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ARTICLE 1

INSURANCE POLICY

Section 1. Minnesota Statutes 2022, section 60A.201, is amended by adding a subdivision to read:

Subd. 6. Coverage deemed unavailable. Coverage for a risk that was referred to a surplus lines broker by a Minnesota licensed insurance producer who is not affiliated with that surplus lines broker shall be deemed unavailable from a licensed insurer.

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ARTICLE 3

INSURANCE

Sec. 2. Minnesota Statutes 2022, section 60A.201, is amended by adding a subdivision to read:

Subd. 6. Coverage deemed unavailable. Coverage for a risk that was referred to a surplus lines broker by a Minnesota licensed insurance producer who is not affiliated with the surplus lines broker is deemed unavailable from a licensed insurer.

Sec. 3. [60A.43] DISABILITY INCOME COVERAGE; DISCLOSURE.

(a) No contract or policy of long-term disability insurance that limits the duration of coverage for mental health or substance use disorders shall be offered in this state without a disclosure, provided at the time of application, that includes the following:

(1) a notification that the long-term disability coverage selected by the potential policyholder or plan sponsor limits the duration of coverage for mental health or substance use disorders; and

(2) that the potential policyholder or plan sponsor has the right to request more information about the limitation and other coverage options that include an unlimited duration, if available.

(b) Receipt of the disclosure described in paragraph (a) must be acknowledged by the potential policyholder or plan sponsor and evidence of the disclosure and acknowledgment must be retained by the insurance company offering the coverage for a period of no less than two years.

Sec. 4. Minnesota Statutes 2023 Supplement, section 61A.031, is amended to read:

61A.031 SUICIDE PROVISIONS.

(a) The ~~sanity or insanity~~ mental competency of a person shall not be a factor in determining whether a person ~~committed~~ completed suicide within the terms of an individual or group life insurance policy regulating the payment of benefits in the event of the insured's suicide. This paragraph shall not be construed to alter present law but is intended to clarify present law.

(b) A life insurance policy or certificate issued or delivered in this state may exclude or restrict liability for any death benefit in the event the insured dies as a result of suicide within one year from the date of the issue of the policy or certificate. Any exclusion or restriction shall be clearly stated in the policy or certificate. Any life insurance policy or certificate which contains any exclusion or restriction under this paragraph shall also provide that in the event any death benefit is denied because the insured dies as a result of suicide within one year from the date of issue of the policy or certificate, the insurer shall refund all premiums paid for coverage providing the denied death benefit on the insured.

127.12 Sec. 5. Minnesota Statutes 2023 Supplement, section 62Q.522, subdivision 1, is amended  
127.13 to read:

127.14 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

127.15 (b) "Closely held for profit entity" means an entity that:

127.16 (1) is not a nonprofit entity;

127.17 (2) has more than 50 percent of the value of its ownership interest owned directly or  
127.18 indirectly by five or fewer owners; and

127.19 (3) has no publicly traded ownership interest.

127.20 For purposes of this paragraph:

127.21 (i) ownership interests owned by a corporation, partnership, limited liability company,  
127.22 estate, trust, or similar entity are considered owned by that entity's shareholders, partners,  
127.23 members, or beneficiaries in proportion to their interest held in the corporation, partnership,  
127.24 limited liability company, estate, trust, or similar entity;

127.25 (ii) ownership interests owned by a nonprofit entity are considered owned by a single  
127.26 owner;

127.27 (iii) ownership interests owned by all individuals in a family are considered held by a  
127.28 single owner. For purposes of this item, "family" means brothers and sisters, including  
127.29 half brothers and half sisters, a spouse, ancestors, and lineal descendants; and

127.30 (iv) if an individual or entity holds an option, warrant, or similar right to purchase an  
127.31 ownership interest, the individual or entity is considered to be the owner of those ownership  
127.32 interests.

128.1 (b) "Contraceptive method" means a drug, device, or other product approved by the  
128.2 Food and Drug Administration to prevent unintended pregnancy.

128.3 (c) "Contraceptive service" means consultation, examination, procedures, and medical  
128.4 services related to the prevention of unintended pregnancy, excluding vasectomies. This  
128.5 includes but is not limited to voluntary sterilization procedures, patient education, counseling  
128.6 on contraceptives, and follow-up services related to contraceptive methods or services,  
128.7 management of side effects, counseling for continued adherence, and device insertion or  
128.8 removal.

128.9 (e) "Eligible organization" means an organization that opposes providing coverage for  
128.10 some or all contraceptive methods or services on account of religious objections and that  
128.11 is:

128.12 (1) organized as a nonprofit entity and holds itself out to be religious; or

128.13 (2) organized and operates as a closely held for profit entity, and the organization's  
128.14 owners or highest governing body has adopted, under the organization's applicable rules of

- 128.15 ~~governance and consistent with state law, a resolution or similar action establishing that the~~  
128.16 ~~organization objects to covering some or all contraceptive methods or services on account~~  
128.17 ~~of the owners' sincerely held religious beliefs.~~
- 128.18 ~~(f) "Exempt organization" means an organization that is organized and operates as a~~  
128.19 ~~nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal~~  
128.20 ~~Revenue Code of 1986, as amended.~~
- 128.21 ~~(g)~~ (d) "Medical necessity" includes but is not limited to considerations such as severity  
128.22 of side effects, difference in permanence and reversibility of a contraceptive method or  
128.23 service, and ability to adhere to the appropriate use of the contraceptive method or service,  
128.24 as determined by the attending provider.
- 128.25 ~~(h)~~ (e) "Therapeutic equivalent version" means a drug, device, or product that can be  
128.26 expected to have the same clinical effect and safety profile when administered to a patient  
128.27 under the conditions specified in the labeling, and that:
- 128.28 (1) is approved as safe and effective;
- 128.29 (2) is a pharmaceutical equivalent: (i) containing identical amounts of the same active  
128.30 drug ingredient in the same dosage form and route of administration; and (ii) meeting  
128.31 compendial or other applicable standards of strength, quality, purity, and identity;
- 128.32 (3) is bioequivalent in that:
- 129.1 (i) the drug, device, or product does not present a known or potential bioequivalence  
129.2 problem and meets an acceptable in vitro standard; or
- 129.3 (ii) if the drug, device, or product does present a known or potential bioequivalence  
129.4 problem, it is shown to meet an appropriate bioequivalence standard;
- 129.5 (4) is adequately labeled; and
- 129.6 (5) is manufactured in compliance with current manufacturing practice regulations.
- 129.7 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
129.8 plans offered, sold, issued, or renewed on or after that date.
- 129.9 Sec. 6. Minnesota Statutes 2023 Supplement, section 62Q.523, subdivision 1, is amended  
129.10 to read:
- 129.11 Subdivision 1. **Scope of coverage.** Except as otherwise provided in section ~~62Q.522~~  
129.12 ~~62Q.679~~, subdivisions 2 and 3 ~~and 4~~, all health plans that provide prescription coverage  
129.13 must comply with the requirements of this section.
- 129.14 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
129.15 plans offered, sold, issued, or renewed on or after that date.

129.16 Sec. 7. **[62Q.585] GENDER-AFFIRMING CARE COVERAGE; MEDICALLY**  
129.17 **NECESSARY CARE.**

129.18 Subdivision 1. **Requirement.** No health plan that covers physical or mental health  
129.19 services may be offered, sold, issued, or renewed in this state that:

129.20 (1) excludes coverage for medically necessary gender-affirming care; or

129.21 (2) requires gender-affirming treatments to satisfy a definition of "medically necessary  
129.22 care," "medical necessity," or any similar term that is more restrictive than the definition  
129.23 provided in subdivision 2.

129.24 Subd. 2. **Minimum definition.** "Medically necessary care" means health care services  
129.25 appropriate in terms of type, frequency, level, setting, and duration to the enrollee's diagnosis  
129.26 or condition and diagnostic testing and preventive services. Medically necessary care must  
129.27 be consistent with generally accepted practice parameters as determined by health care  
129.28 providers in the same or similar general specialty as typically manages the condition,  
129.29 procedure, or treatment at issue and must:

129.30 (1) help restore or maintain the enrollee's health; or

130.1 (2) prevent deterioration of the enrollee's condition.

130.2 Subd. 3. **Definitions.** (a) For purposes of this section, the following terms have the  
130.3 meanings given.

130.4 (b) "Gender-affirming care" means all medical, surgical, counseling, or referral services,  
130.5 including telehealth services, that an individual may receive to support and affirm the  
130.6 individual's gender identity or gender expression and that are legal under the laws of this  
130.7 state.

