

Facts + Statistics: Civil Disorders

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Costliest U.S. Civil Disorders

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On May 26, 2020 after the death of George Floyd in police custody in Minneapolis, Minnesota, protests and riots broke out in that city and spread over the next weeks to another 140 U.S. cities, including: Washington, D.C.; New York, New York; Chicago, Illinois; Philadelphia, Pennsylvania; and Los Angeles, California.

By June 4 at least 40 cities in 23 states had imposed curfews, and rioting resulted in at least six deaths. National Guard were called in at least 21 states and Washington, D.C.

The Property Claim Services (PCS) a unit of a Verisk Analytics, designated the riots in Minneapolis a catastrophe. The Minneapolis civil disorder is the first time that PCS has compiled insured losses for a civil disorder event since the Baltimore, Maryland, riots of April 2015. Those riots did not result in insured losses reaching \$25 million when it occurred, PCS's threshold for a catastrophe. For the first time, PCS has designated this civil disorder and those that followed across the United States from May 26 to June 8 as a multi-state catastrophe event. PCS has included over 20 states with significant losses for this catastrophe. The 2020 event is the first time since 1992 that PCS has compiled significant insured losses for a civil disorder and declared it a catastrophe. Insured losses for this event are not yet available from PCS. A preliminary estimate from insurance industry analysts would put the range between \$500 million and \$900 million in insured losses, an estimate that will change as insurers are resurveyed and

data is refined.

Insured Losses

The costliest U.S. civil disorder before 2020 occurred from April 29 through May 4, 1992, in Los Angeles, California, after a jury acquitted Los Angeles Police Department officers for using excessive force in the arrest and beating of Rodney King. The event caused \$775 million in insured losses, according to PCS, or about \$1.4 billion in 2020 dollars.

The 2020 civil disorders would rank as the second-costliest U.S. civil disorder if its losses remained in the \$500 million and \$900 million range. However this estimate is expected to change in the coming months.

The last civil disorder for which insured losses were collected was an event from April 27-28, 2015, in Baltimore, Maryland, following the funeral for Freddie Gray, a 25-year-old who died after suffering a severe spinal cord injury while in police custody. That event caused \$24 million in insured losses, or \$26 million in 2020 dollars. The event did not qualify as a catastrophe; see chart below.

Seven of the costliest civil disorders in the U.S. occurred in the 1960s. The first Fair Access to Insurance (FAIR) Plans, designed to provide property insurance in high-risk areas, were developed in response to these events.

Costliest U.S. Civil Disorders

(\$ millions)

			Estimated loss (1)	
Rank (2)	Date	Location	Dollars when occurred	In 2020 dollars (3)
1	Apr. 29-May 4, 1992	Los Angeles, CA	\$775	\$1,422
2	Aug. 11-17, 1965	Los Angeles, CA	44	357
3	Jul. 23, 1967	Detroit, MI	42	322
4	May 17-19, 1980	Miami, FL	65	204
5	Apr. 4-9, 1968	Washington, DC	24	179
6	Jul. 13-14, 1977	New York, NY	28	118
7	Jul. 12, 1967	Newark, NJ	15	115
8	Apr. 6-9, 1968	Baltimore, MD	14	104
9	Apr. 4-11, 1968	Chicago, IL	13	97
10	Apr. 4-11, 1968	New York, NY	4	30

(1) Includes riots and civil disorders causing insured losses to the insurance industry of at least \$1 million up to 1992; \$5 million from 1992 to 1996 and \$25 million thereafter.

(2) Ranked on estimated insured losses in 2020 dollars.

(3) Adjusted to 2020 dollars by the Insurance Information Institute using the Bureau of Labor Statistics CPI Inflation Calculator.

Note: The Baltimore riots of April 27-28, 2015 was an event that was not designated a catastrophe by PCS. The final estimate did not exceed \$25 million.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company, U.S. Bureau of Labor Statistics, Insurance Information Institute.

Insurance Coverage

Auto: Damage to cars is covered under the optional comprehensive portion of an auto policy. It provides reimbursement for damage to the vehicle and its contents caused by fire, falling objects, vandalism or riot.

Home: Standard homeowners policies will cover damage to the property and its contents caused by fire, an explosion, a riot or civil commotion, vandalism or malicious mischief.

Business: Damage to the physical plant of a business and its contents caused by fire, riots, civil commotion or vandalism is covered under a Business Owners Policy (also known as a BOP).

For more information on insurance coverage, see the Triple-I article, [Civil disorders and insurance](#).

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