

2880.0100 DEFINITIONS.

Subpart 1. **Scope.** For the purpose of parts 2880.0050 to 2880.0800, the terms defined in this part have the meanings given them.

Subp. 2. **Commercial dwelling.** "Commercial dwelling" means a building used primarily to produce income, such as a motel, hotel, or apartment house, but does not include an owner-occupied dwelling of four units or less.

Subp. 3. **Experience period.** "Experience period" means the period of three years immediately preceding the insurer's nonrenewal of a policy of homeowners insurance.

Subp. 4. **Multiline contract.** "Multiline contract" means a single insurance contract which provides coverage for homeowners insurance and for at least one other line of insurance authorized under Minnesota Statutes, section 60A.06, subdivision 1, clause (9).

Subp. 5. **Nonrenewal.** "Nonrenewal" means an action taken by an insurer on an existing policy, at the end of the policy period, to:

- A. terminate the policy;
- B. reduce the policy's coverage, unless all the existing policies and those policies to be accepted as new business by the insurer in this state will have the same coverages;
- C. increase the policy's deductible, unless all existing policies and those policies to be accepted as new business in this state, by the insurer, will provide for the same higher deductible; or
- D. transfer a named insured from one rating plan to another within the same company, or from one company to another within a group of insurance companies, if the transfer results in a higher premium. A surcharge applied to a premium for a condition which increases the potential for loss, or the deletion of a claims free discount do not constitute a transfer of rating plans.

A policy of homeowners insurance written for a term longer than one year is not subject to nonrenewal until the end of the policy term even if the insurer can re-rate the policy annually.

Subp. 6. **Nonrenewal notice.** "Nonrenewal notice" means a written notice to a named insured clearly and expressly informing the named insured of the insurer's intention not to renew the policy as of the renewal date.

Subp. 7. **Policy of homeowners insurance.** "Policy of homeowners insurance" means a policy providing property and liability coverage on dwellings and includes policies which are generally described as homeowners policies, mobile homeowners policies, dwelling owners policies, condominium owners policies, and tenants policies.

Statutory Authority: *MS s 65A.29*

History: *10 SR 66*

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