passes Congress.



Should insurance be classified as interstate commerce and be subject to the U.S. Constitution's commerce clause or should it not? This question has been on the table numerous times since the 1800s.

In 1869, the Supreme Court decided it was not. Seventy-five years later, the same court overturned the ruling. To make certain there was no confusion about the states' regulatory authority over insurance, the National Association of Insurance Commissioners proposed a bill that Senators Pat McCarran and Homer Ferguson introduced in Congress. Both houses passed versions of the bill and President Franklin D. Roosevelt signed it into law.

"The McCarran-Ferguson Act is as relevant today as it was when it was adopted," according to the NAIC. "It contains the basic delegation of authority from Congress to the states with respect to the regulation and taxation of the business of insurance. It has been affirmed as the law of the land in the Gramm-Leach-Bliley Act and in the Dodd-Frank Act."

Beginning in 1933 and lasting through the Great Depression, legislatures introduced bills providing for several forms of taxation, and many looked to insurance companies as a "gold mine."

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- 1933

NAMIC sent a letter to the Commerce Department discussing a requirement that all trade associations develop and administer a Code of Fair Competition.

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- 1937

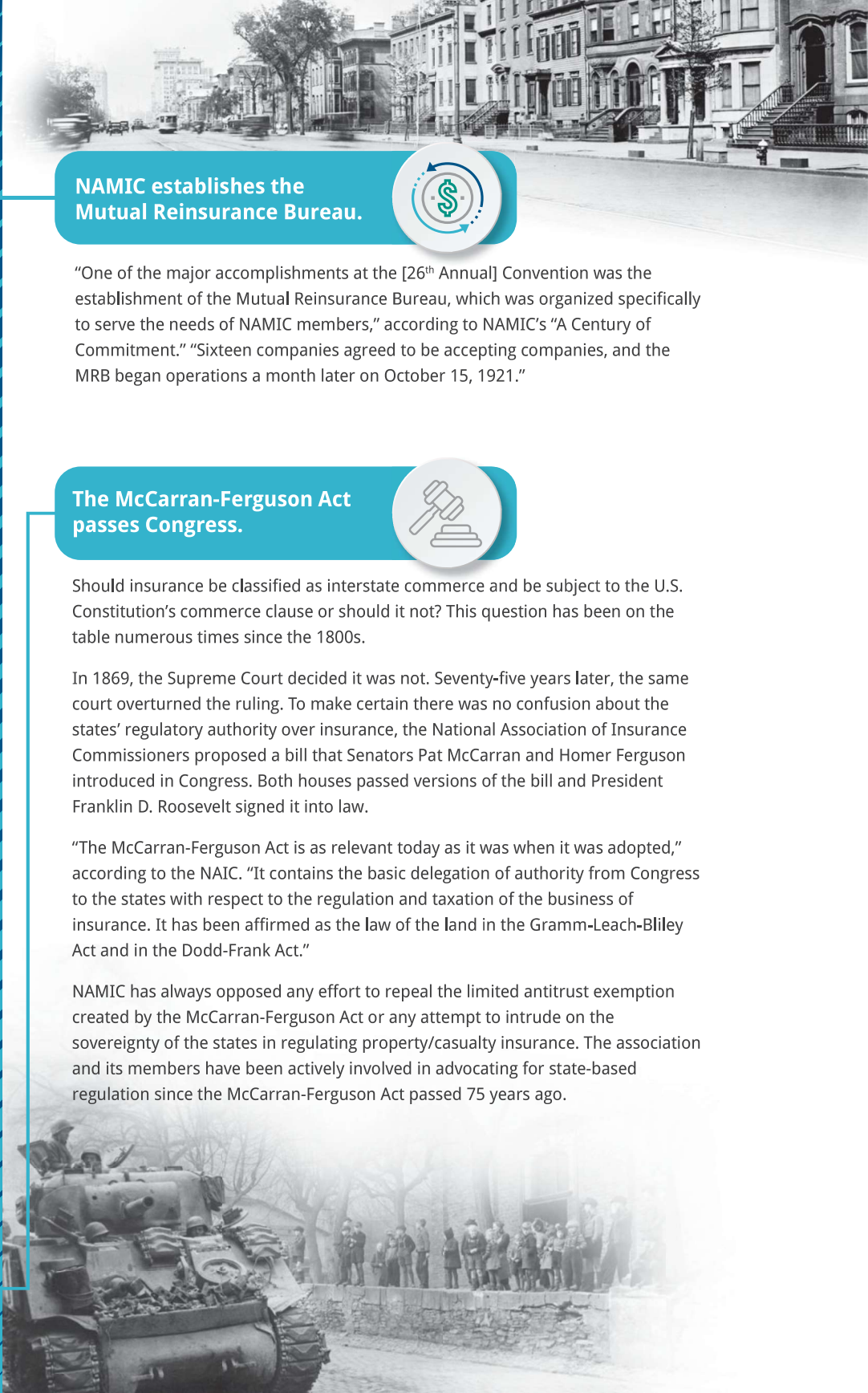
A Victory Tax to help fund the war was imposed. NAMIC continued to advocate its position regarding the exemption of farm mutuals from federal income tax.

