

# HOUSE RESEARCH

## Bill Summary

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**Version:** First engrossment

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**Subject:** FAIR plan

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### Overview

This bill involves the FAIR plan, which provides property and liability insurance to businesses and individuals who cannot get insurance for their business property or homes in the private insurance market. Minnesota law requires all property and casualty insurers doing business in the state to participate in the FAIR plan.

#### Section

- 1 **Amount collectible.** Provides that FAIR plan insurance policies need not comply with the requirement that the full policy limit be paid in case of a total loss and that a partial loss be fully paid. If the property was overinsured, the FAIR plan must refund to the policyholder the portion of the premium attributable to the overinsurance.
- 2 **Effective date; application.** Effective the day following final enactment and applies to policies issued or renewed on or after that date.