

ARIZONA PROPERTY AND CASUALTY RATE AND RULE FILINGS

HOMEOWNERS, MOBILE HOMEOWNERS, AND RENTERS INSURANCE

The Property and Casualty Section within the Arizona Department of Insurance (“AZDOI”) has developed the following checklist to help you submit a complete and correct rate and rule filing.

NOTE: This checklist is not intended to serve as an all-inclusive list of requirements. Insurance policies must meet all requirements of Arizona law, regardless of whether the law is summarized in this checklist.

This checklist applies to the following types of insurance (TOI’s) and sub-types:

4.0 Homeowners

- 4.0001 – Condos;
- 4.0002 – Mobile Homeowners;
- 4.0003 – Owners Occupied;
- 4.0004 – Tenants;
- 4.0005 – Other

This checklist is in addition to the [General Filing Checklist](#)

FILING REQUIREMENTS

NOTE – Use and file. All rate filings must be made within 30 days after the effective date of the rate. Arizona law provides that if the rate or rule does not comply, the AZDOI may issue an order at any time specifying in what respect the filing is in conflict and stating that, within 30 days after the order is issued, the rate is no longer effective. The order will not affect any contract made or issued prior to the effective date of the order. The insurer or rate service organization making the filing may request a hearing pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10. Please ensure that all of the applicable issues below are addressed in your rate filing. [ARS § 20-385](#).

Topic	References*	Requirements
* "§" = Arizona Revised Statutes Section		
Credit Reports	ARS § 20 - 1652(C) ARS § 20 - 1652(E) ARS § 20 -2110	<p>If an insurer uses for underwriting purposes information from a report provided by, or database maintained by, an insurance support organization or consumer reporting agency related to the premises that is the subject of the application or to the person applying for insurance, the insurer shall obtain that information as soon as practicable on application by a person for insurance coverage and before the issuance of a binder of insurance coverage. Failure of the insurer to timely obtain the information required by this subsection precludes the insurer from declining insurance coverage or terminating a binder of insurance coverage based on the information. This subsection does not apply to a policy renewal.</p> <p>After thirty days from the application by an insured for insurance coverage, no declination of insurance coverage or termination of a binder shall be based on information from a consumer report, including a consumer report provided by, or database maintained by, an insurance support organization or consumer reporting agency related to the premises that is the subject of the application or to the person applying for insurance. Notwithstanding any other law, an insurer may decline or terminate insurance coverage based on the condition of the premises as determined through a physical inspection of the premises</p>
Fire Premium Tax	ARS § 20 -224	<p>A.R.S. § 20-224 provides that each insurer shall pay to the state treasurer a premium tax of 2.2 percent on fire insurance premiums on properties in the state of Arizona, "except that the tax on fire insurance premiums on property located in an incorporated city or town which procures the services of a private fire company is 0.66 percent. Each insurer shall reflect the cost savings attributable to the lower tax in fire insurance premiums charged on property located in an incorporated city or town that procures the services of a private fire company." A rule for such a credit does not appear to be included in the rules for the above captioned programs. As of this writing, only Fountain Hills and Carefree qualify for the Fire premium tax credit required by A.R.S. § 20-224. The zip codes for Fountain Hills are 85268 and 85269 and for Carefree are 85377.</p> <p>For the purposes of applying the tax; fire insurance is one hundred percent of fire lines, forty percent of commercial multiple peril non liability lines, thirty-five percent of homeowners' multiple peril lines, twenty-five percent of farm owners' multiple peril lines and twenty percent of allied lines.</p> <p>If a credit is being applied it should be a 1.54% credit applied to 35% of the written premium for HO or 100% of written premium for pure fire.</p>

Policy Coverage Inquiry	ARS § 20 - 1652(F)	An insurer shall not consider as a claim any inquiry by an insured into whether a policy will cover a loss or about the type or level of coverage. An insurer shall not use such an inquiry, regardless of the source of the information that an inquiry was made, as a basis for declining, non-renewing or canceling insurance coverage or a binder of insurance coverage. An insurer shall not submit to any insurance support organization or consumer reporting agency that a mere inquiry was made to the insurer as to the terms or coverage of a policy of insurance. An inquiry into coverage on a property insurance policy is not a claim activity unless an actual claim is filed by the insured that results in an investigation of the claim by the insurer.
SubTOIs		Any Rate or Rate/Rule filing shall use the applicable subTOI when filing rate changes. Do not use "TOI XX Sub-OI Combinations" for filing types Rate or Rate/Rule for Homeowners, Personal Auto, Med Mal, Other Liabilities, Crop Hail, Commercial Auto, Commercial Multi-Perl, Inland Marine or Mortgage Guarantee filings when the rate change(s) apply to specific subTOI(s). This ensures that any rate change is assigned to the applicable subTOI.

CERTIFICATION OF COMPANY OFFICER

NOTE: Filer certification must be completed and signed by an officer of the company.

I, _____, certify on behalf of the company that is submitting this filing that I am responsible for the validity, accuracy and completeness of the enclosures in this filing. To the best of my knowledge and belief each form or rate filing included in this filing: 1) conforms to all of the applicable requirements outlined above; 2) contains no provision(s) previously disapproved or required to be corrected and/or revised by the Arizona Department of Insurance; 3) does not exceed this company's powers, the authority granted by its state of domicile or its Arizona certificate of authority; and 4) complies with all applicable provisions of state or federal law and orders of the Director of Insurance.

Title: _____

Email: _____

Phone: _____

Date: _____

Company Officer Signature: _____