

LOSS COSTS/RULES/FORMS – LEGISLATIVE MONITORING

NOVEMBER 2, 2018

COMMERCIAL LINES	LI-CL-2018-041
PERSONAL LIABILITY (INCL. PERSONAL UMBRELLA)	LI-DL-2018-120
DWELLING PROPERTY	LI-DP-2018-081
PERSONAL FLOOD	LI-FD-2018-121
HOMEOWNERS	LI-HO-2018-159
MOTORCYCLE	LI-MT-2018-097
PERSONAL AUTO	LI-PA-2018-252
PERSONAL INLAND MARINE	LI-PM-2018-111
WATERCRAFT	LI-WT-2018-021

SUMMARY OF LAWS, REGULATIONS AND COURT DECISIONS – CORRECTION

KEY MESSAGE

This circular is an update to the Personal Property and Specialty Program summary to include several records for two states that were inadvertently omitted in the recently released Legislative Monitoring circular LI-CL-2018-040, et al.

BACKGROUND

These current reports provide updated summaries of Commercial Lines, Personal Auto and Personal Property and Specialty Program laws, regulations and court decisions under review as of September 28, 2018.

In circular [LI-CL-2018-040/LI-DL-2018-119/LI-DP-2018-080/LI-FD-2018-120/LI-HO-2018-157/LI-MT-2018-096/LI-PA-2018-250/LI-PM-2018-109/LI-WT-2018-020](#), we furnished a summary of:

- Laws and regulations reviewed during 2018 which impact ISO forms, loss costs and/or rules, and/or company procedures;
- Court cases reviewed during 2018 which impact ISO forms, loss costs and/or rules; and
- All outstanding items.

ISO ACTION

We have consolidated the summaries previously provided under separate cover letters and updated them to include any changes and/or additional information as of September 28, 2018.

The information contained in the attached summaries is categorized by state. Explanations of abbreviations and meanings are contained on the first page of each summary.

Company procedural requirements have been separated into seven broad categories for information. Companies must determine how specific requirements affect their current procedures.

ISONET LEGISLATIVE MONITORING PRODUCT

The information summarized in your monthly Legislative Monitoring circular is also available in a searchable database via ISONet.

ISONet Legislative Monitoring provides you access to a database containing information on all laws, regulations and court cases reviewed by ISO staff since January 1995. This database includes laws, regulations and court cases reviewed which potentially impact ISO forms, loss costs and/or rules, policywriting support forms, and/or company procedures, for all lines of business serviced by ISO.

Legislative Monitoring creates summary reports, based on your specifications, that you can view online or print.

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FUTURE ISO ACTION

We will update these summaries monthly.

REFERENCE(S)

[LI-CL-2018-040](#)/[LI-DL-2018-119](#)/[LI-DP-2018-080](#)/[LI-FD-2018-120](#)/[LI-HO-2018-157](#)/[LI-MT-2018-096](#)/[LI-PA-2018-250](#)/[LI-PM-2018-109](#)/[LI-WT-2018-020](#) (10/31/2018) Last Monthly Summary Update

ATTACHMENT(S)

Personal Property and Specialty Program Summary

CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular, please direct your inquiry as follows:
 - ◆ Auto-related questions: auto@verisk.com
 - ◆ Liability-related questions: liability@verisk.com
 - ◆ Property-related questions: property@verisk.com
- Other issues for this circular, please contact Customer Support:

E-mail: info@verisk.com

Phone: 800-888-4476

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Please make sure that your company has authorized your use of this product and has complied with the requirements applicable in the jurisdiction where you plan to use it.

We distribute both state-specific and multi-state products and services. We do not distribute all the multi-state products and services for use in every jurisdiction due to corporate policy, regulatory preference, or variations or lack of clarity in state laws.

We provide participating insurers with information concerning the jurisdictions for which our products and services are distributed. Even in those jurisdictions, each insurer must determine what filing requirements, if any, apply and whether those requirements have been satisfied.

Now, as in the past, all of our products and services are advisory, and are made available for optional use by participating insurers as a matter of individual choice. Your company must decide for itself which, if any, ISO products or services are needed or useful to its operation and how those selected for use should be applied. We urge that you be guided by the advice of your attorneys on the legal requirements.

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Personal Property and Specialty Programs Circular Summary

Status	Type	Classification
APPVD = Approved	FORM = Policy Forms	HO = Homeowners only
DISAPV = Disapproved	LOSS COSTS = Loss costs	DP = Dwelling Property only
DONE = ISO Activity Completed	NON-ISO = Procedural Item	COMB = Combination (see comments)
NO IMP = No Impact	RATE = Rates	PIM = Personal Inland Marine only
PEND = Filed and Pending	RULE = Rules	ALL = All Personal Property Lines and Specialty Programs
PREP = Filing/Policywriting Support Form in Preparation	SUPPORT = Policywriting Support Forms	DL = Personal Liability, Personal Insurance Coverage, and Personal Liability and Theft
REVIEW = Under Review		WT = Watercraft
W/DRAWN = Withdrawn.		MT = Motorcycle

Major Categories of Policywriting Support Forms:

APPS = Applications
CERTS = Certificates of Insurance
CLAIMS = Claim Forms, First Report of Injury and Loss Notices
DISCL = Disclosure Forms
FRAUD = Fraud Warnings
OTHER = Other
PHN = Policyholder Notices
SELECT = Selection/Rejection/Waivers for UM/UIM, PIP
TERM = Cancellation/Nonrenewal/Changes in Policy Premium and /or Scope of Coverage Notices and Lost Policy Releases

