

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 2219

(SENATE AUTHORS: KLEIN)

DATE	D-PG	OFFICIAL STATUS
03/01/2023	1181	Introduction and first reading Referred to Commerce and Consumer Protection
03/27/2023	2676a 2722	Comm report: To pass as amended Second reading
04/27/2023	6591a 6599	Special Order: Amended Third reading Passed

1.1 A bill for an act

1.2 relating to commerce; authorizing administrative rulemaking; prohibiting price

1.3 gouging; establishing notice requirements; prescribing penalties; modifying

1.4 provisions governing emergency closures; eliminating certain examination

1.5 requirements; modifying and adding provisions governing the sale of certain motor

1.6 vehicles; regulating nonbank mortgage servicers; requiring a report; modifying

1.7 provisions governing life insurance; specifying provisions for third-party payers

1.8 and dental providers; establishing time limitations for civil actions under certain

1.9 motor vehicle insurance policies; changing investment limit for small corporate

1.10 offerings; directing rulemaking; amending provisions related to utility billing

1.11 practices in manufactured home parks; modifying telecommunications pricing

1.12 plans; modifying the definition of cost; eliminating prohibition on below cost sales

1.13 of gasoline; increasing the civil penalties for unlawful robocalls; modifying

1.14 provisions relating to digital fair repair; requiring direct-to-consumer genetic testing

1.15 companies to provide disclosure notices and obtain consent; modifying limitations

1.16 on credit card surcharges; providing remedies to debtors with coerced debt;

1.17 amending Minnesota Statutes 2022, sections 8.31, subdivision 1; 47.0153,

1.18 subdivision 1; 53C.01, subdivision 12c, by adding a subdivision; 53C.08,

1.19 subdivision 1a; 61A.031; 61A.60, subdivision 3; 62Q.735, subdivisions 1, 5;

1.20 62Q.76, by adding a subdivision; 62Q.78, by adding subdivisions; 65B.49, by

1.21 adding a subdivision; 80A.50; 103G.291, subdivision 4; 237.066; 325D.01,

1.22 subdivision 5; 325E.31; 325F.662, subdivisions 2, 3; 325G.051, subdivision 1;

1.23 327C.015, subdivision 17, by adding subdivisions; 327C.04, subdivisions 1, 2, by

1.24 adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters

1.25 58; 65A; 325E; 325F; 332; repealing Minnesota Statutes 2022, sections 48.10;

1.26 325D.71; 327C.04, subdivision 4; Minnesota Rules, parts 2675.2610, subparts 1,

1.27 3, 4; 2675.2620, subparts 1, 2, 3, 4, 5; 2675.2630, subpart 3.

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

1.29 Section 1. Minnesota Statutes 2022, section 8.31, subdivision 1, is amended to read:

1.30 Subdivision 1. **Investigate offenses against provisions of certain designated sections;**

1.31 **assist in enforcement.** The attorney general shall investigate violations of the law of this

1.32 state respecting unfair, discriminatory, and other unlawful practices in business, commerce,

2.1 or trade, and specifically, but not exclusively, the Nonprofit Corporation Act (sections
 2.2 317A.001 to 317A.909), the Act Against Unfair Discrimination and Competition (sections
 2.3 325D.01 to 325D.07), the Unlawful Trade Practices Act (sections 325D.09 to 325D.16),
 2.4 the Antitrust Act (sections 325D.49 to 325D.66), section 325F.67 and other laws against
 2.5 false or fraudulent advertising, the antidiscrimination acts contained in section 325D.67,
 2.6 the act against monopolization of food products (section 325D.68), the act regulating
 2.7 telephone advertising services (section 325E.39), the Prevention of Consumer Fraud Act
 2.8 (sections 325F.68 to 325F.70), the act regulating price gouging (section 325E.80), and
 2.9 chapter 53A regulating currency exchanges and assist in the enforcement of those laws as
 2.10 in this section provided.

2.11 Sec. 2. Minnesota Statutes 2022, section 47.0153, subdivision 1, is amended to read:

2.12 Subdivision 1. **Emergency closings.** When the officers of a financial institution are of
 2.13 the opinion that an emergency exists, or is impending, which affects, or may affect, a
 2.14 financial institution's offices, they shall have the authority, in the reasonable exercise of
 2.15 their discretion, to determine not to open any of its offices on any business day or, if having
 2.16 opened, to close an office during the continuation of the emergency, even if the commissioner
 2.17 does not issue a proclamation of emergency. The office closed shall remain closed until the
 2.18 time that the officers determine the emergency has ended, and for the further time reasonably
 2.19 necessary to reopen. No financial institution office shall remain closed for more than 48
 2.20 consecutive hours in a Monday through Friday period, excluding other legal holidays,
 2.21 without the prior approval of the commissioner.

2.22 Sec. 3. Minnesota Statutes 2022, section 53C.01, is amended by adding a subdivision to
 2.23 read:

2.24 Subd. 4a. **Global positioning system starter interrupt device.** "Global positioning
 2.25 system starter interrupt device" or "GPS starter interrupt device" means a device installed
 2.26 on a motor vehicle by a motor vehicle dealer that enables an individual who is not in
 2.27 possession of the motor vehicle to remotely disable the motor vehicle's ignition. GPS starter
 2.28 interrupt device includes a device commonly referred to as a fuel or ignition kill switch.

2.29 Sec. 4. Minnesota Statutes 2022, section 53C.01, subdivision 12c, is amended to read:

2.30 Subd. 12c. **Theft deterrent device.** "Theft deterrent device" means the following devices:

2.31 (1) a vehicle alarm system;

2.32 (2) a window etch product;

3.1 (3) a body part marking product;

3.2 (4) a steering lock; or

3.3 (5) a pedal or ignition lock; ~~or~~

3.4 ~~(6) a fuel or ignition kill switch.~~

3.5 Sec. 5. Minnesota Statutes 2022, section 53C.08, subdivision 1a, is amended to read:

3.6 Subd. 1a. **Disclosures required.** Prior to the execution of a retail installment contract,
3.7 the seller shall provide to a buyer, and obtain the buyer's signature on, a written disclosure
3.8 that sets forth the following information:

3.9 (1) a description and the total price of all items sold in the following categories if the
3.10 contract includes a charge for the item:

3.11 (i) a service contract;

3.12 (ii) an insurance product;

3.13 (iii) a debt cancellation agreement;

3.14 (iv) a theft deterrent device; or

3.15 (v) a surface protection product;

3.16 (2) whether a GPS starter interrupt device is installed on the motor vehicle, regardless
3.17 of whether the contract includes a charge for the GPS starter interrupt device;

3.18 (3) the amount that would be calculated under the contract as the regular installment
3.19 payment if charges for the items referenced under clause (1) are not included in the contract;

3.20 ~~(3)~~ (4) the amount that would be calculated under the contract as the regular installment
3.21 payment if charges for the items referenced under clause (1) are included in the contract;

3.22 and

3.23 ~~(4)~~ (5) the disclosures required under this subdivision must be in at least ten-point type
3.24 and must be contained in a single document that is separate from the retail installment
3.25 contract and any other vehicle purchase documents.

3.26 Sec. 6. [58.20] DEFINITIONS.

3.27 Subdivision 1. Scope. For purposes of this section to section 58.23, the terms defined
3.28 in this section have the meanings given.

4.1 Subd. 2. **Allowable assets for liquidity.** "Allowable assets for liquidity" means assets
4.2 that may be used to satisfy the liquidity requirements under section 58.22, including:

4.3 (1) unrestricted cash and cash equivalents; and

4.4 (2) unencumbered investment grade assets held for sale or trade, including agency
4.5 mortgage-backed securities, obligations of government-sponsored enterprises, and United
4.6 States Treasury obligations.

4.7 Subd. 3. **Board of directors.** "Board of directors" means the formal body established
4.8 by a covered institution that is responsible for corporate governance and compliance with
4.9 sections 58.21 to 58.23.

4.10 Subd. 4. **Corporate governance.** "Corporate governance" means the structure of the
4.11 covered institution and how the covered institution is managed, including the corporate
4.12 rules, policies, processes, and practices used to oversee and manage the covered institution.

4.13 Subd. 5. **Covered institution.** "Covered institution" means a mortgage servicer that
4.14 services or subservices for others at least 2,000 or more residential mortgage loans in the
4.15 United States, excluding whole loans owned, and loans being interim serviced prior to sale
4.16 as of the most recent calendar year end, reported on the NMLS mortgage call report.