- 1938
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- 1940
- 1941
- 1942

The Annual Convention was once again canceled because of a governmental request.

- 1943
- 1944

1945



With the war over, NAMIC launched a membership drive to help make up for the travel restrictions that had been enforced during wartime.

1946

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NAMIC hosted an event called Conference of Future Risks. It focused on how the industry would need to adapt to meet changing economic and social conditions.

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The Federal Tax Act of 1962 was approved by the House in the spring and by the Senate in the fall.

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In 1969, the IRS attacked the exemption of one Texas-domiciled member company. Concerned about the precedent this might set, NAMIC funded a lawsuit against the IRS. The case was tried and won in 1970.

1966

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The federal government appoints NAMIC members to important positions.



Four NAMIC members were appointed to federal positions. Lieutenant governor of Minnesota and former president of Acoma and Lynn Mutual Insurance Company, Ancher Nelsen, was appointed to head the Rural Electrification Administration. C.B. Funderburk, general manager of Cotton States Mutual Insurance Company, was named to head the Federal Crop Insurance Corporation. Funderburk, who was only the interim head of the FCIC, was replaced by Charlie Laidlaw of Minnesota. And James Kemper, former NAMIC president and chairman of Kemper Companies, was appointed ambassador to Brazil.

Congress creates the National Flood Insurance Program.



Flooding is the most common and most destructive natural disaster in the United States. Following widespread flooding of the Mississippi River in the early 1960s, coverage was virtually impossible to find in the private market; in fact, flood damage had been deemed an uninsurable risk. In response to the lack of insurance availability and the increased need for federal disaster assistance, Congress introduced and passed the National Flood Insurance Act, which created the National Flood Insurance Program.

Since 1968, additional flood-related legislation has been introduced and passed in Congress. The Biggert-Waters Flood Insurance Reform Act of 2012 passed after a string of 17 temporary extensions. The Homeowner Flood Insurance Affordability Act passed Congress before Biggert-Waters could be implemented, rolling back many provisions that were supposed to bring the NFIP financial stability.

Since the authorization enacted under Biggert-Waters expired in 2017, the NFIP has seen multiple last-minute extensions. NAMIC has long been in support and worked with several Congresses to achieve a long-term NFIP reauthorization that includes a shift toward risk-based rates, policies designed to increase private-sector involvement in the program, and provisions to address affordability, increase mitigation, and address repetitive-loss properties.





NAMIC was invited by President Richard Nixon to attend the Conference on the Industrial World Ahead: A Look at Business in 1990.

1971
1972

NAMIC members found themselves before Congress, testifying about the proposed and already enacted programs that would impact the mutual insurance industry.

1973
1974
1975

Congress called for a study of the industry and the possible repeal of the McCarran-Ferguson Act. Nines years later, the problem was still unresolved.

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NAMIC's Executive Committee recommended the establishment of the Insurance Education Foundation to help educate high school students about insurance.

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NAMIC formed a task force to study members' need for more catastrophe reinsurance capacity than the market had available.

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NAMIC's Executive Committee approves a proposal to form NAMICO.



In 1986, NAMIC President Harold Walters reported to the executive committee about Congress' concerns regarding "the unavailability and/or extremely high price for liability insurance," according to 1986 executive committee minutes. "The end result of the concern by members of Congress is a movement that is already underway to once again repeal the McCarran-Ferguson Act."