Major Categories of Company Procedural Requirements:

CLAIMS = Claims Handling and Reporting (Examples: reports to insureds; reports to third parties)
DISCNT = Discounts, such as "Safety" discounts
FINAN = Billing/Premium Finance
OTHER = Other
TERM = Policy Termination/Cancellation/Renewal/Nonrenewal (Examples: records maintenance; premium computation following late notice of nonrenewal)
UNWTG = Underwriting (Examples: permissible underwriting criteria; privacy/nondisclosure requirements)

An asterisk (*) is printed in the far left column for all **new** items. A pound sign (#) is printed in the far left column for all items that have been updated since the last release of the circular. In addition, we have underlined the specific portion of the item that has been revised for easy identification of all changes.

CAUTION: This summary contains certain laws, regulations and court cases reviewed by ISO. It is intended to assist you in your advanced planning but should NOT be used as a substitute for your independent review of all laws, regulations or court decisions to determine those requirements which affect your operations. ISO makes no warranties, expressed or implied, that this is an exhaustive, all-encompassing summary of all laws, regulations, or court decisions that may have an impact on your operation.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
AK	Alaska Division of Insurance Bulletin B 17-08, dated October 20, 2017, provides, in part, the following: "New legislation, under SLA 2016, Chapter 41, Section 63, requires the director of the Division of Insurance (division) to ensure that policies providing uninsured and underinsured motorists (UM/UIM) coverage clearly state that the UM/UIM coverage provides coverage for the insured for injuries sustained as a pedestrian or bicyclist by a motor vehicle. This requirement is effective January 1, 2019. Accordingly, all auto policies that include UM/UIM coverage that incept or renew on or after January 1, 2019 must contain the required language. Note: the requirement is not solely that such coverage be provided, but that this specific coverage be clearly stated."	MT		Appvd	Form	LI-MT-2018-069 07/25/2018 LI-MT-2018-063 06/28/2018 LI-MT-2017-095 11/15/2017	Stefanie Morisi 2676			Approved to become effective 01/01/2019.
#AL	Alabama Act No. 2018-249 (former H.B. 279) amends, in part, ALA. CODE §27-31D-1 et. seq. to provide that an owner of insurable property claiming an adjustment shall maintain the Institute for Business and Home Safety (IBHS) certification documentation, which shall be considered proof of compliance with the Fortified For Safe Living Standards (FFSLS) or Fortified Commercial Standard (FCS) requirements described in this Act. In addition, evidence of IBHS certification, as provided for in this Act, shall be presented to the insurer or potential insurer of a property owner before the adjustment becomes effective for the insurable property.	DP HO	03/15/2018	<u>Done</u>	Rule	LI-HO-2018-046 04/30/2018 LI-DP-2018-038 04/30/2018 LI-HO-2018-034 03/30/2018 LI-DP-2018-029 03/30/2018	Michael Hamilton 2720		Other	Approved to become effective 10/01/2018.
AR	In Cross v. State Farm Mut. Auto. Ins. Co., 2018 Ark. App 98, 1 (2018), the Arkansas Court of Appeals held that the "government-owned-vehicle exclusion is void as it is contrary to the public-policy purpose behind the UM statute."	DL MT		Appvd	Form	LI-MT-2018-049 05/17/2018 LI-DL-2018-034 05/17/2018 LI-MT-2018-038 04/10/2018 LI-DL-2018-031 04/10/2018	Kelly Quinn 2621			Approved to become effective 11/01/2018.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
AZ	2018 Ariz. Sess. Laws ____ (former H.B. 2650), effective August 31, 2019, amends ARIZ. REV. STAT. ANN. § 28-3394.01 to state, in part, "for private passenger motor vehicle liability insurance, an insurer shall consider the traffic citation equivalent to a dismissed traffic citation pursuant to Section 28-3394 except that an insurer of a commercial motor vehicle may consider the citation for underwriting and rating purposes for any policy covering the vehicle."	MT	08/31/2019	No Imp			Larisa Wirth-Granlund 2711		Unwtg	No impact on ISO's program.
CA	2018 Cal. Stat. 75 (former A.B. 2229), revises CAL INS. CODE § 10102 to require that the Residential Property Insurance Disclosure form provided on or after January 1, 2020 to include any fire safety-related discounts offered by the insurer.	DP HO	01/01/2019	No Imp	Non-ISO		Michael Hamilton 2720		Other	No impact on ISO's program.
*CA	2018 Cal. Stat. 639 (former A.B. 2594) amends CAL. INS. CODE § 2071 to provide that if the loss is related to a state of emergency, as defined in subdivision (b) of Section 8558 of the Government Code, the time limit to bring suit is extended to 24 months after inception of the loss. Based on our initial review, we are evaluating revising the Suit Against Us and Legal Action Against Us provisions contained within the applicable Personal Property and Commercial forms.	COMB DP HO	09/21/2018	Review			Gabriela Medina 2638			Under Review.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
*CA	2018 Cal. Stat. 616 (former S.B. 824) and 618 (former S.B. 894) amend CAL. INS. CODE § 675.1, to generally: - Provide that in case of a total loss to the primary structure, under certain circumstances, the insurer shall offer for at least the next two annual renewal periods, but not less than 24 months of coverage from the date of the loss, to renew the policy; and - Prohibit under certain circumstances cancelling or non-renewing policies located in any Zip Code within or adjacent to the fire perimeter, solely based on the structure being located in an area where a wildfire has occurred, for one year after the declaration of a state of emergency.	DP HO	01/01/2019	Prep	Form Rule	LI-HO-2018-137 10/03/2018 LI-DP-2018-075 10/03/2018	Amanda Swiger 4326		Term	Filing under preparation.
*CA	2018 Cal. Stat. ____ (former A.B. 2927) amends, in part, policyholder notice requirements related to cancellation or nonrenewal of a CEA earthquake insurance policy. The new policyholder notice statement language notes, in part, that "if you fail to cancel or to nonrenew your CEA earthquake insurance policy, and if you also fail to pay the CEA earthquake insurance policy premium and surcharge by the payment deadline, both your CEA earthquake insurance policy and your policy of residential property insurance will be cancelled."	HO	01/01/2019	No Imp	Non-ISO		Joseph Ameen 2589		Term	No impact on ISO's program.