130.8 (c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes  
130.9 the coverages listed in section 62A.011, subdivision 3, clauses (7) and (10).

130.10 **EFFECTIVE DATE.** This section is effective January 1, 2025.

130.11 Sec. 8. **[62Q.679] RELIGIOUS OBJECTIONS.**

130.12 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

130.13 (b) "Closely held for-profit entity" means an entity that is not a nonprofit entity, has  
130.14 more than 50 percent of the value of its ownership interest owned directly or indirectly by  
130.15 five or fewer owners, and has no publicly traded ownership interest. For purposes of this  
130.16 paragraph:

130.17 (1) ownership interests owned by a corporation, partnership, limited liability company,  
130.18 estate, trust, or similar entity are considered owned by that entity's shareholders, partners,

- 130.19 members, or beneficiaries in proportion to their interest held in the corporation, partnership,  
130.20 limited liability company, estate, trust, or similar entity;
- 130.21 (2) ownership interests owned by a nonprofit entity are considered owned by a single  
130.22 owner;
- 130.23 (3) ownership interests owned by all individuals in a family are considered held by a  
130.24 single owner. For purposes of this clause, "family" means brothers and sisters, including  
130.25 half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and
- 130.26 (4) if an individual or entity holds an option, warrant, or similar right to purchase an  
130.27 ownership interest, the individual or entity is considered to be the owner of those ownership  
130.28 interests.
- 130.29 (c) "Eligible organization" means an organization that opposes covering some or all  
130.30 health benefits under section 62Q.522 or 62Q.585 on account of religious objections and  
130.31 that is:
- 131.1 (1) organized as a nonprofit entity and holds itself out to be religious; or
- 131.2 (2) organized and operates as a closely held for-profit entity, and the organization's  
131.3 owners or highest governing body has adopted, under the organization's applicable rules of  
131.4 governance and consistent with state law, a resolution or similar action establishing that the  
131.5 organization objects to covering some or all health benefits under section 62Q.522 or  
131.6 62Q.585 on account of the owners' sincerely held religious beliefs.
- 131.7 (d) "Exempt organization" means an organization that is organized and operates as a  
131.8 nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal  
131.9 Revenue Code of 1986, as amended.
- 131.10 Subd. 2. **Exemption.** (a) An exempt organization is not required to provide coverage  
131.11 under section 62Q.522 or 62Q.585 if the exempt organization has religious objections to  
131.12 the coverage. An exempt organization that chooses to not provide coverage pursuant to this  
131.13 paragraph must notify employees as part of the hiring process and must notify all employees  
131.14 at least 30 days before:
- 131.15 (1) an employee enrolls in the health plan; or
- 131.16 (2) the effective date of the health plan, whichever occurs first.
- 131.17 (b) If the exempt organization provides partial coverage under section 62Q.522 or  
131.18 62Q.585, the notice required under paragraph (a) must provide a list of the portions of such  
131.19 coverage which the organization refuses to cover.
- 131.20 Subd. 3. **Accommodation for eligible organizations.** (a) A health plan established or  
131.21 maintained by an eligible organization complies with the coverage requirements of section  
131.22 62Q.522 or 62Q.585, with respect to the health benefits identified in the notice under this  
131.23 paragraph, if the eligible organization provides notice to any health plan company with

- 131.24 which the eligible organization contracts that it is an eligible organization and that the  
131.25 eligible organization has a religious objection to coverage for all or a subset of the health  
131.26 benefits under section 62Q.522 or 62Q.585.
- 131.27 (b) The notice from an eligible organization to a health plan company under paragraph  
131.28 (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to  
131.29 coverage for some or all of the health benefits under section 62Q.522 or 62Q.585, including  
131.30 a list of the health benefits to which the eligible organization objects, if applicable; and (3)  
131.31 the health plan name. The notice must be executed by a person authorized to provide notice  
131.32 on behalf of the eligible organization.
- 132.1 (c) An eligible organization must provide a copy of the notice under paragraph (a) to  
132.2 prospective employees as part of the hiring process and to all employees at least 30 days  
132.3 before:
- 132.4 (1) an employee enrolls in the health plan; or
- 132.5 (2) the effective date of the health plan, whichever occurs first.
- 132.6 (d) A health plan company that receives a copy of the notice under paragraph (a) with  
132.7 respect to a health plan established or maintained by an eligible organization must, for all  
132.8 future enrollments in the health plan:
- 132.9 (1) expressly exclude coverage for those health benefits identified in the notice under  
132.10 paragraph (a) from the health plan; and
- 132.11 (2) provide separate payments for any health benefits required to be covered under  
132.12 section 62Q.522 or 62Q.585 for enrollees as long as the enrollee remains enrolled in the  
132.13 health plan.
- 132.14 (e) The health plan company must not impose any cost-sharing requirements, including  
132.15 co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or  
132.16 other charge for the health benefits under section 62Q.522 on the enrollee. The health plan  
132.17 company must not directly or indirectly impose any premium, fee, or other charge for the  
132.18 health benefits under section 62Q.522 or 62Q.585 on the eligible organization or health  
132.19 plan.
- 132.20 (f) On January 1, 2024, and every year thereafter a health plan company must notify the  
132.21 commissioner, in a manner determined by the commissioner, of the number of eligible  
132.22 organizations granted an accommodation under this subdivision.
- 132.23 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
132.24 plans offered, sold, issued, or renewed on or after that date.
- 132.25 Sec. 9. Minnesota Statutes 2022, section 65A.29, subdivision 7, is amended to read:
- 132.26 Subd. 7. **Renewal; notice requirement.** (a) No insurer shall refuse to renew, or reduce  
132.27 limits of coverage, or eliminate any coverage in a homeowner's insurance policy unless it

132.28 mails or delivers to the insured, at the address shown in the policy, at least 60 days' advance  
132.29 notice of its intention. The notice must contain the specific underwriting or other reason or  
132.30 reasons for the indicated action and must state the name of the insurer and the date the notice  
132.31 is issued.

133.1 (b) For purposes of this section and any rules adopted pursuant to subdivision 8,  
133.2 increasing or revising a homeowner's insurance policy deductible, including but not limited  
133.3 to obligating a policyholder to pay a percentage of an insured loss as part of the deductible,  
133.4 is not a refusal to renew, a reduction in coverage limits, or an elimination of coverage. If  
133.5 an insurer provides a deductible obligating a policyholder to pay a percentage of an insured  
133.6 loss, the insurer must also provide at least one flat-dollar deductible.

133.7 (c) Proof of mailing this notice to the insured at the address shown in the policy is  
133.8 sufficient proof that the notice required by this section has been given.

133.9 Sec. 10. Minnesota Statutes 2022, section 65A.29, subdivision 8, is amended to read:

133.10 Subd. 8. **Rules.** (a) The commissioner may adopt rules pursuant to chapter 14, to specify  
133.11 the grounds for nonrenewal, reduction in limits of coverage, or elimination of coverage of  
133.12 a homeowner's policy. The rules must limit the grounds to the following factors:

133.13 (1) reasons stated for cancellation in section 65A.01, subdivision 3a;  
133.14 (2) reasons stated in section 72A.20, subdivision 13;  
133.15 (3) insured's loss experience, ~~not to include~~ including natural causes, which may include  
133.16 but are not limited to lightning, rain, wind, and hail; and  
133.17 (4) other factors deemed reasonable by the commissioner.

133.18 The rules may give consideration to the form and content of the termination notice to  
133.19 the insured, a statement as to what constitutes receipt of the termination notice, and the  
133.20 procedure by which the insured may appeal a termination notice.

133.21 The rules adopted under this subdivision may provide for imposition of a monetary  
133.22 penalty not greater than \$500 per occurrence upon insurers who are found to be in violation  
133.23 of the law or the rules.

133.24 (b) In addition to any rules adopted under this subdivision, an insured may appeal any  
133.25 nonrenewal under this section to the commissioner of commerce. If the commissioner finds  
133.26 that the nonrenewal is unjustified, arbitrary, or capricious, the commissioner shall order the  
133.27 insurer to reinstate the insured's policy. The commissioner's order may be appealed pursuant  
133.28 to chapter 14. The insured's policy shall continue in force pending the conclusion of the  
133.29 appeal to the commissioner. The insurer must notify the insured of the insured's right to  
133.30 appeal the nonrenewal to the commissioner in the notice of nonrenewal required under  
133.31 subdivision 7.

