

NEW FILING REQUIREMENTS EFFECTIVE JANUARY 1, 2010

--SPECIAL NOTICE TO APPLICANTS FOR HOMEOWNERS INSURANCE

REQUIREMENT:

Beginning January 1, 2010, insurance companies must now do one of the following:

- a) file with the Department of Commerce either their homeowners application forms containing the new notice wording or separate new notice forms, or
- b) establish a documentation procedure for informing applicants, either orally or in writing, about such a notice being available on a company's website and file with the Department specific information related to the documentation procedure.

WHAT LANGUAGE MUST BE COMMUNICATED TO APPLICANTS?

Insurance companies selling homeowners insurance must now communicate the following wording to their applicants at the time of application: "THE INSURER MAY ELECT TO CANCEL COVERAGE AT ANY TIME DURING THE FIRST 60 DAYS FOLLOWING ISSUANCE OF THE COVERAGE FOR ANY REASON WHICH IS NOT SPECIFICALLY PROHIBITED BY STATUTE."

WHAT MUST BE FILED?

If this notice is communicated directly in writing, an insurance company must file it either as part of its homeowners application or as a stand-alone notice.

If this notice is communicated via a company's website, an insurance company must file a written copy of this wording as it appears on the website along with the following:

- 1) a copy of a written advisory given to applicants informing them of the availability of the notice on the website or
- 2) a written copy of the oral advisory given to applicants in lieu of a written advisory.

WHAT ARE THE SPECIFICS? See newly enacted Minn. Stat. 65A.29, subd. 13 (Minn. Session Laws 2009, Chapter 178), for details about this new requirement.

<https://www.revisor.leg.state.mn.us/laws/?id=178&year=2009&type=0>