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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 4261

03/09/2020 Authored by Hausman and Liebling
The bill was read for the first time and referred to the Committee on Commerce

1.1 A bill for an act
1.2 relating to automobile insurance; requiring automobile insurers and the Minnesota
1.3 Automobile Insurance Plan to allow access to coverage to applicants and insureds
1.4 without a physical address; amending Minnesota Statutes 2018, sections 65B.10,
1.5 by adding a subdivision; 72A.20, subdivision 23.

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

1.7 Section 1. Minnesota Statutes 2018, section 65B.10, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 4. Address of applicants and insureds. An applicant who attests that the applicant
1.10 does not have a physical address must not be required to provide a physical address in order
1.11 to be eligible for coverage through the facility.

1.12 EFFECTIVE DATE. This section is effective August 1, 2020, and applies to applicants
1.13 to the Minnesota Automobile Insurance Plan on or after that date.

1.14 Sec. 2. Minnesota Statutes 2018, section 72A.20, subdivision 23, is amended to read:

1.15 Subd. 23. Discrimination in automobile insurance policies. (a) No insurer that offers
1.16 an automobile insurance policy in this state shall:

1.17 (1) use the employment status of the applicant as an underwriting standard or guideline;
1.18 or

1.19 (2) deny coverage to a policyholder for the same reason.

1.20 (b) No insurer that offers an automobile insurance policy in this state shall:

2.1 (1) use the applicant's status as a residential tenant, as the term is defined in section
2.2 504B.001, subdivision 12, as an underwriting standard or guideline; or

2.3 (2) deny coverage to a policyholder for the same reason; or

2.4 (3) make any discrimination in offering or establishing rates, premiums, dividends, or
2.5 benefits of any kind, or by way of rebate, for the same reason.

2.6 (c) No insurer that offers an automobile insurance policy in this state shall:

2.7 (1) use the failure of the applicant to have an automobile policy in force during any
2.8 period of time before the application is made as an underwriting standard or guideline; or

2.9 (2) deny coverage to a policyholder for the same reason.

2.10 Paragraph (c) does not apply if the applicant was required by law to maintain automobile
2.11 insurance coverage and failed to do so.

2.12 An insurer may require reasonable proof that the applicant did not fail to maintain this
2.13 coverage. The insurer is not required to accept the mere lack of a conviction or citation for
2.14 failure to maintain this coverage as proof of failure to maintain coverage. The insurer must
2.15 provide the applicant with information identifying the documentation that is required to
2.16 establish reasonable proof that the applicant did not fail to maintain the coverage.

2.17 (d) No insurer that offers an automobile insurance policy in this state shall use an
2.18 applicant's prior claims for benefits paid under section 65B.44 as an underwriting standard
2.19 or guideline if the applicant was 50 percent or less negligent in the accident or accidents
2.20 causing the claims.

2.21 (e) No insurer shall refuse to issue any standard or preferred policy of motor vehicle
2.22 insurance or make any discrimination in the acceptance of risks, in rates, premiums,
2.23 dividends, or benefits of any kind, or by way of rebate:

2.24 (1) between persons of the same class, or

2.25 (2) on account of race, or

2.26 (3) on account of physical disability if the disability is compensated for by special
2.27 training, equipment, prosthetic device, corrective lenses, or medication and if the physically
2.28 disabled person:

2.29 (i) is licensed by the Department of Public Safety to operate a motor vehicle in this state,
2.30 and

3.1 (ii) operates only vehicles that are equipped with auxiliary devices and equipment
3.2 necessary for safe and effective operation by the disabled person, or

3.3 (4) on account of marital dissolution.

3.4 (f) An insurer that offers an automobile insurance policy in Minnesota is prohibited
3.5 from:

3.6 (1) using the lack of a physical address of an applicant who has attested to the lack of a
3.7 physical address as an underwriting standard or guideline;

3.8 (2) denying coverage to a policyholder because the policyholder lacks a physical address;

3.9 or

3.10 (3) discriminating when offering or establishing rates, premiums, dividends, or benefits
3.11 of any kind, or by way of rebate, because an applicant or policyholder lacks a physical
3.12 address.

3.13 **EFFECTIVE DATE.** This section is effective August 1, 2020, and applies to applications
3.14 for an automobile insurance policy on or after that date.