92.1       Sec. 24. [65A.3025] CONDOMINIUM AND TOWNHOUSE POLICIES;  
92.2       COORDINATION OF BENEFITS FOR LOSS ASSESSMENT.

92.3       Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
92.4       the meanings given.

92.7       (d) "Assessable loss" means a covered loss under the terms of the policy applicable  
92.8       under subdivision 2, paragraphs (a) and (b).

92.5       (b) "Association" has the meaning given in section 515B.1-103, clause (4).

92.6       (c) "Unit owner" has the meaning given in section 515B.1-103, clause (37).

92.9       Subd. 2. **Loss assessment.** (a) If a loss assessment is charged by an association to an  
92.10      individual unit owner the insurance policy in force at the time of the assessable loss must  
92.11      pay the loss assessment, subject to the limits provided in the policy, notwithstanding any  
92.12      policy provisions regarding when loss assessment coverage accrues, and subject to any  
92.13      other terms, conditions, and exclusions in the policy, if the following conditions are met:

92.14      (1) the unit owner at the time of the assessable loss is the owner of the property listed  
92.15      on the policy at the time the loss assessment is charged;

92.16      (2) if the insurance policy in force at the time of the assessable loss provides loss  
92.17      assessment coverage; and

92.18      (3) a loss assessment and the event or occurrence which triggers a loss assessment shall  
92.19      be considered a single loss for underwriting and rating purposes.

92.20      (b) If a loss assessment is charged by an association to an individual unit owner the  
92.21      insurance policy in force at the time the loss assessment is charged must pay the assessment,  
92.22      subject to the limits provided in the policy, notwithstanding any policy provisions regarding  
92.23      when loss assessment coverage accrues, and subject to any other terms, conditions, and  
92.24      exclusions in the policy, if the following conditions are met:

92.25      (1) the unit owner at the time of the loss assessment is charged is different than the unit  
92.26      owner at the time of the assessable loss; and

92.27      (2) the insurance policy in force at the time the loss assessment is charged provides loss  
92.28      assessment coverage.

92.29      (c) For a loss assessment under paragraph (b), an insurer may require evidence  
92.30      documenting that the transfer of ownership occurred prior to the assessment before the  
92.31      insurer affords coverage.

2.9       Sec. 2. Minnesota Statutes 2022, section 67A.01, subdivision 2, is amended to read:

2.10      Subd. 2. **Authorized territory.** (a) A township mutual fire insurance company may be  
2.11      authorized to write business in up to nine adjoining counties in the aggregate at the same  
2.12      time. If policyholder surplus is at least \$500,000 as reported in the company's last annual

134.1      Sec. 11. [65A.3025] CONDOMINIUM AND TOWNHOUSE POLICIES;  
134.2      COORDINATION OF BENEFITS FOR LOSS ASSESSMENT.

134.3      Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
134.4      the meanings given.

134.5      (b) "Assessable loss" means a covered loss under the terms of a policy governed by  
134.6      subdivision 2, paragraph (a) or (b).

134.7      (c) "Association" has the meaning given in section 515B.1-103, clause (4).

134.8      (d) "Unit owner" has the meaning given in section 515B.1-103, clause (37).

134.9      Subd. 2. **Loss assessment.** (a) If a loss assessment is charged by an association to an  
134.10     individual unit owner, the insurance policy in force at the time of the assessable loss must  
134.11     pay the loss assessment, subject to the limits provided in the policy, notwithstanding any  
134.12     policy provisions regarding when loss assessment coverage accrues, and subject to any  
134.13     other terms, conditions, and exclusions in the policy, if the following conditions are met:

134.14     (1) the unit owner at the time of the assessable loss is the owner of the property listed  
134.15     on the policy at the time the loss assessment is charged;

134.16     (2) the insurance policy in force at the time of the assessable loss provides loss assessment  
134.17     coverage; and

134.18     (3) a loss assessment and the event or occurrence which triggers a loss assessment shall  
134.19     be considered a single loss for underwriting and rating purposes.

134.20     (b) If a loss assessment is charged by an association to an individual unit owner, the  
134.21     insurance policy in force at the time the loss assessment is charged must pay the assessment,  
134.22     subject to the limits provided in the policy, notwithstanding any policy provisions regarding  
134.23     when loss assessment coverage accrues, and subject to any other terms, conditions, and  
134.24     exclusions in the policy, if the following conditions are met:

134.25     (1) the unit owner at the time of the loss assessment is charged is different than the unit  
134.26     owner at the time of the assessable loss; and

134.27     (2) the insurance policy in force at the time the loss assessment is charged provides loss  
134.28     assessment coverage.

134.29     (c) For a loss assessment under paragraph (b), an insurer may require evidence  
134.30     documenting that the transfer of ownership occurred prior to the assessment before the  
134.31     insurer affords coverage.



2.13 financial statement filed with the commissioner, the company may, if approval has been

2.14 granted by the commissioner, be authorized to write business in ten or more counties in the

2.15 aggregate at the same time, subject to a maximum of ~~20~~ 30 adjoining counties, in accordance

2.16 with the following schedule:

2.17	Number of Counties	Surplus Requirement
2.18	<u>10</u>	\$500,000
2.19	<u>11</u>	600,000
2.20	<u>12</u>	700,000
2.21	<u>13</u>	800,000
2.22	<u>14</u>	900,000
2.23	<u>15</u>	1,000,000
2.24	<u>16</u>	1,100,000
2.25	<u>17</u>	1,200,000
2.26	<u>18</u>	1,300,000
2.27	<u>19</u>	1,400,000
2.28	<u>20</u>	1,500,000
2.29	<u>21</u>	1,600,000
2.30	<u>22</u>	1,700,000
2.31	<u>23</u>	1,800,000
2.32	<u>24</u>	1,900,000
2.33	<u>25</u>	2,000,000
2.34	<u>26</u>	2,100,000
3.1	<u>27</u>	2,200,000
3.2	<u>28</u>	2,300,000

3.3	<u>29</u>	<u>2,400,000</u>
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3.4	<u>30</u>	<u>2,500,000</u>
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3.5 (b) In the case of a merger of two or more companies having contiguous territories, the  
3.6 surviving company in the merger may transact business in the entire territory of the merged  
3.7 companies; however, the territory of the surviving company in the merger ~~may not be larger~~  
3.8 ~~than 20~~ must be approved by the commissioner and may not be in excess of 30 counties,  
3.9 provided the company complies with the additional reporting requirements stipulated in  
3.10 paragraph (g).

3.11 (c) Notwithstanding paragraph (b), a policy issued by a constituent company to the  
3.12 merger may remain effective, without respect to the policy being issued in a county outside  
3.13 the territory of the surviving company, until the policy:

3.14 (1) expires or is terminated by the policy's terms; or

3.15 (2) is terminated or annulled and canceled in accordance with section 67A.18.

3.16 The surviving company must not amend or renew a policy issued in a county outside the  
3.17 surviving company's territory.

3.18 (e)(d) A township mutual fire insurance company may write new and renewal insurance  
3.19 on property in cities within the company's authorized territory having a population less than  
3.20 25,000. A township mutual fire insurance company may continue to write new and renewal  
3.21 insurance once the population increases to 25,000 or greater provided that amended and  
3.22 restated articles are filed with the commissioner along with a certification that such city's  
3.23 population has increased to 25,000 or greater.

3.24 ~~(d) (c) A township mutual fire insurance company may write new and renewal insurance~~  
3.25 ~~on property in cities within the company's authorized territory with a population of 25,000~~  
3.26 ~~or greater, but less than 150,000, if approval has been granted by the commissioner. No~~  
3.27 ~~township mutual fire insurance company shall insure any property in cities with a population~~  
3.28 ~~of 150,000 or greater.~~

3.29 (e) (f) If a township mutual fire insurance company provides evidence to the  
3.30 commissioner that the company had insurance in force on December 31, 2007, in a city  
3.31 within the company's authorized territory with a population of 25,000 or greater, but less  
3.32 than 150,000, the company may write new and renewal insurance on property in that city  
3.33 provided that the company files amended and restated articles by July 31, 2010, naming  
3.34 that city.

4.1 (g) If a surviving company of a merger writes in more than 20 counties, that company  
4.2 must report to the commissioner the following items on a quarterly basis:

4.3 (1) income statement;

4.4 (2) balance sheet;

4.5 (3) insurance in force; and

4.6 (4) number of policies.