*CA	2018 Cal. Stat. 618 (former S.B. 894) adds CAL. INS. CODE § 10103.7, to generally allow an insured that has suffered a loss relating to a state of emergency to combine the payments for claims losses up to the policy limits for primary dwelling and other structures, and to use the combined amount.	DP HO	01/01/2019	Prep	Form Rule	LI-HO-2018-137 10/03/2018 LI-DP-2018-075 10/03/2018	Amanda Swiger 4326		Term	Filing under preparation.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
*CA	<p>California A.B.1797 amends California Insurance Code to require an insurer that provides replacement cost coverage to provide the policyholder, every other year, at the time an offer to renew a policy of residential property insurance is made to the policyholder, an estimate of the cost necessary to rebuild or replace the insured structure that complies with regulations adopted by the Department of Insurance.</p> <p>Insurers are exempt from this requirement if: The policyholder has requested, within the two years prior to the offer to renew the policy, and the insurer has provided, coverage limits greater than the previous limits that the policyholder had selected, or The insurer, in connection with annual offer to renew the policy does both of the following: 1) offers the policyholder the right to have a new replacement cost estimate for the insured dwelling that complies with DOI regulations and 2) offered the renewal of the policy and the dwelling coverage limit in the renewal offer is based on an inflation factor that reflects the cost of construction in the policyholder's geographic area, regardless of whether the policyholder has elected to accept that limit.</p>	COMB DP HO	01/01/2019	No Imp			David Geller 2780			No impact on ISO's program.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
*CA	<p>2018 Cal. Stat. 629 (former A.B. 1875) adds CAL. INS. CODE § 10095.7, which, in part, requires insurers to provide to an applicant who is denied coverage, or to a policyholder whose policy is canceled or not renewed, information regarding the 'California Home Insurance Finder'. 2018 Cal. Stat. 629 (former A.B. 1875) also adds CAL. INS. CODE § 10103.2, which requires specified information, including the Internet Web site address of the department's Homeowners Coverage Comparison Tool, to be disclosed on or after July 1, 2020, upon an offer of a policy of residential property insurance if specified conditions are met. The law also requires residential property insurers to notify the department on or before February 1 of each year of the amount of extended replacement cost coverage it offers in California, if the amount is different from that of the previous year.</p> <p>2018 Cal. Stat. 620 (former S.B. 917) adds CAL. INS. CODE § 530.5, to, in part, require coverage to be provided if a loss or damage results from a combination of perils, one of which is a landslide, mudslide, mudflow, or debris flow, if an insured peril is the efficient proximate cause of the loss or damage and coverage would otherwise be provided for the insured peril.</p>	HO	01/01/2019	No Imp	Non-ISO		Joseph Ameen 2589		Term	No impact on ISO's program.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
*CA	<p>Notice Titled: Personal Property Coverage for Wildfire Insurance Claims DATE: October 4, 2018</p> <p>The California Insurance Commissioner is requesting that all insurers voluntarily provide at least 75%, and up to 100%, of their insureds' Personal Property (Contents) limits without an inventory. This request applies to all insured homes that suffered a total loss, unless the insurer has reason to believe the home was not furnished.</p> <p>The Commissioner requests that insurers advise the Department by October 31, 2018 as to whether or not they will comply with this request and what percentage they will provide.</p> <p>Insurers should send their responses to the attention of Nina Garza via email to: Nina.Garza@insurance.ca.gov</p>	DP HO PIM	10/04/2018	No Imp	Non-ISO		Joseph Ameen 2589		Other	No impact on ISO's program.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
*CA	<p>2018 Cal. Stat. 618 (former S.B. 894), 627 (former A.B. 1772), and 628 (former A.B. 1800) amends CAL. INS. CODE § 2051.5, to generally provide:</p> <ul style="list-style-type: none"> - That the minimum time limit for an insured to collect the full replacement cost of a loss related to a state of emergency is extended from 24 months to 36 months; - That an insurer shall provide one or more additional extensions of six months for good cause if an insured, acting in good faith and with due diligence, encounters a delay or delays in approvals or reconstruction of a home; - That in the event of a total loss to an insured structure, an insurer may not limit or deny payment of the building code upgrade cost or replacement cost including replacement cost coverage, under certain circumstances, on the basis the insured decides to rebuild, or purchase an already built home, at a new location. However, the measure of indemnity shall not exceed the replacement cost, including the building code upgrade cost and any extended replacement cost coverage, if applicable, to repair, rebuild or replace the insured structure at its original location; and - In case of a covered loss relating to a state of emergency, an extension for Additional Living Expenses for up to 12 additional months, for a total of 36 months, if an insured encounters delays in the reconstruction process that are the result of circumstances beyond the control of the insured. 	DP HO	01/01/2019	Prep	Form Rule	LI-HO-2018-137 10/03/2018 LI-DP-2018-075 10/03/2018	Amanda Swiger 4326		Term	Filing under preparation.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
*CT	Connecticut Notice (08/31/2018) (concerning Public Act 18-105 Law & Ordinance Coverage) was issued to Connecticut insurers and Advisory Organizations relative to passage of H.B. 5204, an act concerning Law and Ordinance Coverage. This notice reminds insurers that effective July 1, 2019, those insurers that issue a policy or contract governed by CT General Statutes Section 381-308 (other than Standard Fire Policy) must offer Law and Ordinance coverage in an amount not greater than the amount specified in the policy per enacted H.B. 5204. Based on conditional renewal requirements, insurers reducing amount of coverage for Ordinance and Law from what was offered in the previous policy period would need to forward a conditional renewal notice explaining coverage reductions. Insurers are expected to document their files that Ordinance and Law coverage was offered, and a conditional renewal notice was provided to the insured if the amount of coverage is reduced.	COMB		No Imp			Nathaniel Brown 2796			No impact on ISO's program.
