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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4422

03/18/2026 Authored by Duran, Schwartz, Elkins and Skraba The bill was read for the first time and referred to the Committee on Commerce Finance and Policy

1.1 A bill for an act
1.2 relating to property insurance; requiring all property insurance coverage to allow
1.3 appraisal of damages and alternative resolution; proposing coding for new law in
1.4 Minnesota Statutes, chapter 65A; repealing Minnesota Statutes 2024, section
1.5 65A.26.

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

1.7 Section 1. [65A.261] PROPERTY INSURANCE; POLICIES; LOSS ADJUSTMENT.

1.8 A policy of fire and allied lines of insurance, as defined in section 70A.03, clause (2),
1.9 issued by a company, however organized, must provide:

1.10 (1) if the insured and the company, except in case of total loss on buildings, fail to agree
1.11 as to the actual cash value or the amount of loss, then, on the written demand of either party,
1.12 the insured and company must each select a competent and disinterested appraiser and notify
1.13 the other party of the appraiser selected within 20 days of the date the written demand is
1.14 made. If the insured or company fails to select an appraiser within the time provided, a
1.15 presiding judge of the district court of the county where the loss occurs may, upon written
1.16 application of the other party, appoint an appraiser for the party that failed to appoint an
1.17 appraiser by giving five days' written notice to the party that failed to appoint. The appraisers
1.18 must first select a competent and disinterested umpire. If the appraisers fail for 15 days to
1.19 agree upon an umpire, a presiding judge of the district court where the loss occurs may,
1.20 upon a written application by one of the parties, appoint an umpire by giving five days'
1.21 written notice to the other party. The appraisers must then appraise the loss, stating separately
1.22 actual value and loss to each item. If the appraisers fail to agree on the value and loss to
1.23 each item, the appraisers must submit only the differences to the umpire. An itemized,
1.24 written award of any two appraisers when filed with the company determines the amount

2.1 of actual value and loss. An appraiser must be paid by the selecting party or the party for  
2.2 whom the appraiser is selected. The cost of the appraisal and umpire must be paid by the  
2.3 parties equally; and

2.4 (2) a suit or action on the policy to recover a claim is not sustainable in a court of law  
2.5 or equity unless (i) all the requirements of the policy have been complied with, and (ii) the  
2.6 suit or action is commenced within two years after inception of the loss.

2.7 Sec. 2. **REPEALER.**

2.8 Minnesota Statutes 2024, section 65A.26, is repealed.

2.9 Sec. 3. **EFFECTIVE DATE.**

2.10 Sections 1 and 2 are effective January 1, 2027, and apply to losses occurring on or after  
2.11 that date.

**65A.26 HAIL INSURANCE, POLICIES, LOSS ADJUSTMENT.**

Every policy of insurance against damage by hail issued by any company, however organized, must provide as follows: "In case of loss under this policy, and failure of the parties to agree as to the amount of the loss, it is mutually agreed that, on written demand of either party, the company and the insured each shall select a competent appraiser and notify the other of the appraiser selected within ten days of the demand. The appraisers shall first select a competent and disinterested umpire; and, failing for ten days to agree upon the umpire, then, on request of either appraiser, the umpire shall be selected by a judge of a court of record in the state in which the property covered is located. By mutual agreement the two appraisers may agree to have the umpire selected by a judge of a court of record and waive the ten-day provision.

The appraisers and the umpire shall then appraise the loss. A written award of any two of these persons determines the amount of loss. The written award of a majority of these referees is final and conclusive upon the parties as to amount of loss, and this selection, unless waived by the parties, is a condition precedent to any right of action to recover for a loss. No suit for the recovery of any claim by virtue of this policy may be sustained unless commenced within one year after the loss occurred." The policy must also provide the form, manner, and length of notice to be given to the company by the insured of any loss sustained.