4.17 Subd. 6. **External audit.** "External audit" means the formal report, prepared by an
4.18 independent certified public accountant, expressing an opinion on whether the financial
4.19 statements are:

4.20 (1) presented fairly, in all material aspects, in accordance with the applicable financial
4.21 reporting framework; and

4.22 (2) inclusive of an evaluation of the adequacy of a company's internal control structure.

4.23 Subd. 7. **Government-sponsored enterprises.** "Government-sponsored enterprises"
4.24 means the Federal National Mortgage Association, and the Federal Home Loan Mortgage
4.25 Corporation.

4.26 Subd. 8. **Interim serviced prior to sale.** "Interim serviced prior to sale" means the
4.27 collection of a limited number of contractual mortgage payments immediately after
4.28 origination on loans held for sale but no longer than a period of ninety days prior to the
4.29 loans being sold into the secondary market.

4.30 Subd. 9. **Internal audit.** "Internal audit" means the internal activity of performing
4.31 independent and objective assurance and consulting to evaluate and improve the effectiveness
4.32 of company operations, risk management, internal controls, and governance processes.

5.1 Subd. 10. **Mortgage-backed security.** "Mortgage-backed security" means a financial
5.2 instrument, often debt securities, collateralized by residential mortgages.

5.3 Subd. 11. **Mortgage call report.** "Mortgage call report" means the quarterly or annual
5.4 report of residential real estate loan origination, servicing, and financial information
5.5 completed by companies licensed in NMLS.

5.6 Subd. 12. **Mortgage servicing rights.** "Mortgage servicing rights" means the contractual
5.7 right to service a residential mortgage loan on behalf of the owner of the associated mortgage
5.8 in exchange for compensation specified in the servicing contract.

5.9 Subd. 13. **Mortgage servicing rights investor.** "Mortgage servicing rights investor" or
5.10 "master servicer" means an entity that (1) invests in and owns mortgage servicing rights;
5.11 and (2) relies on subservicers to administer the loans on the mortgage servicing rights
5.12 investor's behalf.

5.13 Subd. 14. **Nationwide Multistate Licensing System.** "Nationwide Multistate Licensing
5.14 System" or "NMLS" has the meaning given in section 58A.02, subdivision 8.

5.15 Subd. 15. **Operating liquidity.** "Operating liquidity" means the money necessary for
5.16 an entity to perform normal business operations, including payment of rent, salaries, interest
5.17 expenses, and other typical expenses associated with operating the entity.

5.18 Subd. 16. **Residential mortgage loans serviced.** "Residential mortgage loans serviced"
5.19 means the specific portfolio or portfolios of residential mortgage loans for which a licensee
5.20 is contractually responsible to the owner or owners of the mortgage loans for the defined
5.21 servicing activities.

5.22 Subd. 17. **Reverse mortgage.** "Reverse mortgage" has the meaning given in section
5.23 47.58, subdivision 1, paragraph (a).

5.24 Subd. 18. **Risk management assessment.** "Risk management assessment" means the
5.25 functional evaluations performed under the risk management program and the reports
5.26 provided to the board of directors under the relevant governance protocol.

5.27 Subd. 19. **Risk management program.** "Risk management program" means the policies
5.28 and procedures designed to identify, measure, monitor, and mitigate risk commensurate
5.29 with the covered institution's size and complexity.

5.30 Subd. 20. **Servicer.** "Servicer" has the meaning given in section 58.02, subdivision 20.

5.31 Subd. 21. **Servicing liquidity.** "Servicing liquidity" or "liquidity" means the financial
5.32 resources necessary to manage liquidity risk arising from servicing functions required in

6.1 acquiring and financing mortgage servicing rights; hedging costs, including margin calls,
6.2 associated with the mortgage servicing rights asset and financing facilities; and advances
6.3 or costs of advance financing for principal, interest, taxes, insurance, and any other servicing
6.4 related advances.

6.5 Subd. 22. **Subservicer.** "Subservicer" means the entity performing routine administration
6.6 of residential mortgage loans as the agent of a servicer or mortgage servicing rights investor
6.7 under the terms of a subservicing contract.

6.8 Subd. 23. **Subservicing for others.** "Subservicing for others" means the contractual
6.9 activities performed by subservicers on behalf of a servicer or mortgage servicing rights
6.10 investor.

6.11 Subd. 24. **Tangible net worth.** "Tangible net worth" means total equity less receivables
6.12 due from related entities, less goodwill and other intangibles, less pledged assets.

6.13 Subd. 25. **Whole loans.** "Whole loans" means a loan where a mortgage and the underlying
6.14 credit risk is owned and held on a balance sheet of the entity possessing all ownership rights.

6.15 **Sec. 7. [58.21] APPLICABILITY; EXCLUSIONS.**

6.16 Subdivision 1. **Applicability.** Sections 58.20 to 58.23 apply to covered institutions. For
6.17 entities within a holding company or an affiliated group of companies, sections 58.20 to
6.18 58.23 apply at the covered institution level.

6.19 Subd. 2. **Exclusions.** (a) Sections 58.20 to 58.23 do not apply to (1) persons exempt
6.20 from licensing under section 58.04 and 58.05; and (2) an institution of the Farm Credit
6.21 System established and authorized in accordance with the Farm Credit Act of 1971, as
6.22 amended, United States Code, title 12, section 2001, et seq.

6.23 (b) Section 58.22 does not apply to (1) servicers that solely own or conduct reverse
6.24 mortgage servicing; or (2) the reverse mortgage portfolio administered by a covered
6.25 institution.

6.26 **Sec. 8. [58.22] FINANCIAL CONDITION.**

6.27 Subdivision 1. **Compliance required.** A covered institution must maintain capital and
6.28 liquidity in compliance with this section.

6.29 Subd. 2. **Generally accepted accounting principles.** For the purposes of complying
6.30 with the capital and liquidity requirements of this section, all financial data must be
6.31 determined in accordance with generally accepted accounting principles.

7.1 Subd. 3. **Federal Housing Finance Agency eligibility requirements; policies and**
 7.2 **procedures.** (a) A covered institution that meets the Federal Housing Finance Agency
 7.3 eligibility requirements for enterprise single-family sellers and servicers with respect to
 7.4 capital, net worth ratio, and liquidity meets the requirements of subdivisions 1 and 2,
 7.5 regardless of whether the servicer is approved for government-sponsored enterprise servicing.

7.6 (b) A covered institution must maintain written policies and procedures that implement
 7.7 the capital and servicing liquidity requirements of this section. The policies and procedures
 7.8 implemented pursuant to this paragraph must include a sustainable written methodology to
 7.9 satisfy the requirements of paragraph (a) and must be made available to the commissioner
 7.10 upon request.

7.11 Subd. 4. **Operating liquidity.** (a) A covered institution must maintain sufficient allowable
 7.12 assets for liquidity, in addition to the amounts required for servicing liquidity, to cover
 7.13 normal business operations.

7.14 (b) Covered institutions must have sound cash management and business operating plans
 7.15 that (1) match the complexity of the institution; and (2) ensure normal business operations.

7.16 (c) Management must develop, establish, and implement plans, policies, and procedures
 7.17 to maintain operating liquidity sufficient for the ongoing needs of the covered institution.
 7.18 Plans, policies, and procedures implemented pursuant to this paragraph must contain
 7.19 sustainable, written methodologies to maintain sufficient operating liquidity and must be
 7.20 made available to the commissioner upon request.

7.21 Sec. 9. **[58.23] CORPORATE GOVERNANCE.**

7.22 Subdivision 1. **Board of directors required.** A covered institution must establish and
 7.23 maintain a board of directors that is responsible for oversight of the covered institution.

7.24 Subd. 2. **Board of directors; alternative.** If a covered institution has not received
 7.25 approval to service loans by a government-sponsored enterprise or the Government National
 7.26 Mortgage Association, or if a government-sponsored enterprise or the Government National
 7.27 Mortgage Association has granted approval for a board of directors alternative, the covered
 7.28 institution may establish a similar body constituted to exercise oversight and fulfill the
 7.29 responsibilities specified under subdivision 3.

7.30 Subd. 3. **Board of directors; responsibilities.** The board of directors must:

7.31 (1) establish a written corporate governance framework, including appropriate internal
 7.32 controls designed to monitor corporate governance and assess compliance with the corporate

8.1 governance framework, and must make the corporate governance framework available to
8.2 the commissioner upon request;

8.3 (2) monitor and ensure the covered institution complies with (i) the corporate governance
8.4 framework; and (ii) sections 58.20 to this section; and

8.5 (3) perform accurate and timely regulatory reporting, including filing the mortgage call
8.6 report.

