Jim Poolman
Commissioner of Insurance

DEPARTMENT OF INSURANCE
STATE OF NORTH DAKOTA

BULLETIN 2004-2

TO: All Property and Casualty Insurance Companies

FROM: Jim Poolman, Commissioner

DATE: April 29, 2004

SUBJECT: Reinstatement of Automobile Insurance Coverage for Returning Armed Forces

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The Insurance Department has received information indicating some automobile insurance companies are denying reinstatement, refusing to write, or raising premium rates for members of the Armed Forces who are returning from active service. These individuals discontinued their automobile insurance coverage here in North Dakota while in active military service overseas.

Underwriting and rating standards often appropriately take into consideration whether the insurance applicant has had continuous insurance coverage. In this instance, however, these underwriting requirements are inappropriate and should be waived.

The purpose of this bulletin is to request that, for returning members of our Armed Forces, companies waive any such underwriting or rating requirements. These servicemen and women, who have risked their lives on behalf of and in defense of our country, should not be penalized for their service.

Accordingly, if a member of the Armed Forces was a policyholder in good standing at the time of leaving for active duty, and can show proof that such active service was the reason for the loss in continuity of insurance coverage, the Insurance Department requests companies reinstate the policies as if coverage were continuous.

Further, the Insurance Department asks companies to afford similar consideration to returning members of the Armed Forces who are new insurance applicants to the companies. Thus, if an applicant was in good standing with another insurance carrier prior to leaving for active duty, and such active service was the reason for the loss in continuity of coverage, the company should treat the applicant as having had continuous insurance coverage throughout their term of active duty.

If there are questions regarding this bulletin, please call Larry Maslowski at (701) 328-4976.

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