



## **NEBRASKA DEPARTMENT OF INSURANCE**

### **DISTINGUISHING FILED VS. NON-FILED INLAND MARINE RATES**

## **Inland Marine Insurance in Nebraska**

Inland marine insurance is subject to Nebraska's P&C Rate and Form Act. As is customary, however, rates do not need to be filed for some types of inland marine insurance. This document will give an overview of the regulation of inland marine insurance in Nebraska, and will give a listing of those types of inland marine insurance for which rates need to be filed and don't need to be filed.

#### **FORMS AND ENDORSEMENTS –**

Nebraska statute 44-7508.02 requires that each insurer file every form and related attachment that it intends to use. There are no exceptions for inland marine. While subsection (10) of 44-7508.02 allows the bona fide manuscripting of a unique form or endorsement for an individual policyholder, there are many restrictions to this provision. It can't be used as a way to use forms that have been filed in some other jurisdiction, but not in Nebraska, and it can't be used to exempt the same form for more than a single risk. Should a person have questions regarding these provisions, we suggest consulting the Agents' and Underwriters' Manual, which is available on the Department's website.

#### **RATES –**

Nebraska statute 44-7508 requires that rating systems for inland marine insurance be filed except for, "types of inland marine risks that have, by custom of the industry, not been written according to manual rates or rating plans." For types of inland marine insurance that must be filed, Nebraska's file and use law applies. See Bulletin CB-50, available on the Department's website, for details with regard to filing procedures. Note that the designation of a type of inland marine insurance as subject to rate filing requirements or exempt is *not* something that is done by means of a rate filing. That designation is done in this document, or in updates or interpretations of this document.

This document provides a listing of types of insurance commonly identified as inland marine, and indicates whether the rates are subject to filing requirements. In addition, at the end of this listing, we mention a few types of insurance that some have attempted to call inland marine, but which are more properly viewed as property insurance that is not marine in nature.

LIST OF FILED & UNFILED RATES –

<b>Controlled</b>	<b>Uncontrolled</b>
Accounts Receivable	Annual transit
Antique & Classic Automobiles (over 25 years old and used primarily for exhibition purposes)	Boats, Commercial
Bailees' Customers Insurance	Bridges and Tunnels
Bicycles	Builders Risk coverage that excludes coverage on materials once they have become part of the structure (like an installation floater)
Boats, Private (Outboards, Yachts (are private boats regardless of size and motor))	Cameras, Projection and Sound Equipment, Commercial
Cameras, Projection and Sound Equipment, Personal	Cold Storage Locker Bailee
Coin Collections	Collectors' Items (other than those classes listed as controlled)
Farm Equipment, Mobile Agricultural Equipment	Contractors' Equipment
Fine Arts	Dry Docks, Marine Railways and Cranes
Fur Dealers	Exhibition Risks
Furriers' Customers	Installation Risks (including no more than incidental coverage for materials once installed)
Furs, Personal	Manufacturers Output Policies (MOPs) that do not cover buildings, machinery or other property that is not of a mobile nature
Golfer's Equipment	Mobile Equipment not otherwise listed
Government Service Floater	Morticians Equipment
Guns	Motor Truck Cargo
Irrigation Equipment	Office Machine Floaters
Implement Dealers, Equipment Dealers	Trip Transit
Installment Sales Floaters	Vending Machines
Jewelry Dealers	Warehouseman's Liability
Jewelry, Personal	
Livestock Mortality	

<p>Mail</p> <p>Musical Instruments, Personal</p> <p>Musical Instruments, Commercial Accounts</p> <p>Neon Signs</p> <p>Paraphernalia (Lodges and fraternal organization items used in ceremonies at other places) – controlled</p> <p>Patterns, Molds &amp; Dies</p> <p>Parcel Post</p> <p>Personal Articles</p> <p>Personal Effects</p> <p>Personal Property Floaters</p> <p>Physicians and Surgeons Equipment Floaters</p> <p>Radio and Television Transmitting Antennas</p> <p>Radium Floater</p> <p>Salesperson’s Samples</p> <p>Satellite dishes</p> <p>Silverware</p> <p>Snowmobiles</p> <p>Sports Equipment</p> <p>Stamp Collections</p> <p>Travel/Tourist Baggage</p> <p>Valuable Papers and Records</p> <p>Wedding Presents</p>	
---	--

**If a coverage is not listed, you should contact our Department in writing to see if the rates are filed or non-filed.**

## TYPES OF PROPERTY INSURANCE THAT SOME HAVE MISLABELED AS INLAND MARINE –

Inland marine insurance is insurance where the insurance is (primarily) for property that is mobile in nature or where the property is an instrumentality of transportation or communication. One problem with interpretation arose because property insurance based upon the Standard Fire Policy was historically not written on an “all-risks” basis, while inland marine insurance forms often offered “all-risks” coverages. Thus, there was some pressure to write property that was not inland marine in nature on inland marine forms in order to use an “all-risks” form to have more rating flexibility. The desire for “all-risks” coverage does not, however, constitute a valid reason to consider a type of insurance as inland marine. (In addition, broader forms of property coverage have been available for many decades.) Significant insurance products that some have attempted to label as inland marine, but that are not inland marine in nature, include the following:

- Builders risk coverage that includes coverage on the structure. (Coverage on materials and equipment being made part of the structure can be the subject of an installation floater, which is a valid subject of inland marine insurance.) Typically, a builders risk policy that covers the structure has much more at risk in the structure than is at risk at any one time in terms of building materials.
- Credit property insurance.
- Difference in conditions (DIC) insurance. Note that the traditional subjects of insurance for DIC policies would almost all be exempt commercial policyholders (ECPs) under Nebraska law and rules. See the Agents and Underwriters Manual for more detail on ECPs.
- Manufacturers Output Policies (MOPs) that include buildings, machinery and other property that is not of a mobile nature. Traditional MOPs did not include buildings and other property of a fixed nature; such policies would be considered a valid subject of inland marine insurance