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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2042

03/09/2021

Authored by Demuth

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 insurance; modifying provisions governing policies for certain day care  
1.3 providers; amending Minnesota Statutes 2020, section 65A.30, subdivision 2.

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

1.5 Section 1. Minnesota Statutes 2020, section 65A.30, subdivision 2, is amended to read:

1.6 Subd. 2. **Prohibited underwriting practices.** (a) No insurer shall refuse to renew, or  
1.7 decline to offer or write, homeowner's insurance coverage solely because the property to  
1.8 be covered houses day care services for five or fewer children.

1.9 (b) An insurer is prohibited from refusing to renew, declining to offer or write, reducing  
1.10 the limits of, canceling, or charging differential rates for equivalent coverage in a  
1.11 homeowner's policy if the day care provider (1) maintains a separate business coverage  
1.12 policy that covers losses or damages arising from the operation of the day care services,  
1.13 and (2) is operating within licensing capacity.

1.14 (c) If the business coverage policy lapses or is no longer in force, there is no coverage  
1.15 under the day care provider's homeowner's policy for losses related to day care operations.

1.16 **EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to policies  
1.17 issued, sold, or renewed on or after that date.