4.7 Sec. 3. Minnesota Statutes 2022, section 67A.14, subdivision 1, is amended to read:

4.8 Subdivision 1. **Kinds of property; property outside authorized territory.** (a) Township

4.9 mutual fire insurance companies may insure qualified property. Qualified property means

4.10 dwellings, household goods, appurtenant structures, farm buildings, farm personal property,

4.11 churches, church personal property, county fair buildings, community and township meeting

4.12 halls and their usual contents.

4.13 (b) Township mutual fire insurance companies may extend coverage to include an

4.14 insured's secondary property if the township mutual fire insurance company covers qualified

4.15 property belonging to the insured. Secondary property means any real or personal property

4.16 that is not considered qualified property for a township mutual fire insurance company to

4.17 cover under this chapter. The maximum amount of coverage that a township mutual fire

4.18 insurance company may write for secondary property is 25 percent of the total limit of

4.19 liability of the policy issued to an insured covering the qualified property.

4.20 (c) A township mutual fire insurance company may insure any real or personal property,

4.21 including qualified or secondary property, subject to the limitations in subdivision 1,

4.22 paragraph (b), located outside the limits of the territory in which the company is authorized

4.23 by its certificate or articles of incorporation to transact business, if the company is already

4.24 covering qualified property belonging to the insured, inside the limits of the company's

4.25 territory. For purposes of this paragraph, qualified property inside the limits of the company's

4.26 territory includes qualified property outside the territory of the surviving company to a

4.27 merger for the duration of the policy insuring the qualified property if the qualified property

4.28 was qualified property inside the territory of a constituent company to the merger.

4.29 (d) A township mutual fire insurance company may insure property temporarily outside

4.30 of the authorized territory of the township mutual fire insurance company.

135.1 Sec. 12. Minnesota Statutes 2022, section 70A.05, is amended to read:

135.2 **70A.05 RATING METHODS.**

135.3 The compliance of rates with the standards of section 70A.04 shall be determined by

135.4 considering the following matters:

135.5 (1) **Factors in rates.** Due consideration shall be given to past and prospective loss and

135.6 expense experience within and outside this state, to a reasonable provision for catastrophe

135.7 hazards and contingencies, to clearly discernible trends within and outside this state, to

135.8 dividends or savings allowed or returned by insurers to their policyholders, members or

135.9 subscribers, and to all other relevant factors, including the judgment of underwriters and  
135.10 raters and, with respect to property and homeowners insurance, the impact of losses caused  
135.11 by natural causes, including but not limited to lightning, rain, wind, and hail.

135.12 (2) **Classification.** Risks may be classified by any reasonable method for the  
135.13 establishment of rates and minimum premiums. Classifications may not be based on race,  
135.14 color, creed or national origin. Rates thus produced may be modified for individual risks  
135.15 in accordance with rating plans or schedules which establish standards for measuring probable  
135.16 variations in hazards, expenses, or both.

135.17 (3) **Profits.** The rates may contain an allowance permitting a profit that is not  
135.18 unreasonable.

135.19 Sec. 13. Minnesota Statutes 2022, section 72A.20, subdivision 13, is amended to read:

135.20 Subd. 13. **Refusal to renew.** Refusing to renew, declining to offer or write, or charging  
135.21 differential rates for an equivalent amount of homeowner's insurance coverage, as defined  
135.22 by section 65A.27, for property located in a town or statutory or home rule charter city of  
135.23 the first class, in which the insurer offers to sell or writes homeowner's insurance, solely  
135.24 because:

135.25 (a) of the geographic area in which the property is located;

135.26 (b) of the age of the primary structure sought to be insured;

135.27 (c) the insured or prospective insured was denied coverage of the property by another  
135.28 insurer, whether by cancellation, nonrenewal or declination to offer coverage, for a reason  
135.29 other than those specified in section 65A.01, subdivision 3a, clauses (a) to (e);

135.30 (d) the property of the insured or prospective insured has been insured under the  
135.31 Minnesota FAIR Plan Act, shall constitute an unfair method of competition and an unfair  
135.32 and deceptive act or practice; or

136.1 (e) the insured has inquired about coverage for a hypothetical claim or has made an  
136.2 inquiry to the insured's agent regarding a potential claim.

136.3 This subdivision prohibits an insurer from filing or charging different rates for different  
136.4 zip code areas within the same town or statutory or home rule charter city.

136.5 This subdivision shall not prohibit the insurer from applying underwriting or rating  
136.6 standards which the insurer applies generally in all other locations in the state and which  
136.7 are not specifically prohibited by clauses (a) to (e). Such underwriting or rating standards  
136.8 shall specifically include but not be limited to standards based upon the proximity of the  
136.9 insured property to an extraordinary hazard or based upon the quality or availability of fire  
136.10 protection services or based upon the density or concentration of the insurer's risks. Clause  
136.11 (b) shall not prohibit the use of rating standards based upon the age of the insured structure's  
136.12 plumbing, electrical, heating or cooling system or other part of the structure, the age of  
136.13 which affects the risk of loss. Any insurer's failure to comply with section 65A.29,

136.14 subdivisions 2 to 4, either (1) by failing to give an insured or applicant the required notice  
136.15 or statement or (2) by failing to state specifically a bona fide underwriting or other reason  
136.16 for the refusal to write shall create a presumption that the insurer has violated this subdivision.

136.17 Sec. 14. Minnesota Statutes 2022, section 325E.66, subdivision 1, is amended to read:

136.18 Subdivision 1. ~~Payment or rebate of insurance deductible~~ **Residential contractor;**  
136.19 **prohibited insurance practices.** (a) A residential contractor providing home repair or  
136.20 improvement services to be paid by an insured from the proceeds of a property or casualty  
136.21 insurance policy shall not:

136.22 (1) as an inducement to the sale or provision of goods or services to an insured, advertise  
136.23 or promise to pay, directly or indirectly, all or part of any applicable insurance deductible  
136.24 or offer to compensate an insured for providing any service to the insured. The prohibition  
136.25 under this clause includes but is not limited to offering compensation in exchange for:

136.26 (i) allowing the residential contractor to conduct an inspection of the insured's roof;  
136.27 (ii) making an insurance claim for damage to the insured's roof; or  
136.28 (iii) referring the residential contractor's services to others when insurance proceeds are  
136.29 payable;

136.30 (2) provide an insured with an agreement authorizing repairs without also providing a  
136.31 good faith estimate of the itemized and detailed cost of services and materials undertaken  
136.32 pursuant to a property and casualty claim; or

137.1 (3) interpret policy provisions or advise an insured regarding coverages or duties under  
137.2 the insured's policy, or adjust a property insurance claim on behalf of the insured, unless  
137.3 the contractor has a license as a public adjuster under chapter 72B.

137.4 (b) If a residential contractor violates this section, the insurer to whom the insured  
137.5 tendered the claim shall not be obligated to consider the estimate prepared by the residential  
137.6 contractor. The residential contractor must provide a written notification of the requirements  
137.7 of this section with its initial estimate. The adjuster or insurer must provide a written  
137.8 notification of the requirements of this section in the initial estimate relating to the claim.

137.9 (c) For purposes of this section, "residential contractor" means a residential roofer, as  
137.10 defined in section 326B.802, subdivision 14; a residential building contractor, as defined  
137.11 in section 326B.802, subdivision 11; and a residential remodeler, as defined in section  
137.12 326B.802, subdivision 12.

137.20 Sec. 16. Minnesota Statutes 2022, section 471.6161, subdivision 8, is amended to read:

137.21 Subd. 8. **School districts; group health insurance coverage.** (a) Any entity providing  
137.22 group health insurance coverage to a school district must provide the school district with  
137.23 school district-specific nonidentifiable aggregate claims records for the most recent 24  
137.24 months within 30 days of the request.

137.25 (b) School districts shall request proposals for group health insurance coverage as  
137.26 provided in subdivision 2 from a minimum of three potential sources of coverage. One of  
137.27 these requests must go to an administrator governed by chapter 43A. Entities referenced in  
137.28 subdivision 1 must respond to requests for proposals received directly from a school district.  
137.29 School districts that are self-insured must also follow these provisions, except as provided  
137.30 in paragraph ~~(f)~~ (g). School districts must make requests for proposals at least 150 days  
137.31 prior to the expiration of the existing contract but not more frequently than once every 24  
137.32 months. The request for proposals must include the most recently available 24 months of  
138.1 nonidentifiable aggregate claims data. The request for proposals must be publicly released  
138.2 at or prior to its release to potential sources of coverage.

138.3 (c) School district contracts for group health insurance must not be longer than two years  
138.4 unless the exclusive representative of the largest employment group and the school district  
138.5 agree otherwise.

