

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 4398

(SENATE AUTHORS: OUMOU VERBETEN)

DATE
03/12/2026

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6666 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; insurance; modifying the automobile theft prevention surcharge
1.3 and dedication of certain revenues; amending Minnesota Statutes 2024, section
1.4 297I.11, subdivision 1; Minnesota Statutes 2025 Supplement, section 297I.11,
1.5 subdivision 2.

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

1.7 Section 1. Minnesota Statutes 2024, section 297I.11, subdivision 1, is amended to read:

1.8 Subdivision 1. **Surcharge.** Each insurer engaged in the writing of policies of automobile
1.9 insurance shall collect a surcharge, at the rate of ~~50~~ 60 cents per vehicle for every six months
1.10 of coverage, on each policy of automobile insurance providing comprehensive insurance
1.11 coverage issued or renewed in this state. The surcharge may not be considered premium
1.12 for any purpose, including the computation of premium tax or agents' commissions. The
1.13 amount of the surcharge must be separately stated on either a billing or policy declaration
1.14 sent to an insured. Insurers shall remit the revenue derived from this surcharge to the
1.15 commissioner of revenue for purposes of the automobile theft prevention program described
1.16 in section 65B.84. For purposes of this subdivision, "policy of automobile insurance" has
1.17 the meaning given it in section 65B.14, covering only the following types of vehicles as
1.18 defined in section 168.002:

- 1.19 (1) a passenger automobile;
- 1.20 (2) a pickup truck;
- 1.21 (3) a van but not commuter vans as defined in section 168.126; or
- 1.22 (4) a motorcycle,

2.1 except that no vehicle with a gross vehicle weight in excess of 10,000 pounds is included
2.2 within this definition.

2.3 **EFFECTIVE DATE.** This section is effective July 1, 2026.

2.4 Sec. 2. Minnesota Statutes 2025 Supplement, section 297I.11, subdivision 2, is amended
2.5 to read:

2.6 Subd. 2. **Automobile theft prevention account.** A special revenue account in the state
2.7 treasury shall be credited with the proceeds of the surcharge imposed under subdivision 1.
2.8 Of the revenue in the account, \$1,300,000 each year must be transferred to the insurance
2.9 fraud prevention account under section 299C.061, subdivision 9, and \$900,000 each year
2.10 must be transferred to the Minnesota victims of crime account under section 299A.708.
2.11 Revenues in excess of ~~\$1,300,000~~ \$2,200,000 each year may be used only for the automobile
2.12 theft prevention program described in section 65B.84.

2.13 **EFFECTIVE DATE.** This section is effective July 1, 2026.