8.7 Subd. 4. **Internal audit.** The board of directors must establish internal audit requirements
8.8 that (1) are appropriate for the size, complexity, and risk profile of the servicer; and (2)
8.9 ensure appropriate independence to provide a reliable evaluation of the servicer's internal
8.10 control structure, risk management, and governance. The board-established internal audit
8.11 requirements and the results of internal audits must be made available to the commissioner
8.12 upon request.

8.13 Subd. 5. **External audit.** (a) A covered institution must receive an external audit,
8.14 including audited financial statements and audit reports, that is conducted by an independent
8.15 public accountant annually. The external audit must be made available to the commissioner
8.16 upon request.

8.17 (b) The external audit must include, at a minimum:

8.18 (1) annual financial statements, including (i) a balance sheet; (ii) a statement of operations
8.19 and income statement; and (iii) cash flows, including notes and supplemental schedules
8.20 prepared in accordance with generally accepted accounting principles;

8.21 (2) an assessment of the internal control structure;

8.22 (3) a computation of tangible net worth;

8.23 (4) validation of mortgage servicing rights valuation and reserve methodology, if
8.24 applicable;

8.25 (5) verification of adequate fidelity and errors and omissions insurance; and

8.26 (6) testing of controls related to risk management activities, including compliance and
8.27 stress testing, if applicable.

8.28 Subd. 6. **Risk management.** (a) Under oversight by the board of directors, a covered
8.29 institution must establish a risk management program that identifies, measures, monitors,
8.30 and controls risk commensurate with the covered institution's size and complexity. The risk
8.31 management program must have appropriate processes and models in place to measure,

9.1 monitor, and mitigate financial risks and changes to the servicer's risk profile and assets
 9.2 being serviced.

9.3 (b) The size and risk management program must be scaled to the size and complexity
 9.4 of the organization, including but not limited to:

9.5 (1) the potential that a borrower or counterparty fails to perform on an obligation;

9.6 (2) the potential that the servicer (i) is unable to meet the servicer's obligations as the
 9.7 obligations come due as a result of an inability to liquidate assets or obtain adequate funding;
 9.8 or (ii) cannot easily unwind or offset specific exposures;

9.9 (3) the risk resulting from (i) inadequate or failed internal processes, people, and systems;
 9.10 or (ii) external events;

9.11 (4) the risk to the servicer's condition resulting from adverse movements in market rates
 9.12 or prices;

9.13 (5) the risk of regulatory sanctions, fines, penalties, or losses resulting from the failure
 9.14 to comply with laws, rules, regulations, or other supervisory requirements that apply to the
 9.15 servicer;

9.16 (6) the potential that legal proceedings against the institution resulting in unenforceable
 9.17 contracts, lawsuits, legal sanctions, or adverse judgments can disrupt or otherwise negatively
 9.18 affect the servicer's operations or condition; and

9.19 (7) the risk to earnings and capital arising from negative publicity regarding the servicer's
 9.20 business practices.

9.21 Subd. 7. **Risk management assessment.** A covered institution must conduct a risk
 9.22 management assessment on an annual basis. The risk management assessment must conclude
 9.23 with a formal report to the board of directors and must be made available to the commissioner
 9.24 upon request. A covered institution must maintain evidence of risk management activities
 9.25 throughout the year and must include the evidence of risk management activities as part of
 9.26 the report. The risk management assessment must include issue findings and the response
 9.27 or action taken to address the issue findings.

9.28 Sec. 10. Minnesota Statutes 2022, section 61A.031, is amended to read:

9.29 **61A.031 SUICIDE PROVISIONS.**

9.30 (a) The sanity or insanity of a person shall not be a factor in determining whether a
 9.31 person committed suicide within the terms of an individual or group life insurance policy

10.1 regulating the payment of benefits in the event of the insured's suicide. This ~~section~~ paragraph
 10.2 shall not be construed to alter present law but is intended to clarify present law.

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

10.11 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to policies
 10.12 issued on or after that date.

10.13 Sec. 11. Minnesota Statutes 2022, section 61A.60, subdivision 3, is amended to read:

10.14 Subd. 3. **Definitions.** The following definitions must appear on the back of the notice
 10.15 forms provided in subdivisions 1 and 2:

10.16 DEFINITIONS

10.17 **PREMIUMS:** Premiums are the payments you make in exchange for an insurance policy
 10.18 or annuity contract. They are unlike deposits in a savings or investment program, because
 10.19 if you drop the policy or contract, you might get back less than you paid in.

10.20 **CASH SURRENDER VALUE:** This is the amount of money you can get in cash if you
 10.21 surrender your life insurance policy or annuity. If there is a policy loan, the cash surrender
 10.22 value is the difference between the cash value printed in the policy and the loan value. Not
 10.23 all policies have cash surrender values.

10.24 **LAPSE:** A life insurance policy may lapse when you do not pay the premiums within
 10.25 the grace period. If you had a cash surrender value, the insurer might change your policy
 10.26 to as much extended term insurance or paid-up insurance as the cash surrender value will
 10.27 buy. Sometimes the policy lets the insurer borrow from the cash surrender value to pay the
 10.28 premiums.

10.29 **SURRENDER:** You surrender a life insurance policy when you either let it lapse or tell
 10.30 the company you want to drop it. Whenever a policy has a cash surrender value, you can
 10.31 get it in cash if you return the policy to the company with a written request. Most insurers
 10.32 will also let you exchange the cash value of the policy for paid-up or extended term insurance.

11.1 CONVERT TO PAID-UP INSURANCE: This means you use your cash surrender value
11.2 to change your insurance to a paid-up policy with the same insurer. The death benefit
11.3 generally will be lower than under the old policy, but you will not have to pay any more
11.4 premiums.

11.5 PLACE ON EXTENDED TERM: This means you use your cash surrender value to
11.6 change your insurance to term insurance with the same insurer. In this case, the net death
11.7 benefit will be the same as before. However, you will only be covered for a specified period
11.8 of time stated in the policy.

11.9 BORROW POLICY LOAN VALUES: If your life insurance policy has a cash surrender
11.10 value, you can almost always borrow all or part of it from the insurer. Interest will be charged
11.11 according to the terms of the policy, and if the loan with unpaid interest ever exceeds the
11.12 cash surrender value, your policy will be surrendered. If you die, the amount of the loan
11.13 and any unpaid interest due will be subtracted from the death benefits.

11.14 EVIDENCE OF INSURABILITY: This means proof that you are an acceptable risk.
11.15 You have to meet the insurer's standards regarding age, health, occupation, etc., to be eligible
11.16 for coverage.

11.17 INCONTESTABLE CLAUSE: This says that after two years, depending on the policy
11.18 or insurer, the life insurer will not resist a claim because you made a false or incomplete
11.19 statement when you applied for the policy. For the early years, though, if there are wrong
11.20 answers on the application and the insurer finds out about them, the insurer can deny a claim
11.21 as if the policy had never existed.

11.22 SUICIDE CLAUSE: This says that if you ~~commit~~ complete suicide after being insured
11.23 for less than ~~two years~~ one year, depending on the policy and insurer, your beneficiaries
11.24 will receive only a refund of the premiums that were paid.

11.25 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to policies
11.26 issued on or after that date.

11.27 Sec. 12. Minnesota Statutes 2022, section 62Q.735, subdivision 1, is amended to read:

11.28 Subdivision 1. **Contract disclosure.** (a) Before requiring a health care provider to sign
11.29 a contract, a health plan company shall give to the provider a complete copy of the proposed
11.30 contract, including:

11.31 (1) all attachments and exhibits;

11.32 (2) operating manuals;

12.1 (3) a general description of the health plan company's health service coding guidelines
 12.2 and requirement for procedures and diagnoses with modifiers, and multiple procedures; and

12.3 (4) all guidelines and treatment parameters incorporated or referenced in the contract.

12.4 (b) The health plan company shall make available to the provider the fee schedule or a
 12.5 method or process that allows the provider to determine the fee schedule for each health
 12.6 care service to be provided under the contract.

12.7 (c) ~~Notwithstanding paragraph (b), a health plan company that is a dental plan~~
 12.8 ~~organization, as defined in section 62Q.76, shall disclose information related to the individual~~
 12.9 ~~contracted provider's expected reimbursement from the dental plan organization.~~ Nothing
 12.10 in this section requires a dental plan organization to disclose the plan's aggregate maximum
 12.11 allowable fee table used to determine other providers' fees. The contracted provider must
 12.12 not release this information in any way that would violate any state or federal antitrust law.