138.6 (d) All proposals for group health insurance coverage, including coverage offered under  
138.7 chapters 43A and 123A, must include the information described in this paragraph for each  
138.8 separate health plan being proposed. The information must be on the first page of each  
138.9 proposal in a summary section and in a separate tabular format. Proposals that do not include  
138.10 all of the following information are not eligible to be selected by a school district. All  
138.11 proposals must include the:

138.12 (1) structure of the health plan, designating either exclusive provider organization,  
138.13 preferred provider organization, point of service, or health maintenance organization;

138.14 (2) health plan actuarial value, using the minimum value calculator described in Code  
138.15 of Federal Regulations, title 45, section 156.145;

138.16 (3) type of provider network, designating either narrow network, broad network, narrow  
138.17 tiered network, or broad tiered network;

138.18 (4) agent or broker commissions paid as part of the premium, as requested by the proposal,  
138.19 displayed in dollars per member per month;

138.20 (5) total premium dollars in the first 12-month period of the quote, not including  
138.21 commissions;

138.22 (6) total premium dollars, per member per month, not including commissions; and

138.23 (7) number of expected members used for the premium quote calculation.

138.24 ~~(d)~~ (e) All initial proposals shall be sealed upon receipt until they are all opened no less  
138.25 than 90 days prior to the plan's renewal date in the presence of up to three representatives  
138.26 selected by the exclusive representative of the largest group of employees. Section 13.591,  
138.27 subdivision 3, paragraph (b), applies to data in the proposals. The representatives of the  
138.28 exclusive representative must maintain the data according to this classification and are  
138.29 subject to the remedies and penalties under sections 13.08 and 13.09 for a violation of this  
138.30 requirement.

138.31 ~~(f)~~ (f) A school district, in consultation with the same representatives referenced in  
138.32 paragraph ~~(d)~~ (e), may continue to negotiate with any entity that submitted a proposal under  
139.1 paragraph ~~(d)~~ (e) in order to reduce costs or improve services under the proposal. Following  
139.2 the negotiations any entity that submitted an initial proposal may submit a final proposal  
139.3 incorporating the negotiations, which is due no less than 75 days prior to the plan's renewal  
139.4 date. All the final proposals submitted must be opened at the same time in the presence of  
139.5 up to three representatives selected by the exclusive representative of the largest group of  
139.6 employees. Notwithstanding section 13.591, subdivision 3, paragraph (b), following the  
139.7 opening of the final proposals, all the proposals, including any made under paragraph ~~(d)~~  
139.8 (e), and other data submitted in connection with the proposals are public data. The school  
139.9 district may choose from any of the initial or final proposals without further negotiations  
139.10 and in accordance with subdivision 5, but not sooner than 15 days after the proposals become  
139.11 public data.

139.12 ~~(f)~~ (g) School districts that are self-insured shall follow all of the requirements of this  
139.13 section, except that:

139.14 (1) their requests for proposals may be for third-party administrator services, where  
139.15 applicable;

139.16 (2) these requests for proposals must be from a minimum of three different sources,  
139.17 which may include both entities referenced in subdivision 1 and providers of third-party  
139.18 administrator services;

139.19 (3) for purposes of fulfilling the requirement to request a proposal for group insurance  
139.20 coverage from an administrator governed by chapter 43A, self-insured districts are not  
139.21 required to include in the request for proposal the coverage to be provided;

139.22 (4) a district that is self-insured on or before the date of enactment, or that is self-insured  
139.23 with more than 1,000 insured lives, or a district in which the school board adopted a motion  
139.24 on or before May 14, 2014, to approve a self-insured health care plan to be effective July  
139.25 1, 2014, may, but need not, request a proposal from an administrator governed by chapter  
139.26 43A;

139.27 (5) requests for proposals must be sent to providers no less than 90 days prior to the  
139.28 expiration of the existing contract; and

139.29 (6) proposals must be submitted at least 60 days prior to the plan's renewal date and all  
139.30 proposals shall be opened at the same time and in the presence of the exclusive representative,  
139.31 where applicable.

140.1 ~~(g)~~ (h) Nothing in this section shall restrict the authority granted to school district boards  
140.2 of education by section 471.59, except that districts will not be considered self-insured for  
140.3 purposes of this subdivision solely through participation in a joint powers arrangement.

140.4 ~~(h)~~ (i) An entity providing group health insurance to a school district under a multiyear  
140.5 contract must give notice of any rate or plan design changes applicable under the contract

5.1       Sec. 4. Minnesota Statutes 2022, section 507.071, is amended to read:

5.2       **507.071 TRANSFER ON DEATH DEEDS.**

5.3       Subdivision 1. **Definitions.** For the purposes of this section the following terms have

5.4       the meanings given:

5.5       (a) "Beneficiary" or "grantee beneficiary" means a person or entity named as a grantee

5.6       beneficiary in a transfer on death deed, including a successor grantee beneficiary.

5.7       (b) "County agency" means the county department or office designated to recover medical

5.8       assistance benefits from the estates of decedents.

5.9       (c) "Grantor owner" means an owner, whether individually, as a joint tenant, or as a

5.10      tenant in common, named as a grantor in a transfer on death deed upon whose death the

5.11      conveyance or transfer of the described real property is conditioned. Grantor owner does

5.12      not include a spouse who joins in a transfer on death deed solely for the purpose of conveying

5.13      or releasing statutory or other marital interests in the real property to be conveyed or

5.14      transferred by the transfer on death deed.

5.15      (d) "Owner" means a person having an ownership or other interest in all or part of the

5.16      real property to be conveyed or transferred by a transfer on death deed either at the time the

5.17      deed is executed or at the time the transfer becomes effective. Owner does not include a

5.18      spouse who joins in a transfer on death deed solely for the purpose of conveying or releasing

5.19      statutory or other marital interests in the real property to be conveyed or transferred by the

5.20      transfer on death deed.

5.21      (e) "Property" and "interest in real property" mean any interest in real property located

5.22      in this state which is transferable on the death of the owner and includes, without limitation,

5.23      an interest in real property defined in chapter 500, a mortgage, a deed of trust, a security

5.24      interest in, or a security pledge of, an interest in real property, including the rights to

140.6   at least 90 days before the effective date of any change. The notice must be given to the

140.7   school district and to the exclusive representatives of employees.

140.8   Sec. 17. Minnesota Statutes 2022, section 471.617, subdivision 2, is amended to read:

140.9       Subd. 2. **Jointly.** Any two or more statutory or home rule charter cities, counties, school

140.10   districts, or instrumentalities thereof which together have more than 100 employees may

140.11   jointly self-insure for any employee health benefits including long-term disability, but not

140.12   for employee life benefits, subject to the same requirements as an individual self-insurer

140.13   under subdivision 1. Self-insurance pools under this section are subject to section 62L.045.

140.14   A self-insurance pool established and operated by one or more service cooperatives governed

140.15   by section 123A.21 to provide coverage described in this subdivision qualifies under this

140.16   subdivision, but the individual school district members of such a pool shall not be considered

140.17   to be self-insured for purposes of section 471.6161, subdivision 8, paragraph ~~(f)~~ (g). The

140.18   commissioner of commerce may adopt rules pursuant to chapter 14, providing standards or

140.19   guidelines for the operation and administration of self-insurance pools.



5.25 payments of the indebtedness secured by the security instrument, a judgment, a tax lien,  
5.26 both the seller's and purchaser's interest in a contract for deed, land contract, purchase  
5.27 agreement, or earnest money contract for the sale and purchase of real property, including  
5.28 the rights to payments under such contracts, or any other lien on, or interest in, real property.

5.29 (f) "Recorded" means recorded in the office of the county recorder or registrar of titles,  
5.30 as appropriate for the real property described in the instrument to be recorded.

5.31 (g) "State agency" means the Department of Human Services or any successor agency.

5.32 (h) "Transfer on death deed" means a deed authorized under this section.