CT	2018 Conn. Acts 18-158 (former H.B. 5206) amends CONN. GEN. STAT. § 38a-323a, effective October 1, 2019, to now provide that an electronic mail address shall be included in the statement designating a third party to receive notice of cancellation or nonrenewal of the policy.	HO MT	10/01/2019	Review	Form	LI-MT-2018-070 07/25/2018 LI-HO-2018-094 07/25/2018	Stefanie Morisi 2676	Other	Other	Under Review.
CT	2018 Conn. Acts 18-158 (Former H.B. 5206), effective October 1, 2019, amends CONN. GEN. STAT. § 38a-323(a) (1), to permit insurers to provide notice of nonrenewal for personal and commercial policies by electronic means, if agreed between the insurer and the named insured.	ALL	10/01/2019	No Imp	Non-ISO		Stefanie Morisi 2676			No impact on ISO's program.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
CT	Connecticut PUBLIC ACT # 18-160, effective January 1, 2019, provides that a surcharge of \$12 on the named insured should be applied to homeowner's policies for personal risk insurance policies on condominiums or residential dwellings with four or fewer units. This charge is not a premium - instead it is an assessment for creating a Healthy Homes fund which this bill is establishing. 85% of the surcharges collected, after subtracting an amount to cover the cost of an employee to facilitate collection, will be deposited into the Crumbling Foundations Assistance Fund to assist homeowners whose concrete foundations have been damaged by the presence of pyrrhotite.	HO	01/01/2019	No Imp	Non-ISO		Daniel Holt 2557		Other	No impact on ISO's program.
CT	2017 Conn. Acts 17-198 (former H.B. 7183), in part, revised CONN. GEN. STAT. § 38a-323 to provide notice requirements for an insurer which intends to renew any policy under terms or conditions less favorable to the insured than provided under the existing policy	DL DP HO PIM	01/01/2019	Appvd	Form	LI-PM-2018-044 07/18/2018 LI-HO-2018-091 07/18/2018 LI-FD-2018-077 07/18/2018 LI-DP-2018-056 07/18/2018 LI-DL-2018-044 07/18/2018	David Geller 2780			Approved to become effective 01/01/2019.
DE	2017 Del. Laws ___ (former House Substitute 1 for H.B. 80), effective May 1, 2018, in part, replaces existing Chapter 83 of DEL. CODE ANN. tit. 18 to regulate the use of credit information for underwriting and rating personal insurance and includes certain prohibitions in the use of credit information as well as disclosure and notice requirements. With the adoption of former House Substitute 1 for H.B. 80, current Delaware Insurance Regulation 906 is now outdated and will be repealed effective May, 1 2018.	DP HO MT WT	05/01/2018	Review	Support	LI-WT-2018-004 03/20/2018 LI-MT-2018-031 03/20/2018 LI-HO-2018-029 03/20/2018 LI-DP-2018-026 03/20/2018	Stefanie Morisi 2676	Other		Under Review.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
FL	2018 Fla. Laws ch. ____ (former H.B. 1011), which becomes effective January 1, 2019, revises FLA. STAT. ANN. § 627.7011 to, in part, modify the required statement concerning law and ordinance coverage and flood insurance that must be included with all homeowners insurance policies and to require that an insurer that issues a homeowners insurance policy must include this statement with the policy documents at initial issuance and every renewal.	HO	01/01/2019	Appvd	Form Rule	LI-HO-2018-069 06/15/2018 LI-HO-2018-068 06/15/2018 LI-HO-2018-052 05/18/2018 LI-HO-2018-051 05/18/2018 LI-HO-2018-037 04/02/2018	Judeth McLaren 2721	Discl		Filing approved to become effective 01/01/2019.
FL	2018 Fla. Laws. ch. ____ (former H.B. 465), in part, amends FLA. STAT. ANN. § 627.728 (5) (2018) to expand the methods for mailing cancellation and nonrenewal notices to the first-named insured to include other mailing using the Intelligent Mail barcode or other similar tracking method used or approved by the United States Postal Service. In addition, FLA. STAT. ANN. § 627.7015 (1) (2018) is amended to provide under the nonadversarial alternative dispute resolution procedure that, in addition to the insurer and the policyholder, a third-party, as an assignee of the policy benefits, may also request mediation of a claims dispute. However, an insurer is not required to participate in any mediation requested by this third-party assignee. Based on our initial review of 2018 Fla. Laws. ch. ____ (former H.B. 465), we anticipate revising several commercial and personal lines endorsements.	DP HO PIM	03/30/2018	Pend	Form	LI-PM-2018-070 09/06/2018 LI-HO-2018-115 09/06/2018 LI-DP-2018-065 09/06/2018 LI-PM-2018-049 07/27/2018 LI-HO-2018-097 07/27/2018 LI-DP-2018-058 07/27/2018 LI-PM-2018-024 05/29/2018 LI-HO-2018-059 05/29/2018 LI-DP-2018-043 05/29/2018 LI-PM-2018-010 04/16/2018 LI-HO-2018-043 04/16/2018 LI-DP-2018-034 04/16/2018	Larisa Wirth-Granlund 2711		Unwtg	Filing submitted.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
#GA	2018 Ga. Laws ____ (former H.B. 878), which becomes effective July 1, 2018, amends GA. CODE ANN. § 33-24-44.1 to provide, in part, "(a) An insured may request cancellation of an existing insurance policy by [...] making a request for cancellation of an insurance policy to the insurer or its duly authorized agent orally, electronically, or in writing[...].In the event of oral cancellation the insurer, shall, within 10 days provide such insured, electronically or in writing, confirmation of such requested cancellation. The insurer or its duly authorized agent may require that the insured provide written, electronic, or other recorded verification of the request for cancellation prior to such cancellation taking effect."	ALL	07/01/2018	Appvd	Form	LI-WT-2018-015 09/27/2018 LI-PM-2018-085 09/27/2018 LI-MT-2018-084 09/27/2018 LI-HO-2018-128 09/27/2018 LI-DP-2018-070 09/27/2018 LI-DL-2018-107 09/27/2018 LI-DL-2018-106 09/27/2018 LI-WT-2018-010 07/06/2018 LI-PM-2018-040 07/06/2018 LI-MT-2018-066 07/06/2018 LI-HO-2018-085 07/06/2018 LI-DP-2018-051 07/06/2018 LI-DL-2018-043 07/06/2018 LI-DL-2018-042 07/06/2018 LI-PM-2018-020 05/22/2018 LI-MT-2018-051 05/22/2018 LI-HO-2018-057 05/22/2018 LI-DP-2018-041 05/22/2018 LI-DL-2018-037 05/22/2018	Jennifer Zilkha 2684		Term	<u>Approved to become effective 02/01/2019 in DL, DP, HO & PM.</u> <u>Approved distribution date of 02/2019 in DL, MT & WT.</u>

