

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH LEGISLATURE

S.F. No. 748

(SENATE AUTHORS: SPARKS and Gazelka)

| DATE | D-PG | OFFICIAL STATUS |
|------------|---------------|--|
| 02/25/2013 | 388 | Introduction and first reading Referred to Commerce |
| 03/14/2013 | 1008a 1021 | Comm report: To pass as amended Second reading |
| 05/01/2013 | 3164 3164 | Special Order Third reading Passed |
| 05/07/2013 | 3255 | Returned from House Presentment date 05/09/13 |
| 05/15/2013 | 3692 3692 | Governor's action Approval 05/13/13 Secretary of State Chapter 53 05/13/13 Effective date 08/01/13 |

1.1 A bill for an act
 1.2 relating to commerce; regulating preneed funeral insurance; amending Minnesota
 1.3 Statutes 2012, sections 61A.258, by adding a subdivision; 72A.207.

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

1.5 Section 1. Minnesota Statutes 2012, section 61A.258, is amended by adding a
 1.6 subdivision to read:

1.7 Subd. 5. **Exception.** A policy providing preneed insurance or designed to cover,
 1.8 in whole or in part, the goods and services described in subdivision 1, clause (3), is not
 1.9 subject to section 72A.207.

1.10 Sec. 2. Minnesota Statutes 2012, section 72A.207, is amended to read:

1.11 **72A.207 GRADED DEATH BENEFITS.**

1.12 For the purpose of this section, a graded death benefit is a provision within a life
 1.13 insurance policy in which the death benefit, in the early years of the policy, is less than the
 1.14 face amount of the policy, but which increases with the passage of time.

1.15 No policy of life insurance paying a graded death benefit may be issued in this state
 1.16 unless the graded death benefit is equal to at least four times the first year premium. This
 1.17 section does not prohibit the return of premiums or premiums plus interest in connection
 1.18 with the voluntary or judicially ordered rescission of the policy, or according to the terms
 1.19 of the exclusions from coverage for suicide, aviation, or war risk.

1.20 A policy providing preneed insurance as defined in section 61A.258, or designed
 1.21 to cover, in whole or in part, the goods and services described in section 61A.258,
 1.22 subdivision 1, clause (3), is not subject to this section.