12.13 Sec. 13. Minnesota Statutes 2022, section 62Q.735, subdivision 5, is amended to read:

12.14 Subd. 5. **Fee schedules.** ~~(a)~~ A health plan company shall provide, upon request, any
 12.15 additional fees or fee schedules relevant to the particular provider's practice beyond those
 12.16 provided with the renewal documents for the next contract year to all participating providers,
 12.17 excluding claims paid under the pharmacy benefit. Health plan companies may fulfill the
 12.18 requirements of this section by making the full fee schedules available through a secure
 12.19 web portal for contracted providers.

12.20 ~~(b) A dental organization may satisfy paragraph (a) by complying with section 62Q.735,~~
 12.21 ~~subdivision 1, paragraph (c).~~

12.22 Sec. 14. Minnesota Statutes 2022, section 62Q.76, is amended by adding a subdivision to
 12.23 read:

12.24 Subd. 9. **Third party.** "Third party" means a person or entity that enters into a contract
 12.25 with a dental organization or with another third party to gain access to the dental care services
 12.26 or contractual discounts under a dental provider contract. Third party does not include an
 12.27 enrollee of a dental organization or an employer or other group for whom the dental
 12.28 organization provides administrative services.

12.29 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to dental
 12.30 plans and dental provider agreements offered, issued, or renewed on or after that date.

13.1 Sec. 15. Minnesota Statutes 2022, section 62Q.78, is amended by adding a subdivision to
13.2 read:

13.3 Subd. 7. **Method of payments.** A dental provider contract must include a method of
13.4 payment for dental care services in which no fees associated with the method of payment,
13.5 including credit card fees and fees related to payment in the form of digital or virtual
13.6 currency, are incurred by the dentist or dental clinic. Any fees that may be incurred from a
13.7 payment must be disclosed to a dentist prior to entering into or renewing a dental provider
13.8 contract. For purposes of this section, fees related to a provider's electronic claims processing
13.9 vendor, financial institution, or other vendor used by a provider to facilitate the submission
13.10 of claims are excluded.

13.11 Sec. 16. Minnesota Statutes 2022, section 62Q.78, is amended by adding a subdivision to
13.12 read:

13.13 Subd. 8. **Network leasing.** (a) A dental organization may grant a third party access to
13.14 a dental provider contract or a provider's dental care services or contractual discounts
13.15 provided pursuant to a dental provider contract if, at the time the dental provider contract
13.16 is entered into or renewed, the dental organization allows a dentist to choose not to participate
13.17 in third-party access to the dental provider contract, without any penalty to the dentist. The
13.18 third-party access provision of the dental provider contract must be clearly identified. A
13.19 dental organization must not grant a third party access to the dental provider contract of any
13.20 dentist who does not participate in third-party access to the dental provider contract.

13.21 (b) Notwithstanding paragraph (a), if a dental organization exists solely for the purpose
13.22 of recruiting dentists for dental provider contracts that establish a network to be leased to
13.23 third parties, the dentist waives the right to choose whether to participate in third-party
13.24 access.

13.25 (c) A dental organization may grant a third party access to a dental provider contract,
13.26 or a dentist's dental care services or contractual discounts under a dental provider contract,
13.27 if the following requirements are met:

13.28 (1) the dental organization lists all third parties that may have access to the dental provider
13.29 contract on the dental organization's website, which must be updated at least once every 90
13.30 days;

13.31 (2) the dental provider contract states that the dental organization may enter into an
13.32 agreement with a third party that would allow the third party to obtain the dental
13.33 organization's rights and responsibilities as if the third party were the dental organization,

14.1 and the dentist chose to participate in third-party access at the time the dental provider
 14.2 contract was entered into; and

14.3 (3) the third party accessing the dental provider contract agrees to comply with all
 14.4 applicable terms of the dental provider contract.

14.5 (d) A dentist is not bound by and is not required to perform dental care services under
 14.6 a dental provider contract granted to a third party in violation of this section.

14.7 (e) This subdivision does not apply when:

14.8 (1) the dental provider contract is for dental services provided under a public health plan
 14.9 program, including but not limited to medical assistance, MinnesotaCare, Medicare, or
 14.10 Medicare Advantage; or

14.11 (2) access to a dental provider contract is granted to a dental organization, an entity
 14.12 operating in accordance with the same brand licensee program as the dental organization
 14.13 or other entity, or to an entity that is an affiliate of the dental organization, provided the
 14.14 entity agrees to substantially similar terms and conditions as the originating dental provider
 14.15 contract between the dental organization and the dentist or dental clinic. A list of the dental
 14.16 organization's affiliates must be posted on the dental organization's website.

14.17 **Sec. 17. [65A.298] HOMEOWNER'S INSURANCE; FORTIFIED PROGRAM**
 14.18 **STANDARDS.**

14.19 Subdivision 1. **Definitions.** (a) For purposes of this section the following term has the
 14.20 meaning given.

14.21 (b) "Insurable property" means a residential property designated as meeting the Fortified
 14.22 program standards as administered by the Insurance Institute for Business and Home Safety
 14.23 (IBHS).

14.24 Subd. 2. **Fortified new property.** (a) An insurer shall provide a premium discount or
 14.25 an insurance rate reduction to an owner who builds or locates a new insurable property in
 14.26 Minnesota.

14.27 (b) An owner of insurable property claiming a premium discount or rate reduction under
 14.28 this subdivision must submit a certificate issued by IBHS showing proof of compliance
 14.29 with the Fortified program standards to the insurer prior to receiving the premium discount
 14.30 or rate reduction.

15.1 Subd. 3. **Fortified existing property.** (a) An insurer shall provide a premium discount
15.2 or insurance rate reduction to an owner who retrofits an existing property to meet the
15.3 requirements to be an insurable property in Minnesota.

15.4 (b) An owner of insurable property claiming a premium discount or rate reduction under
15.5 this subdivision must submit a certificate issued by IBHS showing proof of compliance
15.6 with the Fortified program standards to the insurer prior to receiving the premium discount
15.7 or rate reduction.

15.8 Subd. 4. **Insurers.** (a) An insurer must submit to the commissioner actuarially justified
15.9 rates and a rating plan for a person who builds or locates a new insurable property in
15.10 Minnesota.

15.11 (b) An insurer must submit to the commissioner actuarially justified rates and a rating
15.12 plan for a person who retrofits an existing property to meet the requirements to be an
15.13 insurable property.

15.14 (c) An insurer may offer, in addition to the premium discount and insurance rate
15.15 reductions required under subdivisions 2 and 3, more generous mitigation adjustments to
15.16 an owner of insurable property.

15.17 (d) Any premium discount, rate reduction, or mitigation adjustment offered by an insurer
15.18 under this section applies only to policies that include wind coverage and may be applied
15.19 only to the portion of the premium for wind coverage, or for the total premium if the insurer
15.20 does not separate the premium for wind coverage in its rate filing.

15.21 (e) A rate and rating plan submitted to the commissioner under this section shall not be
15.22 used until the expiration of 60 days after it has been filed unless the commissioner approves
15.23 it before that time. In evaluating insurer submissions under this section prior to approval
15.24 for use, the commissioner must:

15.25 (1) evaluate evidence of cost savings directly attributed to the Fortified program standards
15.26 administered by IBHS; and

15.27 (2) evaluate whether those cost savings are passed along in full to qualified policyholders.

15.28 (f) Insurers must resubmit rates and rating plans at least every five years following their
15.29 initial submissions under this section for review and approval by the commissioner.

15.30 (g) The commissioner shall annually publish the premium savings policyholders
15.31 experienced because of the program.

16.1 (h) Participating insurers shall provide to the commissioner any information requested
16.2 by the commissioner for the purposes of this paragraph.

16.3 **Sec. 18. [65A.299] STRENGTHEN MINNESOTA HOMES PROGRAM.**

16.4 Subdivision 1. **Short title.** This section may be cited as the "Strengthen Minnesota
16.5 Homes Act."

16.6 Subd. 2. **Definitions.** (a) For purposes of this section, the terms in this subdivision have
16.7 the meanings given.

16.8 (b) "Insurable property" has the meaning given in section 65A.298, subdivision 3.

16.9 (c) "Program" means the Strengthen Minnesota Homes program established under this
16.10 section.

16.11 Subd. 3. **Program established; purpose, permitted activities.** The Strengthen Minnesota
16.12 Homes program is established within the Department of Commerce. The purpose of the
16.13 program is to provide grants to retrofit insurable property to resist loss due to common
16.14 perils, including but not limited to tornadoes or other catastrophic windstorm events.

