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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-SIXTH
SESSION**

HOUSE FILE No. 82

January 12, 2009

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The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act
1.2 relating to insurance; prohibiting discrimination in auto insurance based upon
1.3 geographic location within the Twin Cities metropolitan area; amending
1.4 Minnesota Statutes 2008, section 72A.20, subdivision 23.

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

1.6 Section 1. Minnesota Statutes 2008, section 72A.20, subdivision 23, is amended to
1.7 read:

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

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

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

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

1.14 (1) use the applicant's status as a residential tenant, as the term is defined in section
1.15 504B.001, subdivision 12, as an underwriting standard or guideline; or

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

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

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

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

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

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

2.1 An insurer may require reasonable proof that the applicant did not fail to maintain
2.2 this coverage. The insurer is not required to accept the mere lack of a conviction or citation
2.3 for failure to maintain this coverage as proof of failure to maintain coverage. The insurer
2.4 must provide the applicant with information identifying the documentation that is required
2.5 to establish reasonable proof that the applicant did not fail to maintain the coverage.

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

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

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

2.14 (2) on account of race, or

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

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

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

2.22 (4) on account of marital dissolution.

2.23 (f) No insurer that offers an automobile insurance policy in this state shall:

2.24 (1) use the geographic area in which the applicant or policyholder resides within the
2.25 metropolitan area as an underwriting standard or guideline. "Metropolitan area" has the
2.26 meaning given in section 473.121, subdivision 2;

2.27 (2) deny coverage to an applicant or policyholder for the same reason; or

2.28 (3) make any discrimination in marketing practices or in offering or establishing
2.29 rates, premiums, dividends, or benefits of any kind, or by way of rebate, for the same
2.30 reason.