6.1 Subd. 2. **Effect of transfer on death deed.** A deed that conveys or assigns an interest  
6.2 in real property, to a grantee beneficiary and that expressly states that the deed is only  
6.3 effective on the death of one or more of the grantor owners, transfers the interest to the  
6.4 grantee beneficiary upon the death of the grantor owner upon whose death the conveyance  
6.5 or transfer is stated to be effective, but subject to the survivorship provisions and requirements  
6.6 of section 524.2-702. Until a transfer on death deed becomes effective, it has no effect on  
6.7 title to the real property described in the deed, but it does create an insurable interest in the  
6.8 real property in favor of the designated grantee beneficiary or beneficiaries for purposes of  
6.9 insuring the real property against loss or damage that occurs on or after the transfer on death  
6.10 deed becomes effective. A transfer on death deed must comply with all provisions of  
6.11 Minnesota law applicable to deeds of real property including, but not limited to, the  
6.12 provisions of sections 507.02, 507.24, 507.34, 508.48, and 508A.48. If a spouse who is  
6.13 neither a grantor owner nor an owner joins in the execution of, or consents in writing to,  
6.14 the transfer on death deed, such joinder or consent shall be conclusive proof that upon the  
6.15 transfer becoming effective, the spouse no longer has or can claim any statutory interest or  
6.16 other marital interest in the interest in real property transferred by the transfer on death deed.  
6.17 However, such transfer shall remain an interest as identified in section 256B.15 for purposes  
6.18 of complying with and satisfying any claim or lien as authorized by subdivision 3.

6.19 Subd. 3. **Rights of creditors and rights of state and county under sections 246.53,**  
6.20 **256B.15, 256D.16, 261.04, and 514.981.** The interest transferred to a beneficiary under a  
6.21 transfer on death deed after the death of a grantor owner is transferred subject to all effective  
6.22 conveyances, assignments, contracts, mortgages, deeds of trust, liens, security pledges,  
6.23 judgments, tax liens, and any other matters or encumbrances to which the interest was  
6.24 subject on the date of death of the grantor owner, upon whose death the transfer becomes  
6.25 effective including, but not limited to, any claim by a surviving spouse who did not join in  
6.26 the execution of, or consent in writing to, the transfer on death deed, and any claim or lien  
6.27 by the state or county agency authorized by sections 246.53, 256B.15, 256D.16, 261.04,  
6.28 and 514.981, if other assets of the deceased grantor's estate are insufficient to pay the amount  
6.29 of any such claim. A beneficiary to whom the interest is transferred after the death of a  
6.30 grantor owner shall be liable to account to the state or county agency with a claim or lien  
6.31 authorized by section 246.53, 256B.15, 256D.16, 261.04, or 514.981, to the extent necessary  
6.32 to discharge any such claim remaining unpaid after application of the assets of the deceased  
6.33 grantor owner's estate, but such liability shall be limited to the value of the interest transferred

6.34 to the beneficiary. To establish compliance with this subdivision and subdivision 23, the  
6.35 beneficiary must record a clearance certificate issued in accordance with subdivision 23 in  
6.36 each county in which the real property described in the transfer on death deed is located.

7.1 Subd. 4. **Multiple grantee beneficiaries.** A transfer on death deed may designate multiple  
7.2 grantee beneficiaries to take title as joint tenants, as tenants in common or in any other form  
7.3 of ownership or tenancy that is valid under the laws of this state. If a grantee joint tenant  
7.4 dies before the grantor owner upon whose death the transfer occurs and no successor  
7.5 beneficiary for the deceased grantee is designated in the transfer on death deed, the surviving  
7.6 joint tenants are the successors and no interest lapses.

7.7 Subd. 5. **Successor grantee beneficiaries.** A transfer on death deed may designate one  
7.8 or more successor grantee beneficiaries or a class of successor grantee beneficiaries, or  
7.9 both. If the transfer on death deed designates successor grantee beneficiaries or a class of  
7.10 successor grantee beneficiaries, the deed shall state the condition under which the interest  
7.11 of the successor grantee beneficiaries would vest.

7.12 Subd. 6. **Multiple joint tenant grantors.** If an interest in real property is owned as joint  
7.13 tenants, a transfer on death deed executed by all of the owners and, if required by section  
7.14 507.02, their respective spouses, if any, that conveys an interest in real property to one or  
7.15 more grantee beneficiaries transfers the interest to the grantee beneficiary or beneficiaries  
7.16 effective only after the death of the last surviving grantor owner. If the last surviving joint  
7.17 tenant owner did not execute the transfer on death deed, the deed is ineffective to transfer  
7.18 any interest and the deed is void. An estate in joint tenancy is not severed or affected by the  
7.19 subsequent execution of a transfer on death deed and the right of a surviving joint tenant  
7.20 owner who did not execute the transfer on death deed shall prevail over a grantee beneficiary  
7.21 named in a transfer on death deed unless the deed specifically states that it severs the joint  
7.22 tenancy ownership.

7.23 Subd. 7. **Execution by attorney-in-fact.** A transfer on death deed may be executed by  
7.24 a duly appointed attorney-in-fact pursuant to a power of attorney which grants the  
7.25 attorney-in-fact the authority to execute deeds.

7.26 Subd. 8. **Recording requirements and authorization.** A transfer on death deed is valid  
7.27 if the deed is recorded in a county in which at least a part of the real property described in  
7.28 the deed is located and is recorded before the death of the grantor owner upon whose death  
7.29 the conveyance or transfer is effective. Notwithstanding the definition of recorded under  
7.30 subdivision 1, if the real property is registered property, a transfer on death deed that was  
7.31 recorded incorrectly or incompletely is valid if the deed was recorded before the death of  
7.32 the grantor owner in the office of the county recorder or the registrar of titles in a county  
7.33 in which at least part of the real property is located, and is memorialized on the certificate  
7.34 of title after death. A transfer on death deed is not effective for purposes of section 507.34,  
7.35 508.47, or 508A.47 until the deed is properly recorded in the county in which the real  
8.1 property is located. When a transfer on death deed is presented for recording, no certification  
8.2 by the county auditor as to transfer of ownership and current and delinquent taxes shall be  
8.3 required or made and the transfer on death deed shall not be required to be accompanied

8.4 by a certificate of real estate value. A transfer on death deed that otherwise satisfies all  
8.5 statutory requirements for recording may be recorded and shall be accepted for recording  
8.6 in the county in which the property described in the deed is located. If any part of the property  
8.7 described in the transfer on death deed is registered property, the registrar of titles shall  
8.8 accept the transfer on death deed for recording only if at least one of the grantors who  
8.9 executes the transfer on death deed appears of record to have an ownership interest or other  
8.10 interest in the real property described in the deed. No certification or approval of a transfer  
8.11 on death deed shall be required of the examiner of titles prior to recording of the deed in  
8.12 the office of the registrar of titles.

8.13 Subd. 9. **Deed to trustee or other entity.** A transfer on death deed may transfer an  
8.14 interest in real property to the trustee of an inter vivos trust even if the trust is revocable, to  
8.15 the trustee of a testamentary trust or to any other entity legally qualified to hold title to real  
8.16 property under the laws of this state.

8.17 Subd. 10. **Revocation or modification of transfer on death deed.** (a) A transfer on  
8.18 death deed may be revoked at any time by the grantor owner or, if there is more than one  
8.19 grantor owner, by any of the grantor owners. A revocation revokes the transfer on death  
8.20 deed in its entirety. To be effective, the revocation must be recorded in a county in which  
8.21 at least a part of the real property is located before the death of the grantor owner or owners  
8.22 who execute the revocation. Notwithstanding the definition of recorded under subdivision  
8.23 1, if the real property is registered property, a revocation that was recorded incorrectly or  
8.24 incompletely is effective if it was recorded before the death of the grantor owner in the  
8.25 office of the county recorder or the registrar of titles in a county in which at least part of  
8.26 the real property is located, and is memorialized on the certificate of title after death. The  
8.27 revocation is not effective for purposes of section 507.34, 508.47, or 508A.47 until the  
8.28 revocation is properly recorded in a county in which the real property is located.

8.29 (b) If a grantor owner conveys to a third party, subsequent to the recording of the transfer  
8.30 on death deed, by means other than a transfer on death deed, all or a part of such grantor  
8.31 owner's interest in the property described in the transfer on death deed, no transfer of the  
8.32 conveyed interest shall occur on such grantor owner's death and the transfer on death deed  
8.33 shall be ineffective as to the conveyed or transferred interests, but the transfer on death deed  
8.34 remains effective with respect to the conveyance or transfer on death of any other interests  
9.1 described in the transfer on death deed owned by the grantor owner at the time of the grantor  
9.2 owner's death.

9.3 (c) A transfer on death deed is a "governing instrument" within the meaning of section  
9.4 524.2-804 and, except as may otherwise be specifically provided for in the transfer on death  
9.5 deed, is subject to the same provisions as to revocation, revival, and nonrevocation set forth  
9.6 in section 524.2-804.