16.15 Subd. 4. **Strengthen Minnesota homes account; appropriation.** (a) A strengthen
16.16 Minnesota homes account is created as a separate account in the special revenue fund of
16.17 the state treasury. The account consists of money provided by law and any other money
16.18 donated, allotted, transferred, or otherwise provided to the account. Earnings, including
16.19 interest, dividends, and any other earnings arising from assets of the account, must be
16.20 credited to the account. Money remaining in the account at the end of a fiscal year does not
16.21 cancel to the general fund and remains in the account until expended. The commissioner
16.22 must manage the account.

16.23 (b) Money in the account is appropriated to the commissioner to pay for (1) grants issued
16.24 under the program, and (2) the reasonable costs incurred by the commissioner to administer
16.25 the program.

16.26 Subd. 5. **Use of grants.** (a) A grant under this section must be used to retrofit an insurable
16.27 property.

16.28 (b) Grant money provided under this section must not be used for maintenance or repairs,
16.29 but may be used in conjunction with repairs or reconstruction necessitated by damage from
16.30 wind or hail.

17.1 (c) A project funded by a grant under this section must be completed within three months
17.2 of the date the grant is approved. Failure to complete the project in a timely manner may
17.3 result in forfeiture of the grant.

17.4 Subd. 6. **Applicant eligibility.** The commissioner must develop (1) administrative
17.5 procedures to implement this section, and (2) criteria used to determine whether an applicant
17.6 is eligible for a grant under this section.

17.7 Subd. 7. **Contractor eligibility; conflicts of interest.** (a) To be eligible to work as a
17.8 contractor on a projected funded by a grant under this section, the contractor must meet all
17.9 of the following program requirements and must maintain a current copy of all certificates,
17.10 licenses, and proof of insurance coverage with the program office. The eligible contractor
17.11 must:

17.12 (1) hold a valid residential building contractor and residential remodeler license issued
17.13 by the commissioner of labor and industry;

17.14 (2) not be subject to disciplinary action by the commissioner of labor and industry;

17.15 (3) hold any other valid state or jurisdictional business license or work permits required
17.16 by law;

17.17 (4) possess an in-force general liability policy with \$1,000,000 in liability coverage;

17.18 (5) possess an in-force workers compensation policy with \$1,000,000 in coverage;

17.19 (6) possess a certificate of compliance from the commissioner of revenue;

17.20 (7) successfully complete the Fortified Roof for High Wind and Hail training provided
17.21 by the IBHS and maintain an active certification or IBHS's successor and provide a certificate
17.22 of successful completion. The training may be offered as separate courses;

17.23 (8) agree to the terms and successfully register as a vendor with the commissioner of
17.24 management and budget and receive direct deposit of payment for mitigation work performed
17.25 under the program;

17.26 (9) maintain Internet access and keep a valid email address on file with the program and
17.27 remain active in the commissioner of management and budget's vendor and supplier portal
17.28 while working on the program;

17.29 (10) maintain an active email address for the communication with the program;

17.30 (11) successfully complete the program training; and

18.1 (12) agree to follow program procedures and rules established under this section and by
18.2 the commissioner.

18.3 (b) An eligible contractor must not have a financial interest, other than payment on
18.4 behalf of the homeowner, in any project for which the eligible contractor performs work
18.5 toward a fortified designation under the program. An eligible contractor is prohibited from
18.6 acting as the evaluator for a fortified designation on any project funded by the program. An
18.7 eligible contractor must report to the commissioner regarding any potential conflict of
18.8 interest before work commences on any job funded by the program.

18.9 Subd. 8. **Evaluator eligibility; conflicts of interest.** (a) To be eligible to work on the
18.10 program as an evaluator, the evaluator must meet all program eligibility requirements and
18.11 must submit to the commissioner and maintain a copy of all current certificates and licenses.
18.12 The evaluator must:

18.13 (1) be in good standing with IBHS and maintain an active certification as a fortified
18.14 home evaluator for hurricane and high wind and hail or a successor certification;

18.15 (2) possess a Minnesota business license and be registered with the secretary of state;
18.16 and

18.17 (3) successfully complete the program training.

18.18 (b) Evaluators must not have a financial interest in any project that the evaluator inspects
18.19 for designation purposes for the program. An evaluator must not be an eligible contractor
18.20 or supplier of any material, product, or system installed in any home that the evaluator
18.21 inspects for designation purposes for the program. An evaluator must not be a sales agent
18.22 for any home being designated for the program. An evaluator must inform the commissioner
18.23 of any potential conflict of interest impacting the evaluator's participation in the program.

18.24 Subd. 9. **Grant approval; allocation.** (a) The commissioner must review all applications
18.25 for completeness and must perform appropriate audits to verify (1) the accuracy of the
18.26 information on the application, and (2) that the applicant meets all eligibility rules. All
18.27 verified applicants must be placed in the order the application was received. Grants must
18.28 be awarded on a first-come, first-served basis, subject to availability of money for the
18.29 program.

18.30 (b) When a grant is approved, an approval letter must be sent to the applicant.

18.31 (c) An eligible contractor is prohibited from beginning work until a grant is approved.

18.32 (d) In order to assure equitable distribution of grants in proportion to the income
18.33 demographics in counties where the program is made available, grant applications must be

19.1 accepted on a first-come, first-served basis. The commissioner may establish pilot projects
19.2 as needed to establish a sustainable program distribution system in any geographic area
19.3 within Minnesota.

19.4 Subd. 10. **Grant award process; release of grant money.** (a) After a grant application
19.5 is approved, the eligible contractor selected by the homeowner may begin the mitigation
19.6 work.

19.7 (b) Once the mitigation work is completed, the eligible contractor must submit a copy
19.8 of the signed contract to the commissioner, along with an invoice seeking payment and an
19.9 affidavit stating the fortified standards were met by the work.

19.10 (c) The IBHS evaluator must conduct all required evaluations, including a required
19.11 interim inspection during construction and the final inspection, and must confirm that the
19.12 work was completed according to the mitigation specifications.

19.13 (d) Grant money must be released on behalf of an approved applicant only after a fortified
19.14 designation certificate has been issued for the home. The program or another designated
19.15 entity must, on behalf of the homeowner, directly pay the eligible contractor that performed
19.16 the mitigation work. The program or the program's designated entity must pay the eligible
19.17 contractor the costs covered by the grant. The homeowner must pay the eligible contractor
19.18 for the remaining cost after receiving an IBHS fortified certificate.

19.19 (e) The program must confirm that the homeowner's insurer provides the appropriate
19.20 premium credit.

19.21 (f) The program must conduct random reinspections to detect any fraud and must submit
19.22 any irregularities to the attorney general.

19.23 Subd. 11. **Limitations.** (a) This section does not create an entitlement for property
19.24 owners or obligate the state of Minnesota to pay for residential property in Minnesota to be
19.25 inspected or retrofitted. The program under this section is subject to legislative appropriations,
19.26 the receipt of federal grants or money, or the receipt of other sources of grants or money.
19.27 The department may obtain grants or other money from the federal government or other
19.28 funding sources to support and enhance program activities.

19.29 (b) All mitigation under this section is contingent upon securing all required local permits
19.30 and applicable inspections to comply with local building codes and applicable Fortified
19.31 program standards. A mitigation project receiving a grant under this section is subject to
19.32 random reinspection at a later date.

20.1 Sec. 19. Minnesota Statutes 2022, section 65B.49, is amended by adding a subdivision to
20.2 read:

20.3 Subd. 10. **Time limitations.** (a) Unless expressly provided for in this chapter, a plan of
20.4 reparation security must conform to the six-year time limitation provided under section
20.5 541.05, subdivision 1, clause (1).

20.6 (b) The time limitation for commencing a cause of action relating to underinsured motorist
20.7 coverage under subdivision 3a is four years from the date of accrual.

20.8 **EFFECTIVE DATE.** This section is effective on August 1, 2023, and applies to contracts
20.9 issued or renewed on or after that date.

20.10 Sec. 20. Minnesota Statutes 2022, section 80A.50, is amended to read:

20.11 **80A.50 SECTION 302; FEDERAL COVERED SECURITIES; SMALL**
20.12 **CORPORATE OFFERING REGISTRATION.**

20.13 (a) **Federal covered securities.**

20.14 (1) **Required filing of records.** With respect to a federal covered security, as defined
20.15 in Section 18(b)(2) of the Securities Act of 1933 (15 U.S.C. Section 77r(b)(2)), that is not
20.16 otherwise exempt under sections 80A.45 through 80A.47, a rule adopted or order issued
20.17 under this chapter may require the filing of any or all of the following records:

20.18 (A) before the initial offer of a federal covered security in this state, all records that are
20.19 part of a federal registration statement filed with the Securities and Exchange Commission
20.20 under the Securities Act of 1933 and a consent to service of process complying with section
20.21 80A.88 signed by the issuer;

20.22 (B) after the initial offer of the federal covered security in this state, all records that are
20.23 part of an amendment to a federal registration statement filed with the Securities and
20.24 Exchange Commission under the Securities Act of 1933; and

20.25 (C) to the extent necessary or appropriate to compute fees, a report of the value of the
20.26 federal covered securities sold or offered to persons present in this state, if the sales data
20.27 are not included in records filed with the Securities and Exchange Commission.

