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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 3815

03/14/2018 Authored by Fenton and Hoppe
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to insurance; regulating auto cancellations, nonrenewals, and reductions
1.3 in coverage; amending Minnesota Statutes 2016, sections 65B.14, subdivision 3;
1.4 65B.15, subdivision 2.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 65B.14, subdivision 3, is amended to read:

1.7 Subd. 3. **Renewal or to renew.** "Renewal" or "to renew" means the issuance and delivery
1.8 by an insurer of a policy superseding at the end of the policy period a policy previously
1.9 issued and delivered by the same insurer on the same rating plan, or the issuance and delivery
1.10 of a certificate or notice extending the term of a policy beyond its policy period or term;
1.11 provided, however, that any policy with a policy period or term of less than six months or
1.12 any policy with no fixed expiration date shall for the purpose of sections 65B.14 to 65B.21
1.13 be considered as if written for successive policy periods or terms of six months. "Renewal"
1.14 or "renew" includes a change to or reduction of limits of liability if all existing policies and
1.15 those policies to be accepted as new business by the insurer in this state shall reflect a change
1.16 to or reduction of limits of liability and the insurer has mailed or delivered to the named
1.17 insured, at the address shown in the policy, at least 60 days' advance notice of its intention
1.18 to renew the policy with a change to or reduction of limits of liability.

1.19 Sec. 2. Minnesota Statutes 2016, section 65B.15, subdivision 2, is amended to read:

1.20 Subd. 2. **Nonapplication.** This section ~~shall~~ does not apply to any policy of automobile
1.21 liability insurance which has been in effect less than 60 days at the time notice of cancellation
1.22 is mailed or delivered by the insurer unless it is a renewal policy. This section also does not
1.23 apply to a change to or reduction of limits of liability if all existing policies and those policies

- 2.1 to be accepted as new business by the insurer in this state will reflect a change to or reduction
- 2.2 of limits of liability and the insurer has provided the notice required in section 65B.14,
- 2.3 subdivision 3.