

1.1 Senator moves to amend S.F. No. 4837 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[62D.085] TRANSACTION OVERSIGHT.**

1.4 **Subdivision 1. Insurance provisions applicable to health maintenance**

1.5 **organizations.** (a) Health maintenance organizations are subject to sections 60A.135,
1.6 60A.136, 60A.137, 60A.16, 60A.161, 60D.17, 60D.18, and 60D.20 and must comply with
1.7 the provisions of these sections applicable to insurers. For purposes of applying these sections
1.8 to health maintenance organizations, "the commissioner" means the commissioner of health.

1.9 (b) Health maintenance organizations are subject to all regulations implementing sections
1.10 60D.17, 60D.18, and 60D.20 in Minnesota Rules, chapter 2720, and must comply with the
1.11 provisions of these sections applicable to insurers, unless the commissioner of health adopts
1.12 rules to implement this subdivision.

1.13 **Subd. 2. Notice on transfers.** No person may acquire all or substantially all of the assets
1.14 of a domestic nonprofit health maintenance organization through any means unless, at the
1.15 time the agreement is entered into, the person has filed with the commissioner and has sent
1.16 to the health maintenance organization a statement containing the information required by
1.17 section 60D.17, including its implementing regulations, and the agreement and acquisition
1.18 have been approved by the commissioner of health in the manner prescribed for regulatory
1.19 approval in section 60D.17. The acquisition of assets subject to this subdivision must be
1.20 treated as an acquisition of control for purposes of applying section 60D.17 and its
1.21 implementing regulations to this subdivision.

1.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

1.23 Sec. 2. Minnesota Statutes 2022, section 317A.811, subdivision 1, is amended to read:

1.24 Subdivision 1. **When required.** (a) Except as provided in subdivision 6, the following
1.25 corporations shall notify the attorney general of their intent to dissolve, merge, consolidate,
1.26 or convert, or to transfer all or substantially all of their assets:

1.27 (1) a corporation that holds assets for a charitable purpose as defined in section 501B.35,
1.28 subdivision 2; or

1.29 (2) a corporation that is exempt under section 501(c)(3) of the Internal Revenue Code
1.30 of 1986, or any successor section.

(b) Except as provided in subdivision 6, the following corporations shall notify the attorney general of their intent to dissolve, merge, consolidate, convert, or transfer at least ten percent of their assets:

(1) a corporation that is a nonprofit health service plan corporation operating under chapter 62C; or

(2) a corporation that is a health maintenance organization operating under chapter 62D.

~~(b)~~ (c) The notice must include:

(1) the purpose of the corporation that is giving the notice;

(2) a list of assets owned or held by the corporation for charitable purposes;

(3) a description of restricted assets and purposes for which the assets were received;

(4) a description of debts, obligations, and liabilities of the corporation;

(5) a description of tangible assets being converted to cash and the manner in which they will be sold;

(6) anticipated expenses of the transaction, including attorney fees;

(7) a list of persons to whom assets will be transferred, if known, or the name of the converted organization;

(8) the purposes of persons receiving the assets or of the converted organization; and

(9) the terms, conditions, or restrictions, if any, to be imposed on the transferred or converted assets.

The notice must be signed on behalf of the corporation by an authorized person.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2022, section 317A.811, subdivision 2, is amended to read:

Subd. 2. **Restriction on transfers.** (a) Subject to subdivision 3, a corporation described in subdivision 1, paragraph (a), may not transfer or convey assets as part of a dissolution, merger, consolidation, or transfer of assets under section 317A.661, and it may not convert until 45 days after it has given written notice to the attorney general, unless the attorney general waives all or part of the waiting period.

(b) Subject to subdivision 3, a corporation described in subdivision 1, paragraph (b), may not transfer or convey assets as part of a dissolution, merger, consolidation, transfer of assets under section 317A.661, or transfer of at least ten percent of its assets and it may

3.1 not convert until 45 days after it has given written notice to the attorney general, unless the
3.2 attorney general waives all or part of the waiting period.

3.3 (c) For a notice given by a corporation described in subdivision 1, paragraph (b), the
3.4 attorney general may hold a public hearing with respect to the purpose for which the
3.5 corporation gave the notice. Such a hearing must be held within 30 days after the notice is
3.6 given to the attorney general. The attorney general must give at least seven days' notice of
3.7 the hearing to the corporation filing the statement and to the public. The attorney general
3.8 may not waive all or part of the waiting period until the public hearing is held.

3.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.10 Sec. 4. Minnesota Statutes 2022, section 317A.811, subdivision 4, is amended to read:

3.11 Subd. 4. **Notice after transfer.** When all or substantially all of the assets of a corporation
3.12 described in subdivision 1, paragraph (a), or at least ten percent of the assets of a corporation
3.13 described in subdivision 1, paragraph (b), have been transferred or conveyed following
3.14 expiration or waiver of the waiting period, the board shall deliver to the attorney general a
3.15 list of persons to whom the assets were transferred or conveyed. The list must include the
3.16 addresses of each person who received assets and show what assets the person received.

3.17 **EFFECTIVE DATE.** This section is effective the day following final enactment."

3.18 Amend the title accordingly