20.28 (2) **Notice filing effectiveness and renewal.** A notice filing under subsection (a) is
20.29 effective for one year commencing on the later of the notice filing or the effectiveness of
20.30 the offering filed with the Securities and Exchange Commission. On or before expiration,
20.31 the issuer may renew a notice filing by filing a copy of those records filed by the issuer with
20.32 the Securities and Exchange Commission that are required by rule or order under this chapter

21.1 to be filed. A previously filed consent to service of process complying with section 80A.88
21.2 may be incorporated by reference in a renewal. A renewed notice filing becomes effective
21.3 upon the expiration of the filing being renewed.

21.4 (3) **Notice filings for federal covered securities under section 18(b)(4)(D).** With
21.5 respect to a security that is a federal covered security under Section 18(b)(4)(D) of the
21.6 Securities Act of 1933 (15 U.S.C. Section 77r(b)(4)(D)), a rule under this chapter may
21.7 require a notice filing by or on behalf of an issuer to include a copy of Form D, including
21.8 the Appendix, as promulgated by the Securities and Exchange Commission, and a consent
21.9 to service of process complying with section 80A.88 signed by the issuer not later than 15
21.10 days after the first sale of the federal covered security in this state.

21.11 (4) **Stop orders.** Except with respect to a federal security under Section 18(b)(1) of the
21.12 Securities Act of 1933 (15 U.S.C. Section 77r(b)(1)), if the administrator finds that there is
21.13 a failure to comply with a notice or fee requirement of this section, the administrator may
21.14 issue a stop order suspending the offer and sale of a federal covered security in this state.
21.15 If the deficiency is corrected, the stop order is void as of the time of its issuance and no
21.16 penalty may be imposed by the administrator.

21.17 (b) **Small corporation offering registration.**

21.18 (1) **Registration required.** A security meeting the conditions set forth in this section
21.19 may be registered as set forth in this section.

21.20 (2) **Availability.** Registration under this section is available only to the issuer of securities
21.21 and not to an affiliate of the issuer or to any other person for resale of the issuer's securities.
21.22 The issuer must be organized under the laws of one of the states or possessions of the United
21.23 States. The securities offered must be exempt from registration under the Securities Act of
21.24 1933 pursuant to Rule 504 of Regulation D (15 U.S.C. Section 77c).

21.25 (3) **Disqualification.** Registration under this section is not available to any of the
21.26 following issuers:

21.27 (A) an issuer subject to the reporting requirements of Section 13 or 15(d) of the Securities
21.28 Exchange Act of 1934;

21.29 (B) an investment company;

21.30 (C) a development stage company that either has no specific business plan or purpose
21.31 or has indicated that its business plan is to engage in a merger or acquisition with an
21.32 unidentified company or companies or other entity or person;

22.1 (D) an issuer if the issuer or any of its predecessors, officers, directors, governors,
22.2 partners, ten percent stock or equity holders, promoters, or any selling agents of the securities
22.3 to be offered, or any officer, director, governor, or partner of the selling agent:

22.4 (i) has filed a registration statement that is the subject of a currently effective registration
22.5 stop order entered under a federal or state securities law within five years before the filing
22.6 of the small corporate offering registration application;

22.7 (ii) has been convicted within five years before the filing of the small corporate offering
22.8 registration application of a felony or misdemeanor in connection with the offer, purchase,
22.9 or sale of a security or a felony involving fraud or deceit, including, but not limited to,
22.10 forgery, embezzlement, obtaining money under false pretenses, larceny, or conspiracy to
22.11 defraud;

22.12 (iii) is currently subject to a state administrative enforcement order or judgment entered
22.13 by a state securities administrator or the Securities and Exchange Commission within five
22.14 years before the filing of the small corporate offering registration application, or is subject
22.15 to a federal or state administrative enforcement order or judgment in which fraud or deceit,
22.16 including, but not limited to, making untrue statements of material facts or omitting to state
22.17 material facts, was found and the order or judgment was entered within five years before
22.18 the filing of the small corporate offering registration application;

22.19 (iv) is currently subject to an order, judgment, or decree of a court of competent
22.20 jurisdiction temporarily restraining or enjoining, or is subject to an order, judgment, or
22.21 decree of a court of competent jurisdiction permanently restraining or enjoining the party
22.22 from engaging in or continuing any conduct or practice in connection with the purchase or
22.23 sale of any security or involving the making of a false filing with a state or with the Securities
22.24 and Exchange Commission entered within five years before the filing of the small corporate
22.25 offering registration application; or

22.26 (v) is subject to a state's administrative enforcement order, or judgment that prohibits,
22.27 denies, or revokes the use of an exemption for registration in connection with the offer,
22.28 purchase, or sale of securities,

22.29 (I) except that clauses (i) to (iv) do not apply if the person subject to the disqualification
22.30 is duly licensed or registered to conduct securities-related business in the state in which the
22.31 administrative order or judgment was entered against the person or if the dealer employing
22.32 the party is licensed or registered in this state and the form BD filed in this state discloses
22.33 the order, conviction, judgment, or decree relating to the person, and

23.1 (II) except that the disqualification under this subdivision is automatically waived if the
23.2 state securities administrator or federal agency that created the basis for disqualification
23.3 determines upon a showing of good cause that it is not necessary under the circumstances
23.4 to deny the registration.

23.5 (4) **Filing and effectiveness of registration statement.** A small corporate offering
23.6 registration statement must be filed with the administrator. If no stop order is in effect and
23.7 no proceeding is pending under section 80A.54, such registration statement shall become
23.8 effective automatically at the close of business on the 20th day after filing of the registration
23.9 statement or the last amendment of the registration statement or at such earlier time as the
23.10 administrator may designate by rule or order. For the purposes of a nonissuer transaction,
23.11 other than by an affiliate of the issuer, all outstanding securities of the same class identified
23.12 in the small corporate offering registration statement as a security registered under this
23.13 chapter are considered to be registered while the small corporate offering registration
23.14 statement is effective. A small corporate offering registration statement is effective for one
23.15 year after its effective date or for any longer period designated in an order under this chapter.
23.16 A small corporate offering registration statement may be withdrawn only with the approval
23.17 of the administrator.

23.18 (5) **Contents of registration statement.** A small corporate offering registration statement
23.19 under this section shall be on Form U-7, including exhibits required by the instructions
23.20 thereto, as adopted by the North American Securities Administrators Association, or such
23.21 alternative form as may be designated by the administrator by rule or order and must include:

23.22 (A) a consent to service of process complying with section 80A.88;

23.23 (B) a statement of the type and amount of securities to be offered and the amount of
23.24 securities to be offered in this state;

23.25 (C) a specimen or copy of the security being registered, unless the security is
23.26 uncertificated, a copy of the issuer's articles of incorporation and bylaws or their substantial
23.27 equivalents in effect, and a copy of any indenture or other instrument covering the security
23.28 to be registered;

23.29 (D) a signed or conformed copy of an opinion of counsel concerning the legality of the
23.30 securities being registered which states whether the securities, when sold, will be validly
23.31 issued, fully paid, and nonassessable and, if debt securities, binding obligations of the issuer;

23.32 (E) the states (i) in which the securities are proposed to be offered; (ii) in which a
23.33 registration statement or similar filing has been made in connection with the offering
23.34 including information as to effectiveness of each such filing; and (iii) in which a stop order

24.1 or similar proceeding has been entered or in which proceedings or actions seeking such an
 24.2 order are pending;

24.3 (F) a copy of the offering document proposed to be delivered to offerees; and

24.4 (G) a copy of any other pamphlet, circular, form letter, advertisement, or other sales
 24.5 literature intended as of the effective date to be used in connection with the offering and
 24.6 any solicitation of interest used in compliance with section 80A.46(17)(B).

24.7 (6) **Copy to purchaser.** A copy of the offering document as filed with the administrator
 24.8 must be delivered to each person purchasing the securities prior to sale of the securities to
 24.9 such person.

24.10 (c) **Offering limit.** Offers and sales of securities under a small corporate offering
 24.11 registration as set forth in this section are allowed up to the limit prescribed by Code of
 24.12 Federal Regulations, title 17, part 230.504(b)(2), as amended.