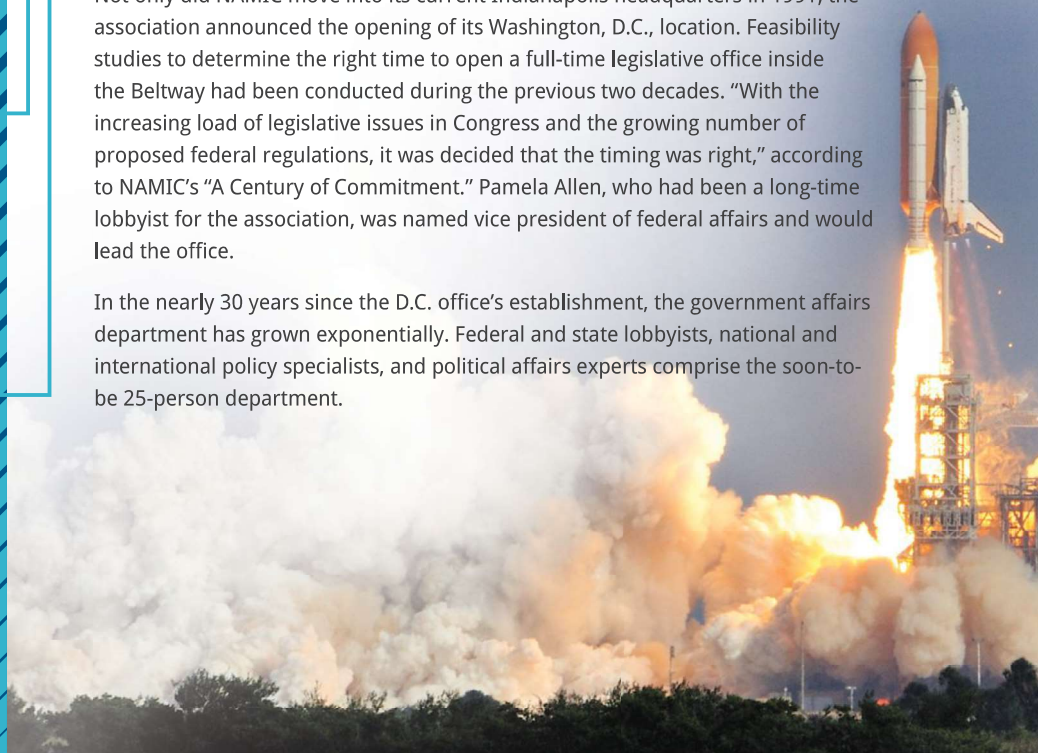
The committee tasked the NAMIC Professional Liability Task Force to come up with a recommended solution to this concern. The task force's solution: "lay in the formation of NAMIC's own insurance company," according to NAMIC's "A Century of Commitment." "By July, the proposal had been fleshed out and was presented to the executive committee." It took some intense discussion, but the committee approved the plan and the NAMIC Insurance Company — more commonly known as NAMICO — was formed.

NAMIC opens its office in Washington, D.C.



Not only did NAMIC move into its current Indianapolis headquarters in 1991, the association announced the opening of its Washington, D.C., location. Feasibility studies to determine the right time to open a full-time legislative office inside the Beltway had been conducted during the previous two decades. "With the increasing load of legislative issues in Congress and the growing number of proposed federal regulations, it was decided that the timing was right," according to NAMIC's "A Century of Commitment." Pamela Allen, who had been a long-time lobbyist for the association, was named vice president of federal affairs and would lead the office.

In the nearly 30 years since the D.C. office's establishment, the government affairs department has grown exponentially. Federal and state lobbyists, national and international policy specialists, and political affairs experts comprise the soon-to-be 25-person department.



[St. Joseph Mutual Insurance Company](#) [Stanley Mutual Insurance Company](#) [Stark Farmers Mutual Fire Insurance Company](#) [State Farm Mutual Automobile Insurance Company](#) [Steele Trill County Mutual Insurance Company](#) [Stephenson County Mutual Insurance Company](#) [Sterling Insurance Company](#) [Stockholm Town Mutual Insurance Company](#) [Stonewall Farm Mutual Insurance Company](#) [Sugar Creek Mutual Insurance Company](#) [Sumter Mutual Insurance Company](#) [Svea Mutual Insurance Association](#) [Svea Mutual Insurance Company](#) [Sverdrup Mutual Insurance Company](#) [Sweet Township Mutual Fire Insurance Company](#) [Synergy Comp Insurance Company](#) [Tama County Mutual Insurance Association](#) [Tara Mutual Fire Insurance Company](#) [Tennessee Farmers Mutual Insurance Company](#) [Texas Hospital Insurance Exchange](#) [Texas Lawyers' Insurance Exchange](#) [Texas Pioneer Farm Mutual Insurance Association, Inc.](#) [The Commonwell Mutual Insurance Group](#) [The Doctors' Company](#) [The Farm Mutual Insurance Group of South Dakota](#) [The Kings Mutual Insurance Company](#) [The Mutual Fire Insurance Company of British Columbia](#) [The Portage La Prairie Mutual Insurance Company](#)