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
GA	2018 Ga. Laws ____ (former H.B. 760), which becomes effective July 1, 2018, amends GA. CODE. ANN § 33-24-46 to provide, in part: - "(b)(2) 'Nonrenewal' or 'nonrenewed' means a refusal by an insurer or an affiliate of an insurer to renew. Failure of an insured to pay the premium as required of the insured for renewal, A CHANGE IN POLICY TERMS, OR A REDUCTION IN COVERAGE..." (emphasis supplied); - New section, (b)(5) which provides a definition for "reduction in coverage"; and - New section, "(d)(2) An insurer shall provide a written notice of a reduction in coverage to the named insured no less than 30 days prior to the effective date of the proposed reduction in coverage; provided that such notice shall be printed in all capital letters in a separate document entitled 'NOTICE OF REDUCTION IN COVERAGE.'..."	DP HO	07/01/2018	Review	Form		Bill Coulton 2214			Under Review.
*IA	In Walnut v. Depositors Ins. Co., 913.N.W.2d 80 (Iowa 2018); the Iowa Supreme Court held in part that while coverage questions are for the court, "factual causation issues may be decided through the appraisal process."	ALL		No Imp			Gabriela Medina 2638			No impact on ISO's program.
IL	2018 Ill. Laws ____ (Former H.B. 4472) adds the following statement to 625 ILL. COMP. STAT. 7-601 relating to required liability insurance policy: "No person shall operate a motor vehicle registered in another state upon the highways of this State unless the vehicle is covered by a liability insurance policy. The operator of the vehicle shall carry within the vehicle evidence of the insurance."	MT	01/01/2019	No Imp	Non-ISO		Stefanie Morisi 2676		Other	No impact on ISO's program.