24.13 Sec. 21. Minnesota Statutes 2022, section 103G.291, subdivision 4, is amended to read:

24.14 Subd. 4. **Demand reduction measures.** (a) For the purposes of this section, "demand
 24.15 reduction measures" means measures that reduce water demand, water losses, peak water
 24.16 demands, and nonessential water uses. Demand reduction measures must include a
 24.17 conservation rate structure, or a uniform rate structure with a conservation program that
 24.18 achieves demand reduction. A "conservation rate structure" means a rate structure that
 24.19 encourages conservation and may include increasing block rates, seasonal rates, time of use
 24.20 rates, individualized goal rates, or excess use rates. If a conservation rate is applied to
 24.21 multifamily dwellings or a manufactured home park, as defined in section 327C.015,
 24.22 subdivision 8, the rate structure must consider each residential unit as an individual user.

24.23 (b) To encourage conservation, a public water supplier serving more than 1,000 people
 24.24 must implement demand reduction measures by January 1, 2015.

24.25 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to a billing
 24.26 period that begins on or after that date.

24.27 Sec. 22. Minnesota Statutes 2022, section 237.066, is amended to read:

24.28 **237.066 STATE GOVERNMENT PRICING PLANS.**

24.29 Subdivision 1. **Purpose.** A state government or Tribal government telecommunications
 24.30 pricing plan is authorized and found to be in the public interest as it will:

25.1 (1) provide and ensure availability of high-quality, technologically advanced
 25.2 telecommunications services at a reasonable cost to the state or Tribal government; and
 25.3 (2) further the state telecommunications goals as set forth in section 237.011.

25.4 Subd. 2. **Program participation.** A state government or Tribal government
 25.5 telecommunications pricing plan may be available to serve individually or collectively:
 25.6 state agencies; Tribal governments; educational institutions, including public schools and
 25.7 Tribal schools complying with section 120A.05, subdivision 9, 11, 13, or 17, and nonpublic
 25.8 schools complying with sections 120A.22, 120A.24, and 120A.41; private colleges; public
 25.9 corporations; and political subdivisions of the state or a Tribal nation. Plans shall be available
 25.10 to carry out the commissioner of administration's duties under sections 16E.17 and 16E.18
 25.11 and shall also be available to those entities not using the commissioner for contracting for
 25.12 telecommunications services.

25.13 Subd. 3. **Rates.** Notwithstanding section 237.09, 237.14, 237.60, subdivision 3, or
 25.14 237.74, a telephone company or a telecommunications carrier may, individually or in
 25.15 cooperation with other telephone companies or telecommunications carriers, develop and
 25.16 offer basic or advanced telecommunications services at discounted or reduced rates as a
 25.17 state government or Tribal government telecommunications pricing plan. Any
 25.18 telecommunications services provided under any state government or Tribal government
 25.19 telecommunications pricing plan shall be used exclusively by ~~those~~ the entities described
 25.20 in subdivision 2 subject to the plan solely for ~~their~~ the entities' own use and shall not be
 25.21 made available to any other entities by resale, sublease, or in any other way.

25.22 Subd. 4. **Applicability to other customers.** A telephone company or telecommunications
 25.23 carrier providing telecommunications services under a state government or Tribal government
 25.24 telecommunications pricing plan is not required to provide any other person or entity those
 25.25 services at the rates made available to the state or Tribal government.

25.26 Subd. 5. **Commission review.** (a) The terms and conditions of any state government or
 25.27 Tribal government telecommunications pricing plan must be submitted to the commission
 25.28 for ~~its~~ review and approval within 90 days before implementation to:

25.29 (1) ensure that the terms and conditions benefit the state or Tribal nation and not any
 25.30 private entity;

25.31 (2) ensure that the rates for any telecommunications service in any state government or
 25.32 Tribal government telecommunications pricing plan are at or below any applicable tariffed
 25.33 rates; and

26.1 (3) ensure that the state telecommunications or Tribal government pricing plan meets
 26.2 the requirements of this section and is in the public interest.

26.3 (b) The commission shall reject any state government or Tribal government
 26.4 telecommunications pricing plan that does not meet ~~these~~ the criteria in paragraph (a).

26.5 Sec. 23. Minnesota Statutes 2022, section 325D.01, subdivision 5, is amended to read:

26.6 Subd. 5. **Cost.** The term "cost," as applied to the wholesale or retail vendor, means:

26.7 (1) the actual current delivered invoice or replacement cost, whichever is lower, without
 26.8 deducting customary cash discounts, plus any excise or sales taxes imposed on such
 26.9 commodity, goods, wares or merchandise subsequent to the purchase thereof and prior to
 26.10 the resale thereof, plus the cost of doing business at that location by the vendor; and

26.11 (2) where a manufacturer publishes a list price and discounts, in determining such "cost"
 26.12 the manufacturer's published list price then currently in effect, less the published trade
 26.13 discount but without deducting the customary cash discount, plus any excise or sales taxes
 26.14 imposed on such commodity, goods, wares or merchandise subsequent to the purchase
 26.15 thereof and prior to the resale thereof, plus the cost of doing business by the vendor shall
 26.16 be prima facie evidence of "cost";

26.17 ~~(3) for purposes of gasoline offered for sale by way of posted price or indicating meter~~
 26.18 ~~by a retailer, at a retail location where gasoline is dispensed into passenger automobiles and~~
 26.19 ~~trucks by the consumer, "cost" means the average terminal price on the day, at the terminal~~
 26.20 ~~from which the most recent supply of gasoline delivered to the retail location was acquired,~~
 26.21 ~~plus all applicable state and federal excise taxes and fees, plus the lesser of six percent or~~
 26.22 ~~eight cents.~~

26.23 Sec. 24. Minnesota Statutes 2022, section 325E.31, is amended to read:

26.24 **325E.31 REMEDIES.**

26.25 (a) A person who is found to have violated sections 325E.27 to 325E.30 is subject to
 26.26 the penalties and remedies, including a private right of action to recover damages, as provided
 26.27 in section 8.31.

26.28 (b) In addition to the penalties and remedies under paragraph (a), the attorney general
 26.29 is entitled to sue for and recover on behalf of the state a civil penalty from a person found
 26.30 to have violated sections 325E.27 to 325E.30. The court must determine the civil penalty
 26.31 amount, which must not exceed \$100,000.

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

27.2 Sec. 25. **[325E.67] POST-LOSS ASSIGNMENT OF BENEFITS.**

27.3 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision
 27.4 have the meanings given.

27.5 (b) "Residential contractor" means a residential roofer, as defined in section 326B.802,
 27.6 subdivision 14; a residential building contractor, as defined in section 326B.802, subdivision
 27.7 11; or a residential remodeler, as defined in section 326B.802, subdivision 12.

27.8 (c) "Residential real estate" means a new or existing building, including appurtenant
 27.9 structures, constructed for habitation by at least one family but no more than four families.

27.10 Subd. 2. **Post-loss assignment.** A post-loss assignment of rights or benefits to a residential
 27.11 contractor under a property and casualty insurance policy insuring residential real estate
 27.12 must comply with the following:

27.13 (1) the assignment must only authorize a residential contractor to be named as a copayee
 27.14 for the payment of benefits under a property and casualty insurance policy covering
 27.15 residential real estate;

27.16 (2) the assignment must include all of the following:

27.17 (i) an itemized description of the work to be performed;

27.18 (ii) an itemized description of materials, labor, and fees for the work to be performed;

27.19 and

27.20 (iii) a total itemized amount to be paid for the work to be performed;

27.21 (3) the assignment must include a statement that the residential contractor has made no
 27.22 assurances that the claimed loss is fully covered by an insurance contract and must include
 27.23 the following notice in capitalized 14-point type:

27.24 "YOU ARE AGREEING TO ASSIGN CERTAIN RIGHTS YOU HAVE UNDER
 27.25 YOUR INSURANCE POLICY. THE ITEMIZED DESCRIPTION OF THE WORK
 27.26 PERFORMED, AS SET FORTH IN THIS ASSIGNMENT FORM, HAS NOT BEEN
 27.27 AGREED TO BY THE INSURER. PLEASE READ AND UNDERSTAND THIS
 27.28 DOCUMENT BEFORE SIGNING. THE INSURER MAY ONLY PAY FOR THE
 27.29 REASONABLE COST TO REPAIR OR REPLACE DAMAGED PROPERTY CAUSED
 27.30 BY A COVERED PERIL, SUBJECT TO THE TERMS OF THE POLICY.";

