

On October 10, 2025, Director Ann Gillespie of the Illinois Department of Insurance (IDOI) filed suit against State Farm and its affiliates, demanding nationwide homeowners' insurance data as part of a financial and market conduct examination. IDOI asserts that it is seeking granular, ZIP code-level data from 2018-2024 to assess affordability, enterprise risk and market behavior.

## IDOI's Assertions

IDOI is asserting that it has the authority to examine records for policies written outside its borders, based on the premise that:

- State Farm is domiciled in Illinois and maintains accessible records in-state
- Enterprise-wide solvency oversight requires cross-jurisdictional policy data
- Confidentiality concerns raised by State Farm are addressed through statutory protections and National Association of Insurance Commissioners (NAIC) agreements among the state insurance departments

## Potential Industry Impact

We are watching this case carefully, as it could reshape how insurers engage with state regulators, and redefine the reach of state-based market oversight by combining solvency oversight with market regulation.

- IDOI's demand seeks to impose the scope of domiciliary state insurance regulatory authority over multistate carriers, which has historically been focused on solvency regulation to obtain market-related data. Historically, market data, such as insurance policy writings by zip code has been regulated on an individual state basis. Likewise, ZIP code-based market data is utilized for enforcement analysis on an insurer, as opposed to evaluation of the insurer's present insurance risk.

- IDOI's assertions are founded in its authority to conduct oversight of "enterprise risk management," as part of its financial regulation responsibilities. However, IDOI is reaching into its market regulation authority, which typically does not extend beyond the Illinois state lines.
- IDOI's assertions are a misuse of the NAIC accreditation-based financial examination process, as IDOI does not require ZIP code-level data to conduct enterprise risk management analysis.
- Additionally, regulators do not appreciate or indicate any level of understanding that if such market data is released publicly as a whole, or through findings in a market conduct examination, it could be manipulated for use in numerous class action lawsuits or other private actions.

## Case

The case is pending in the Cook County Illinois Circuit Court, Chancery Division. Read the full *Illinois v. State Farm* complaint can be found [here](#).

## Contacts

### Mary Jo Hudson

Partner, Columbus

T +1 614 365 2732

E [mj.hudson@squirepb.com](mailto:mj.hudson@squirepb.com)