9.7 Subd. 11. **Antilapse; deceased beneficiary; words of survivorship.** (a) Except when  
9.8 a successor grantee beneficiary is designated in the transfer on death deed for the grantee  
9.9 beneficiary who did not survive the grantor owner, if a grantee beneficiary who is a  
9.10 grandparent or lineal descendant of a grandparent of the grantor owner fails to survive the

9.11 grantor owner, the issue of the deceased grantee beneficiary who survive the grantor owner  
9.12 take in place of the deceased grantee beneficiary. If they are all of the same degree of kinship  
9.13 to the deceased grantee beneficiary, they take equally. If they are of unequal degree, those  
9.14 of more remote degree take by right of representation.

9.15 (b) For the purposes of this subdivision, words of survivorship such as, in a conveyance  
9.16 to an individual, "if he or she survives me," or, in a class gift, to "my surviving children,"  
9.17 are a sufficient indication of intent to condition the conveyance or transfer upon the  
9.18 beneficiary surviving the grantor owner.

9.19 (c) When issue of a deceased grantee beneficiary or members of a class take in place of  
9.20 the named grantee beneficiary pursuant to subdivision 5 or paragraph (a) or (b) or when a  
9.21 beneficiary dies and has no issue under paragraph (a), an affidavit of survivorship stating  
9.22 the names and shares of the beneficiaries or stating that a deceased beneficiary had no issue  
9.23 is not conclusive and a court order made in accordance with Minnesota probate law  
9.24 determining the beneficiaries and shares must also be recorded.

9.25 Subd. 12. **Lapse.** If all beneficiaries and all successor beneficiaries, if any, designated  
9.26 in a transfer on death deed, and also all successor beneficiaries who would take under the  
9.27 antilapse provisions of subdivision 11, fail to survive the grantor owner or the last survivor  
9.28 of the grantor owners if there are multiple grantor owners, if the beneficiary is a trust which  
9.29 has been revoked prior to the grantor owner's death, or if the beneficiary is an entity no  
9.30 longer in existence at the grantor owner's death, no transfer shall occur and the transfer on  
9.31 death deed is void.

9.32 Subd. 13. **Multiple transfer on death deeds.** If a grantor owner executes and records  
9.33 more than one transfer on death deed conveying the same interest in real property or a  
9.34 greater interest in the real property, or conveying part of the property in the earlier transfer  
10.1 on death deed, the transfer on death deed that has the latest acknowledgment date and that  
10.2 is recorded before the death of the grantor owner upon whose death the conveyance or  
10.3 transfer is conditioned is the effective transfer on death deed and all other transfer on death  
10.4 deeds, if any, executed by the grantor owner or the grantor owners are ineffective to transfer  
10.5 any interest and are void, except that if the later transfer on death deed included only part  
10.6 of the land of the earlier deed, the earlier deed is effective for the lands not included in the  
10.7 subsequent deed, absent language to the contrary in the subsequent deed.

10.8 Subd. 14. **Nonademption; unpaid proceeds of sale, condemnation, or insurance;**  
10.9 **sale by conservator or guardian.** If at the time of the death of the grantor owner upon  
10.10 whose death the conveyance or transfer is stated to be effective, the grantor owner did not  
10.11 own a part or all of the real property described in the transfer on death deed, no conveyance  
10.12 or transfer to the beneficiary of the nonowned part of the real property shall occur upon the  
10.13 death of the grantor owner and the transfer on death deed is void as to the nonowned part  
10.14 of the real property, but the beneficiary shall have the same rights to unpaid proceeds of  
10.15 sale, condemnation or insurance, and, if sold by a conservator or guardian of the grantor  
10.16 owner during the grantor owner's lifetime, the same rights to a general pecuniary devise, as  
10.17 that of a specific devisee as set forth in section 524.2-606.

10.18 Subd. 15. **Nonexoneration.** Except as otherwise provided in subdivision 3, a conveyance

10.19 or transfer under a transfer on death deed passes the described property subject to any

10.20 mortgage or security interest existing at the date of death of the grantor owner, without right

10.21 of exoneration, regardless of any statutory obligations to pay the grantor owner's debts upon

10.22 death and regardless of a general directive in the grantor owner's will to pay debts.

10.23 Subd. 16. **Disclaimer by beneficiary.** A grantee beneficiary's interest under a transfer

10.24 on death deed may be disclaimed as provided in sections 524.2-1101 to 524.2-1116, or as

10.25 otherwise provided by law.

10.26 Subd. 17. **Effect on other conveyances.** This section does not prohibit other methods

10.27 of conveying property that are permitted by law and that have the effect of postponing

10.28 ownership or enjoyment of an interest in real property until the death of the owner. This

10.29 section does not invalidate any deed that is not a transfer on death deed and that is otherwise

10.30 effective to convey title to the interests and estates described in the deed that is not recorded

10.31 until after the death of the owner.

10.32 Subd. 18. **Notice, consent, and delivery not required.** The signature, consent or

10.33 agreement of, or notice to, a grantee beneficiary under a transfer on death deed, or delivery

11.1 of the transfer on death deed to the grantee beneficiary, is not required for any purpose

11.2 during the lifetime of the grantor owner.

11.3 Subd. 19. **Nonrevocation by will.** A transfer on death deed that is executed,

11.4 acknowledged, and recorded in accordance with this section is not revoked by the provisions

11.5 of a will.

11.6 Subd. 20. **Proof of survivorship and clearance from public assistance claims and**

11.7 **liens; recording.** An affidavit of identity and survivorship with a certified copy of a record

11.8 of death as an attachment may be combined with a clearance certificate under this section

11.9 and the combined documents may be recorded separately or as one document in each county

11.10 in which the real estate described in the clearance certificate is located. The affidavit must

11.11 include the name and mailing address of the person to whom future property tax statements

11.12 should be sent. The affidavit, record of death, and clearance certificate, whether combined

11.13 or separate, shall be prima facie evidence of the facts stated in each, and the registrar of

11.14 titles may rely on the statements to transfer title to the property described in the clearance

11.15 certificate, except in cases where a court order is required pursuant to the provisions of

11.16 subdivision 11, paragraph (c).

11.17 Subd. 21. **After-acquired property.** Except as provided in this subdivision, a transfer

11.18 on death deed is not effective to transfer any interest in real property acquired by a grantor

11.19 owner subsequent to the date of signing of a transfer on death deed. A grantor owner may

11.20 provide by specific language in a transfer on death deed that the transfer on death deed will

11.21 apply to any interest in the described property acquired by the grantor owner after the signing

11.22 or recording of the deed.

11.23 Subd. 22. **Anticipatory alienation prohibited.** The interest of a grantee beneficiary  
11.24 under a transfer on death deed which has not yet become effective is not subject to alienation;  
11.25 assignment; encumbrance; appointment or anticipation by the beneficiary; garnishment;  
11.26 attachment; execution or bankruptcy proceedings; claims for alimony, support, or  
11.27 maintenance; payment of other obligations by any person against the beneficiary; or any  
11.28 other transfer, voluntary or involuntary, by or from any beneficiary.

11.29 Subd. 23. **Clearance for public assistance claims and liens.** Any person claiming an  
11.30 interest in real property conveyed or transferred by a transfer on death deed, or the person's  
11.31 attorney or other agent, may apply to the county agency in the county in which the real  
11.32 property is located for a clearance certificate for the real property described in the transfer  
11.33 on death deed. The application for a clearance certificate and the clearance certificate must  
11.34 contain the legal description of each parcel of property covered by the clearance certificate.  
12.1 The county agency shall provide a sufficient number of clearance certificates to allow a  
12.2 clearance certificate to be recorded in each county in which the real property described in  
12.3 the transfer on death deed is located. The real property described in the clearance certificate  
12.4 is bound by any conditions or other requirements imposed by the county agency as specified  
12.5 in the clearance certificate. If the real property is registered property, a new certificate of  
12.6 title must not be issued until the clearance certificate is recorded. If the clearance certificate  
12.7 shows the continuation of a medical assistance claim or lien after issuance of the clearance  
12.8 certificate, the real property remains subject to the claim or lien. If the real property is  
12.9 registered property, the clearance certificate must be carried forward as a memorial in any  
12.10 new certificate of title. The application shall contain the same information and shall be  
12.11 submitted, processed, and resolved in the same manner and on the same terms and conditions  
12.12 as provided in section 525.313 for a clearance certificate in a decree of descent proceeding,  
12.13 except that a copy of a notice of hearing does not have to accompany the application. The  
12.14 application may contain a statement that the applicant, after reasonably diligent inquiry, is  
12.15 not aware of the existence of a predeceased spouse or the existence of a claim which could  
12.16 be recovered under section 246.53, 256B.15, 256D.16, 261.04, or 514.981. If the county  
12.17 agency determines that a claim or lien exists under section 246.53, 256B.15, 256D.16,  
12.18 261.04, or 514.981, the provisions of section 525.313 shall apply to collection, compromise,  
12.19 and settlement of the claim or lien. A person claiming an interest in real property transferred  
12.20 or conveyed by a transfer on death deed may petition or move the district court, as  
12.21 appropriate, in the county in which the real property is located or in the county in which a  
12.22 probate proceeding affecting the estate of the grantor of the transfer on death deed is pending,  
12.23 for an order allowing sale of the real property free and clear of any public assistance claim  
12.24 or lien but subject to disposition of the sale proceeds as provided in section 525.313. On a  
12.25 showing of good cause and subject to such notice as the court may require, the court without  
12.26 hearing may issue an order allowing the sale free and clear of any public assistance claim  
12.27 or lien on such terms and conditions as the court deems advisable to protect the interests of  
12.28 the state or county agency.