Personal Property and Specialty Programs Circular Summary

State	Item Description	LOB	Effective Date of Legislation	Status	Type	Circular Reference	Contact (201)469-xxxx	Support Forms	Rqmts	Comments
*KS	2018 K.S. HB 2571, effective 07/01/2018, repealed and replaced the prior Kansas Arbitration Act. Current K.S.A. §5-428(a), in contrast with the arbitration law previously applicable in this state, does not exclude application to "contracts of insurance", where it states in part: "An agreement contained in a record to submit to arbitration any existing or subsequent controversy arising between the parties is valid, enforceable and irrevocable, except upon a ground that exists at law or in equity for the revocation of a contract." In response to K.S. HB 2571, we intend to submit filings for various Commercial and Personal lines of business, which will generally replace Kansas exceptions for arbitration and appraisal provisions with multistate versions.	ALL	07/01/2018	Prep	Form Rule		Timothy McDonnell 3877			Filing under preparation.
LA	Louisiana Department Of Insurance Advisory Letter No. 2018; addresses interpretation of separate named storm or hurricane deductibles.	ALL		No Imp			Lori Kennedy 2813			No impact on ISO's program. Specifies that the copy of the policy does not have to be certified and should be the policy in effect at the time of loss. Updates requirements with respect to electronic transmission of policy. The Louisiana Department Of Insurance Issued Advisory Letter No. 2018-01 on June 21, 2018 informing all property and casualty insurers how the separate named storm deductibles or hurricane deductibles are to be interpreted and applied to claims resulting from a subtropical storm which has been named by the National Hurricane Center of the National Weather Service.

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LA	Louisiana letter regarding Notice of Withdrawal of Approval of policy forms with respect to UM coverage under ISO's PA program which contain a Public or Livery Conveyance exclusion and the Department's position that such exclusions purporting to narrow or exclude statutorily mandated UM coverage for insured persons violates Louisiana law and public policy and are unenforceable under Louisiana Law.	MT		Pend	Form	LI-MT-2016-001 01/06/2016	Stefanie Morisi 2676			Filed circular issued.
LA	LAC 37:XIII. Chapter 139, effective August 20, 2018, repeals Louisiana Regulation 99 – Certificates of Insurance to comply with 2016 La. Acts 278 which removed the commissioner of insurance from the approval process for certificates of insurance.	ALL	08/20/2018	No Imp	Non-ISO		David Rothaug 2715	Certs		No impact on ISO's program.
MA	2018 Mass. Acts 219 (former S.B. 2646), effective November 7, 2018, requires, in part, that an insurance company offering homeowners insurance coverage or renters insurance coverage that issues a policy or contract insuring against liability for injury to a person or injury to or destruction of property arising out of the ownership or lease of residential property shall, for any claim involving a dog-related incident, record circumstances relating to the incident.	DL DP HO	11/07/2018	No Imp	Non-ISO		David Rothaug 2715		Claims	No impact on ISO's program.

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MD	<p>Maryland Bulletin 18-10 is a reminder, to companies and producers, of regulatory requirements relating to offers of coverage for water back-up in light of complaints received following recent flooding in the state.</p> <p>Currently, COMAR 31.08.14, Coverage for Loss Caused by Water That Backs Up Through Sewers or Drains applies to homeowners insurance and requires insurers to offer policyholders the option to purchase water damage coverage up to the full policy limits of liability for dwelling coverage, other structure coverage, personal property coverage, and loss of use coverage.</p>	HO	06/12/2018	No Imp	Non-ISO		Michael Hamilton 2720		Other	No impact on ISO's program.
MI	<p>Michigan Bulletin 2018-17-INS states, in part, that the dollar amount of the three-year claim history to be used for nonrenewal of a home insurance policy, pursuant to Section 2117(2)(e), MCL 500.2117(2)(e), is being revised by the Director of the Department of Insurance and Financial Services, pursuant to Section 2117(5).</p> <p>As of January 1, 2018, the new minimum dollar amount under MCL 500.2117 for three paid claims within the immediately preceding three years totaling \$3,700 or more, exclusive of weather-related claims, is \$4,000.</p> <p>As of January 1, 2018, the new minimum dollar amount under MCL 500.2117 for three paid claims within the immediately preceding three years totaling \$5,000 or more, including weather-related claims, is \$5,300. This bulletin supersedes Bulletin 2012-08-INS, dated May 22, 2012.</p>	DL DP HO	07/02/2018	No Imp	Non-ISO		Joseph Ameen 2589		Unwtg	No impact on ISO's program.

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*MI	The Michigan Department Of Insurance And Financial Services Bulletin 2018-19-INS issued on September 14, 2018, announced that the annual adjustment of the maximum amount payable for Work Loss and Survivor's Loss Benefits under Personal Protection Insurance is now \$5,700 per month, effective October 1, 2018 through September 30, 2019.			No Imp	Non-ISO		Michael Heinle 4435		Other	No impact on ISO's program. Personal Auto and Commercial Auto will not be revising endorsements PA 05 90, Personal Injury Protection Coverage - Michigan, and CA 22 20, Michigan Personal Injury Protection, at this time since these endorsements were recently revised to reflect Bulletin 2017-12-INS.
MN	2018 Minn. Laws ___ (former H.B. 2899), effective August 1, 2018, in part, requires that an adjuster or insurer provide written notification, in the initial estimate relating to the claim, that residential contractors providing home repairs or improvement services paid by an insured from the proceeds of a property or casualty insurance policy shall not pay or commit to pay the insured's deductible or offer to compensate the insured as an inducement to the insured to hire a contractor; and, that if the contractor is in violation, the insurer is not obligated to consider the estimate prepared by the contractor.	HO	08/01/2018	No Imp	Non-ISO		Loni Labatta 3586		Unwtg	No impact on ISO's program.
MN	In Poehler v. Cincinnati Insurance Company, 899 N.W.2d 135 (2017), the Supreme Court of Minnesota examined Minnesota Statutes § 549.09 subd. 1(b) and concluded in part that, absent contractual language explicitly precluding preaward interest, an insured can recover preaward interest on an insurance appraisal award without the existence of an underlying breach of contract or actionable wrongdoing.	COMB DP HO		Review			David Geller 2780			Under Review.

