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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 848

02/08/2021

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, by
1.4 adding a subdivision.

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

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

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

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

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

1.17 Sec. 2. Minnesota Statutes 2020, section 65A.30, is amended by adding a subdivision to
1.18 read:

1.19 Subd. 3. **Temporary suspension of coverage.** (a) A day care provider that maintains a
1.20 separate business coverage policy or has a rider for business coverage attached to a
1.21 homeowner's policy may temporarily suspend the business coverage policy or rider if the
1.22 day care provider temporarily closes or suspends the day care service. An insurer is prohibited

2.1 from requiring a day care provider to pay premiums on the business coverage policy or rider
2.2 during the period the policy or rider is suspended.

2.3 (b) If a separate business coverage policy is temporarily suspended under paragraph (a),
2.4 the business coverage policy insurer must notify the homeowner's policy insurer of the
2.5 temporary suspension within days of the date the policy suspension is effective.

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