NAMIC cancels the 106th Annual Convention.

A mere two weeks before the 106th Annual Convention was set to kick off in Washington, D.C., terrorists hijacked three airplanes, two of which hit the World Trade Center towers in New York City while the other, originally headed for the Pentagon, crashed in rural Pennsylvania when passengers tried to regain control of the plane.

The worst terrorist attack on U.S. soil sent ripples of fear and uncertainty across the country. NAMIC was left with a big decision to make. Current NAMIC CEO Chuck Chamness was on staff as vice president of public affairs when 9/11 occurred and remembers the decision well.

“Air travel resumed shortly before convention, but it had been stopped completely. The country was on a state of high alert and there was still a military presence on D.C. streets and sidewalks,” Chamness recalls. “Having convention at a major D.C. hotel, getting members in and out [of the hotel/convention center], and trying to produce a normal experience was not possible. So, the board met and decided it was best to cancel it.”

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2020

NAMIC made its debut on the World Wide Web with NAMIC.org.

NAMIC hired its first state affairs manager in order to better serve members in state advocacy efforts.

Congress passed the Terrorism Risk Insurance Act in November.

NAMIC's focus on disaster reform doubled down in 2011. This was the same year NAMIC led the initiative to develop the BuildStrong Coalition.

As a result of NAMIC's advocacy, the NAIC adopted a CGAD model that was significantly reduced from its original scope.

NAMIC launched its first online compliance system, offering a significant new value for members.

The COVID-19 pandemic began in March, and by late May, NAMIC and industry partners unveiled a customer-focused proposal to help businesses meet the financial challenges of future pandemics.

The NAIC abandons its plan for full Sarbanes-Oxley implementation and adopts a significantly smaller addition to the Model Audit Rule.



In response to the financial scandals in the early 2000s that included Enron Corporation, Tyco International, and WorldCom, Congress passed and President George W. Bush signed into law the Sarbanes-Oxley Act of 2002. Shortly after, the NAIC took up its version of SOX, which became the Model Audit Rule. At first, the MAR had been written to treat mutual insurance companies the same as publicly traded companies under the SOX rules.

NAMIC strongly opposed the version and advocated to the NAIC to adopt a modified version of the MAR. “NAMIC, as the sole mutual property/casualty insurance trade association, singlehandedly ensured that the Model Audit Rule didn't require mutuals to use the same standards as public companies,” says Chamness. “This saved mutual insurance companies hundreds of millions of dollars in compliance costs and unnecessary change in the more than a decade since.”



- The Stewardship Group
- Theresa Mutual Insurance Company
- Thompson & Guilford Mutual Insurance Company
- Town & Country Mutual Insurance Company
- Town & Country Mutual Insurance Company
- Trade Lake Mutual Insurance Company
- Tradition Mutual Insurance Company
- Tri-County Farmers Mutual Insurance Company
- Tri-County Mutual Town Insurance Company
- Trillium Mutual Insurance Company
- Tuscarora Wayne Insurance Company
- Union Mutual Fire Insurance Company
- United Frontier Mutual Insurance Company
- United Heritage Property and Casualty Company
- United Mutual Insurance Association
- United Mutual Insurance Company
- United Mutual Insurance Company
- Unity Mutual Insurance Company
- Upland Mutual Insurance, Inc.
- USAA
- Osborne & Hibbert Mutual Fire Insurance Company
- Valley Mutual Insurance Association
- Vasa-Spring Garden Mutual Insurance Company
- Vermont Mutual Insurance Company
- Vernon Edda Mutual Fire Insurance Company
- Vineland-Huntsville Mutual Insurance Company
- Walcott Mutual Insurance Association
- Wall Rose Mutual Insurance Company