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MO	The Missouri Department of Insurance is concerned with how some insurers may be applying the phrase "applicable sales tax" when addressing payment of loss with respect to physical damage coverage in light of MO. REV. STAT. § 144.027 addressing, in part, sales tax credit.	MT		Pend	Form	LI-MT-2015-163 10/26/2015	Stefanie Morisi 2676			Filing submitted on 11/18/2015. Implementation pending.
MO	2018 Mo. Laws ____ (Former S.B. 708), effective July 1, 2019, revises, in part, the minimum motor vehicle financial responsibility requirements from \$10,000 to \$25,000 "... because of injury to, or destruction of, property of others in any one accident."	MT	07/01/2019	Review	Form Loss Cost Rule	LI-MT-2018-068 07/17/2018	Stefanie Morisi 2676		Other	Initial Drafting Stage. Under Review circular issued.
MS	2018 Mississippi Laws ____ (Former S.B. 2465) expands mandatory windstorm mitigation premium discounts to any county located in the state of Mississippi. Based on previous legislation, enacted in 2012, windstorm mitigation credits were introduced for the following five (5) counties: Harrison, Hancock, Jackson, Stone, and Pearl. "Not later than July 1, 2019, insurance companies shall provide a premium discount or insurance rate reduction in an amount and manner as established in subsection (5) of this section and according to Section 83-75-5. In addition, insurance companies may also offer additional adjustments in deductible, other credit rate differentials, or a combination thereof, collectively referred to as adjustments. These adjustments shall be available under the terms specified in this section to any owner who builds or locates a new insurable property to resist loss due to tornado or other catastrophic windstorm events in any county located in the State of Mississippi."	DP HO	07/01/2018	Prep	Rate		Daniel Holt 2557		Unwtg	Filing under preparation.

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MU	Biggert-Waters Flood Insurance Reform Act of 2012, H.R. 4348, 112th Congress, generally provides a five-year reauthorization of the National Flood Insurance Program and, in part, includes a provision for the Secretary of Homeland security to establish, by rule, a standard formula (COASTAL Formula) to determine and allocate wind and flood losses for claims involving indeterminate losses.	DP HO PIM		Review	Form	LI-PM-2012-098 08/30/2012 LI-HO-2012-236 08/30/2012 LI-DP-2012-125 08/30/2012	Joseph Ameen 2589			ISO will monitor activity related to the development of the COASTAL Formula and other requirements contained in the Act and, if warranted, will release an additional circular following reported substantive advancement by the federal government regarding initiatives addressed in the Act.
NH	New Hampshire Bulletin Ins. 18-039-AB, issued July 18, 2018, withdraws the Informational Letter issued by the New Hampshire Insurance Department on December 14, 2015. Bulletin Ins. 18-039-AB further states that "walling off of books of business is not unfairly discriminatory as long as insurers permit insureds in the walled-off book of business the opportunity to move to the new rates/coverages upon request."	ALL		No Imp			Kelly Quinn 2621			No impact on ISO's program.
NH	The State of New Hampshire Insurance Department provides guidance in regard to the proper interpretation of the After Market Parts Law, RSA 407-D.	MT		No Imp			Larisa Wirth-Granlund 2711		Unwtg	No impact on ISO's program.
NH	2018 N.H. Laws ____ (former H.B. 1308), effective January 1, 2019, states that any licensed insurance company authorized to transact fire or casualty business in this state shall provide 120 days' notice to its appointed agents of record in New Hampshire of the insurance company's decision to cease writing an entire line of business.	COMB	01/01/2019	No Imp			David Geller 2780			No impact on ISO's program.
*OK	Former S.B. 1485, effective November 1, 2018, revises OKLA. STAT., tit. 36, Sect. 1250.7, in part, to require insurers to notify insureds, within 60 days after receipt of a properly executed proof of loss, of the acceptance or denial of a claim or if further investigation is necessary.	DP HO	11/01/2018	Prep	Form		Michael Hamilton 2720			We will be submitting a Personal Lines filing shortly to revise the Our Duties After Loss Conditions for the Special Provisions Oklahoma Dwelling Property and Homeowners forms only. There are no other lines of business affected.