12.29 Subd. 24. **Form of transfer on death deed.** A transfer on death deed may be substantially  
12.30 in the following form:

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Transfer on Death Deed

I (we) ..... (grantor owner or owners and spouses, if any, with marital status designated), grantor(s), hereby convey(s) and quitclaim(s) to ..... (grantee beneficiary, whether one or more) effective (check only one of the following)

.... on the death of the grantor owner, if only one grantor is named above, or on the death of the last of the grantor owners to die, if more than one grantor owner is named above, or

.... on the death of (name of grantor owner)

..... (must be one of the grantor owners named above), the following described real property:

(Legal description)

If checked, the following optional statement applies:

...When effective, this instrument conveys any and all interests in the described real property acquired by the grantor owner(s) before, on, or after the date of this instrument.

.....

(Signature of grantor(s))

(acknowledgment)

Subd. 25. **Form of instrument of revocation.** An instrument of revocation may be substantially in the following form:

Revocation of Transfer on Death Deed

The undersigned hereby revokes the transfer on death deed recorded on ....., ..., as Document No. .... (or in Book ..... of ....., Page ....) in the office of the (County Recorder) (Registrar of Titles) of ..... County, Minnesota, affecting real property legally described as follows:

(legal description)

Dated:

.....



14.26



14.27 period of extended coverage shall not exceed 30 days from the date of the grantor owner's  
14.28 death or the expiration date of the insurance policy, whichever is less. An insurer is not  
14.29 required to provide notice to the grantee beneficiary for cancellation of coverage following  
14.30 the shorter of the 30 days or expiration date of the policy or the placement of replacement  
14.31 insurance coverage.

15.1 Subd. 5. **Proof demanded; policy conditions.** Before making any payment for a claim  
15.2 under this section, the insurer may require proof that the claimant is a grantee beneficiary  
15.3 under a transfer on death deed, the transfer on death deed was recorded as provided in  
15.4 section 507.071, and that an affidavit of survivorship and death certificate of the grantor  
15.5 owner was recorded as provided in section 507.071. The grantee beneficiary shall comply  
15.6 with the conditions of the policy.

15.7 Subd. 6. **Insurable interest.** A grantee beneficiary does not hold an insurable interest  
15.8 in the real property described in a transfer on death deed prior to the death of the grantor  
15.9 owner. Any claim on the insured real property described in a transfer on death deed initiated  
15.10 before the death of the grantor owner or the death benefits associated with the policy prior  
15.11 to the death of the grantor owner shall be settled with the estate of the grantor owner, not  
15.12 with the grantee beneficiary. A grantee beneficiary is not entitled to recover benefits under  
15.13 an insurance policy extended as provided in this section in an amount greater than the grantee  
15.14 beneficiary's insurable interest at the time of loss or damage. A grantee beneficiary is not  
15.15 entitled to any amounts paid out in prior claims on the property. If the transfer on death  
15.16 deed designates multiple grantee beneficiaries, nothing in this section requires the insurer  
15.17 to pay an amount for loss or damage to the insured real property that exceeds the amount  
15.18 that would be owed to the grantor owner if the grantor owner was living at the time of loss  
15.19 or damage.

15.20 Subd. 7. **Warnings on transfer on death deeds.** (a) On or after August 1 of the year  
15.21 of the effective date of this section, a transfer on death deed shall contain the following  
15.22 warnings in substantially the following form:

15.23 "Warning to Grantor Owner: Temporary extended coverage of any fire and casualty  
15.24 insurance policy on the property under Minnesota Statutes, chapter 65A, exists only if the  
15.25 grantor owner has given notice to the insurer under Minnesota Statutes, section 507.072,  
15.26 subdivision 3, including the existence of a transfer on death deed and the names and contact  
15.27 information of all designated grantee beneficiaries. Any temporary extended coverage  
15.28 terminates on the earliest of (1) 30 days after the date of the grantor owner's death, (2) the  
15.29 expiration date of the policy, or (3) upon placement of a replacement insurance policy.

15.30 Warning to Grantee Beneficiary: A grantee beneficiary shall not presume insurance  
15.31 coverage continues after the death of the grantor owner. Upon the death of the grantor  
15.32 owner, the grantee beneficiary should determine whether the provisions of Minnesota  
15.33 Statutes, section 507.072, apply and consult with an insurance agent or attorney."

16.1 (b) The failure to include warnings in a transfer on death deed in accordance with this  
16.2 subdivision shall not invalidate the transfer on death deed or affect recording of the transfer  
16.3 on death deed.

142.25 Sec. 19. Minnesota Statutes 2022, section 604.18, subdivision 1, is amended to read:

142.26 Subdivision 1. **Terms.** For purposes of this section, the following terms have the  
142.27 meanings given them.

142.28 (a) "Insurance policy" means a written agreement between an insured and an insurer  
142.29 that obligates an insurer to pay proceeds directly to an insured. Insurance policy does not  
142.30 include provisions of a written agreement obligating an insurer to defend an insured,  
143.1 reimburse an insured's defense expenses, provide for any other type of defense obligation,  
143.2 or provide indemnification for judgments or settlements. Insurance policy does not include:

143.3 (1) coverage for workers' compensation insurance under chapter 176;

143.4 (2) a written agreement of a health carrier, as defined in section 62A.011, with the  
143.5 exception of coverage that is limited to disability or income protection or a long-term care  
143.6 policy or insurance, as defined under sections 62A.46, subdivision 2, and 62S.01, subdivision  
143.7 18;

143.8 (3) a contract issued by a nonprofit health service plan corporation regulated under  
143.9 chapter 62C that provides only dental coverage;

143.10 (4) a written agreement authorized under section 60A.06, subdivision 1, clause (4) or  
143.11 (6), or 64B.16, subdivision 1; or

143.12 (5) a written agreement issued pursuant to section 67A.191.

143.13 (b) "Insured" means a person who, or an entity which, qualifies as an insured under the  
143.14 terms of an insurance policy on which a claim for coverage is made. An insured does not  
143.15 include any person or entity claiming a third-party beneficiary status under an insurance  
143.16 policy.

143.17 (c) "Insurer" means every insurer, corporation, business trust, or association engaged in  
143.18 insurance as a principal licensed or authorized to transact insurance under section 60A.06,  
143.19 but for purposes of this section an insurer does not include a political subdivision providing  
143.20 self-insurance or a pool of political subdivisions under section 471.981, subdivision 3. The  
143.21 term does not include the Joint Underwriting Association operating under chapter 62F or  
143.22 62I.

143.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
143.24 applies to claims made or commenced under this section on or after that date.

16.4 Sec. 6. **EFFECTIVE DATE.**

16.5 Sections 4 and 5 are effective on the day following final enactment and apply to insurance  
16.6 policies issued or renewed in Minnesota on or after August 1, 2024. Sections 4 and 5 do  
16.7 not apply to insurance policies issued or renewed prior to August 1, 2024, or to transfer on  
16.8 death deeds recorded prior to that date unless the grantor owner provides the notice specified  
16.9 by section 5, subdivision 3.

143.25 Sec. 20. **REPEALER.**

143.26 (a) Minnesota Statutes 2022, section 332.3351, is repealed.

143.27 (b) Minnesota Statutes 2023 Supplement, section 62Q.522, subdivisions 3 and 4, are  
143.28 repealed.

143.29 **EFFECTIVE DATE.** Paragraph (b) is effective January 1, 2025, and applies to health  
143.30 plans offered, sold, issued, or renewed on or after that date.