SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 2543

1.1   A bill for an act

1.2   relating to commerce; regulating motor vehicle self-insurance for cooperatives;
1.3   amending Minnesota Statutes 2020, section 65B.48, subdivision 3.

1.4   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5   Section 1. Minnesota Statutes 2020, section 65B.48, subdivision 3, is amended to read:

1.6   Subd. 3. **Self-insurance.** (a) Self-insurance, subject to approval of the commissioner,

1.7   is effected by filing with the commissioner in satisfactory form:

1.8   (1) a continuing undertaking by the owner or other appropriate person to pay tort liabilities

1.9   or basic economic loss benefits, or both, and to perform all other obligations imposed by

1.10   sections 65B.41 to 65B.71;

1.11   (2) evidence that appropriate provision exists for prompt administration of all claims,

1.12   benefits, and obligations provided by sections 65B.41 to 65B.71;

1.13   (3) evidence that reliable financial arrangements, deposits, or commitments exist

1.14   providing assurance, substantially equivalent to that afforded by a policy of insurance

1.15   complying with sections 65B.41 to 65B.71, for payment of tort liabilities, basic economic

1.16   loss benefits, and all other obligations imposed by sections 65B.41 to 65B.71; and

1.17   (4) a nonrefundable initial application fee of $2,500 and a renewal fee of $1,200 for

1.18   political subdivisions and $1,500 for nonpolitical entities every three years.

1.19   (b) The commissioner is prohibited from cancelling or denying self-insurance authority

1.20   to a cooperative organized under chapter 308A or 308B that submits a negative net funds

1.21   flow statement, provided the cooperative has working capital in an amount that is a multiple

1.22   of three times the amount of the self-insured authority granted by the commissioner.