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PA	In Toner v. The Travelers Home And Marine Insurance Company, 137 A.3d 583 (2016), Superior Court of PA held that an insurer was not required to provide the Named Insured with a new waiver of stacking form when the Named Insured adds cars to a single vehicle policy.	MT		Review			Gregory Nduthu 2698			No changes at this time. ISO plans to continue to monitor for subsequent developments and further evaluate for future action.
PR	Puerto Rico Office of the Commissioner Of Insurance Ruling Letter No.: CN-2016-206-AP dated 11/07/2016, advises insurers of the Commissioner Of Insurance's position to "clarify the standard that governs arbitration clauses for all insurance policies issued in Puerto Rico."	WT		Review	Form Rule	LI-WT-2016-021 12/21/2016	Stefanie Morisi 2676		Claims	Undergoing initial analysis. Under Review circular issued.
RI	2018 R.I. Pub. Laws ____ (former S.B. 2426/H.B. 7607), effective January 1, 2019, amends R.I. GEN. LAWS § 31-47.4-3.(a) to provide, in part, each insurer shall provide weekly records of each motor vehicle insurance policy to the division of motor vehicles.	MT	01/01/2019	No Imp			Larisa Wirth-Granlund 2711		Unwtg	No impact on ISO's program.
RI	2018 R.I. Pub. Laws ____ (Former H.B. 8013) and 2018 R.I. Pub. Laws ____ (Former S.B. 2679) revises Chapter 27-10.2 relating to aftermarket parts/OEM parts and their timeframe guidelines. In addition, the insurer may not require the repairer to use procedures that are not in compliance with OEM recommendations.	MT	07/04/2018	No Imp	Non-ISO		Stefanie Morisi 2676			No impact on ISO's program.
RI	2018 R.I. Pub. Laws ____ (Former S.B. 2444), states that no residential property insurance policy shall exclude coverage for vandalism or malicious mischief unless the dwelling has been vacant for more than sixty (60) consecutive days immediately before the loss.	DP HO	01/01/2019	No Imp	Non-ISO		Michael Hamilton 2720		Other	No impact on ISO's program.

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*SC	<p>South Carolina Department of Insurance Emergency Order 2018-EO-001, was issued on 09/14/2018 as a result of Hurricane Florence and created certain requirements in order to effectuate compliance with the provisions of Emergency Regulation 69-79, such as:</p> <ul style="list-style-type: none"> -60 day moratorium on cancellation of any insurance contract due to nonpayment of premiums and on non-renewals beginning on 09/14/2018 and ending 11/13/2018. -No insurance contract shall be cancelled or non-renewed for the sole reason the claim resulted from the disaster. -Other provisions focused on safeguarding the insurance consumer. 	ALL	09/14/2018	No Imp	Non-ISO		Lori Kennedy 2813		Other	No impact on ISO's program.
#SD	<p>The decision in <i>Streff v. State Farm Mut. Auto. Ins. Co.</i>, 2017 S.D. 83, states, in part, that “the [circuit] court ruled that the government vehicle exclusion in the auto policy violated South Dakota public policy and was unenforceable because SDCL § 58-11-9.4 required UIM coverage in “motor vehicle liability polic[ies].” The South Dakota Supreme Court’s decision in <i>Streff</i> generally recognized the public policy principles provided in the underlying court's decision and stated in part that "SDCL 58-11-9.4 manifests South Dakota's public policy as expressed by the Legislature to give insureds the opportunity for full compensation for injuries inflicted by financially irresponsible motorists."</p>	MT		<u>Done</u>	Form	LI-MT-2018-028 03/09/2018 LI-MT-2018-027 03/09/2018 LI-MT-2018-008 01/26/2018	Stefanie Morisi 2676			Approved to become effective 10/01/2018.

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TN	Martin v. Powers, 505 S.W.3d 512 (Tenn. 2016); the Tennessee Supreme Court found, when evaluating the term "self-insurer" under uninsured motorists coverage, that the policy's failure to define "self-insurer" and its broad reference to "any applicable motor vehicle" rendered the provision both vague and indefinite and held that the provision at issue was ambiguous.	MT		Prep	Form	LI-MT-2017-019 04/03/2017	Stefanie Morisi 2676			Filing under preparation.
UT	2018 Utah Laws ____ (former S.B. 190), effective May 8, 2018, in part, amends: - UTAH CODE ANN. §§ 31A-22-305 and 31A-22-305.3 to state that uninsured and underinsured motorists coverage "does not cover any benefit paid or payable under Title 34A, Chapter 2, Workers' Compensation Act, except that the covered person is credited an amount described in Subsection 34A-2-106(5)." - UTAH CODE ANN. § 31A-22-305.3 (6) to state that "[a]n underinsured motorist insurer does not have a right of reimbursement against a person liable for the damages resulting from an injury-causing occurrence if the person's liability insurer has tendered the policy limit and the limits have been accepted by the claimant." Based on our initial review of 2018 Utah Laws ____ (former S.B. 190), we anticipate revising various Utah Commercial Auto, Personal Auto, and Motorcycle endorsements.	MT	05/08/2018	Appvd	Form	LI-MT-2018-058 06/14/2018 LI-MT-2018-037 04/06/2018	Larisa Wirth-Granlund 2711		Unwtg	Implemented to become effective 11/01/2018.

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WA	2018 Wash. Laws ___ (former H.B. 2322) adds new sections to WASH REV. CODE ANN. § 48.18 RCW and 48.19 RCW , in part, to state that the legislature finds that allowing property insurers to assist their insureds with risk mitigation and/or prevention goods and/or services could help prevent, or reduce the severity of claims and losses. The legislature further finds that assisting insureds with risk mitigation and prevention and providing disaster or emergency response activities are both useful in preventing economic loss, and should be exempt from the prohibition against inducements under WASH REV. CODE ANN. § 48.30.140 and 48.30.150. With the prior approval of the commissioner, a property insurer may include certain goods or services, or both, listed in this legislation, intended to reduce either the probability of loss, or the extent of loss, or both, from a covered event as part of a policy of property insurance.	HO	06/07/2018	Review			Michael Hamilton 2720		Other	Under Review.