28.1 (4) the named insured has the right to cancel the assignment within ten business days
28.2 after receipt of the scope of work by the insurance company. The cancellation must be made
28.3 in writing or a comparable digital format. Within ten business days of the date of the written
28.4 cancellation, the residential contractor must tender to the named insured, the landowner, or
28.5 the possessor of the real estate any payments, partial payments, or deposits that have been
28.6 made by that person;

28.7 (5) the assignment must include the following notice in capitalized 14-point type, located
28.8 in the immediate proximity of the space reserved in the assignment for the signature of the
28.9 named insured:

28.10 "YOU MAY CANCEL THIS ASSIGNMENT WITHOUT PENALTY WITHIN TEN
28.11 (10) BUSINESS DAYS FROM THE LATER OF THE DATE THE ASSIGNMENT IS
28.12 EXECUTED OR THE DATE ON WHICH YOU RECEIVE A COPY OF THE EXECUTED
28.13 ASSIGNMENT. YOU MUST CANCEL THE ASSIGNMENT IN WRITING AND THE
28.14 CANCELLATION MUST BE DELIVERED TO [insert the name and address of residential
28.15 contractor as provided by the residential contractor]. IF MAILED, THE CANCELLATION
28.16 MUST BE POSTMARKED ON OR BEFORE THE TEN (10) BUSINESS DAY
28.17 DEADLINE. IF YOU CANCEL THIS ASSIGNMENT, THE RESIDENTIAL
28.18 CONTRACTOR HAS UP TO TEN (10) BUSINESS DAYS TO RETURN ANY
28.19 PAYMENTS OR DEPOSITS YOU HAVE MADE.";

28.20 (6) the assignment must not impair the interests of a mortgagee or other parties with any
28.21 legal interests listed on the declarations page of the property and casualty insurance policy
28.22 that is the subject of the assignment; and

28.23 (7) the assignment must not prevent or inhibit an insurer from communicating with the
28.24 named insured or mortgagee listed on the declarations page of the property and casualty
28.25 insurance policy that is the subject of the assignment.

28.26 Subd. 3. **Other requirements.** A residential contractor receiving the assignment described
28.27 in subdivision 2 must:

28.28 (1) deliver a copy of the assignment to the insurer of the residential real estate within
28.29 five business days of the date the assignment is executed;

28.30 (2) cooperate with the insurer of the residential real estate in an investigation into the
28.31 claim by providing documents and records requested by the insurer and complying with the
28.32 post-loss duties under the insurance policy; and

28.33 (3) comply with section 325E.66.

29.1 Subd. 4. **Certain assignments void.** A post-loss assignment of benefits entered into
29.2 with a residential contractor that violates any provision of the federal Insured Homeowner's
29.3 Protection Act of 1998, Public Law 105-216, as amended, is void.

29.4 Sec. 26. [325E.72] DIGITAL FAIR REPAIR.

29.5 Subdivision 1. **Short title.** This act may be cited as the "Digital Fair Repair Act."

29.6 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
29.7 meanings given them.

29.8 (b) "Authorized repair provider" means an individual or business who is unaffiliated
29.9 with an original equipment manufacturer and who has: (1) an arrangement with the original
29.10 equipment manufacturer, for a definite or indefinite period, under which the original
29.11 equipment manufacturer grants to the individual or business a license to use a trade name,
29.12 service mark, or other proprietary identifier to offer diagnostic, maintenance, or repair
29.13 services for digital electronic equipment under the name of the original equipment
29.14 manufacturer; or (2) an arrangement with the original equipment manufacturer to offer
29.15 diagnostic, maintenance, or repair services for digital electronic equipment on behalf of the
29.16 original equipment manufacturer. An original equipment manufacturer that offers diagnostic,
29.17 maintenance, or repair services for the original equipment manufacturer's digital electronic
29.18 equipment is considered an authorized repair provider with respect to the digital electronic
29.19 equipment if the original equipment manufacturer does not have an arrangement described
29.20 in this paragraph with an unaffiliated individual or business.

29.21 (c) "Digital electronic equipment" or "equipment" means any product that depends, in
29.22 whole or in part, on digital electronics embedded in or attached to the product in order for
29.23 the product to function.

29.24 (d) "Documentation" means a manual, diagram, reporting output, service code description,
29.25 schematic diagram, or similar information provided to an authorized repair provider to
29.26 facilitate diagnostic, maintenance, or repair services for digital electronic equipment.

29.27 (e) "Embedded software" means any programmable instructions provided on firmware
29.28 delivered with digital electronic equipment, or with a part for the equipment, in order to
29.29 operate the equipment. Embedded software includes all relevant patches and fixes made by
29.30 the manufacturer of the equipment or part in order to operate the equipment.

29.31 (f) "Fair and reasonable terms" means, with respect to:

29.32 (1) parts offered by an original equipment manufacturer:

30.1 (i) costs that are fair to both parties, considering the agreed-upon conditions, promised
30.2 quality, and timeliness of delivery; and

30.3 (ii) terms that do not impose on an owner or an independent repair provider:

30.4 (A) a substantial obligation to use or restrict the use of the part to diagnose, maintain,
30.5 or repair agricultural equipment sold, leased, or otherwise supplied by the original equipment
30.6 manufacturer, including a condition that the owner or independent repair provider become
30.7 an authorized repair provider of the original equipment manufacturer; or

30.8 (B) a requirement that a part be registered, paired with, or approved by the original
30.9 equipment manufacturer or an authorized repair provider before the part is operational or
30.10 prohibit an original equipment manufacturer from imposing any additional cost or burden
30.11 that is not reasonably necessary or is designed to be an impediment on the owner or
30.12 independent repair provider;

30.13 (2) tools, software, and documentation offered by an original equipment manufacturer:

30.14 (i) costs that are equivalent to the lowest actual cost for which the original equipment
30.15 manufacturer offers the tool, software, or documentation to an authorized repair provider,
30.16 including any discount, rebate, or other financial incentive offered to an authorized repair
30.17 provider; and

30.18 (ii) terms that are equivalent to the most favorable terms under which an original
30.19 equipment manufacturer offers the tool, software, or documentation to an authorized repair
30.20 provider, including the methods and timeliness of delivery of the tool, software, or
30.21 documentation, do not impose on an owner or an independent repair provider:

30.22 (A) a substantial obligation to use or restrict the use of the tool, software, or
30.23 documentation to diagnose, maintain, or repair agricultural equipment sold, leased, or
30.24 otherwise supplied by the original equipment manufacturer, including a condition that the
30.25 owner or independent repair provider become an authorized repair provider of the original
30.26 equipment manufacturer; or

30.27 (B) a requirement that a tool be registered, paired with, or approved by the original
30.28 equipment manufacturer or an authorized repair provider before the part or tool is operational;
30.29 and

30.30 (3) documentation offered by an original equipment manufacturer: that the documentation
30.31 is made available by the original equipment manufacturer at no charge, except that when
30.32 the documentation is requested in physical printed form, a charge may be included for the
30.33 reasonable actual costs of preparing and sending the copy.

31.1 (g) "Firmware" means a software program or set of instructions programmed on digital
31.2 electronic equipment, or on a part of the equipment, in order to allow the equipment or part
31.3 to communicate with other computer hardware.

31.4 (h) "Independent repair provider" means an individual or business operating in Minnesota
31.5 that: (1) does not have an arrangement described in paragraph (b) with an original equipment
31.6 manufacturer; (2) is not affiliated with any individual or business that has an arrangement
31.7 described in paragraph (b); and (3) is engaged in providing diagnostic, maintenance, or
31.8 repair services for digital electronic equipment. An original equipment manufacturer or,
31.9 with respect to the original equipment manufacturer, an individual or business that has an
31.10 arrangement with the original equipment manufacturer or is affiliated with an individual or
31.11 business that has an arrangement with that original equipment manufacturer, is considered
31.12 an independent repair provider for purposes of the instances the original equipment
31.13 manufacturer engages in diagnostic, maintenance, or repair services for digital electronic
31.14 equipment that is not manufactured by or sold under the name of the original equipment
31.15 manufacturer.

31.16 (i) "Manufacturer of motor vehicle equipment" means a business engaged in the business
31.17 of manufacturing or supplying components used to manufacture, maintain, or repair a motor
31.18 vehicle.

31.19 (j) "Motor vehicle" means a vehicle that is: (1) designed to transport persons or property
31.20 on a street or highway; and (2) certified by the manufacturer under (i) all applicable federal
31.21 safety and emissions standards, and (ii) all requirements for distribution and sale in the
31.22 United States. Motor vehicle does not include a motorcycle, a recreational vehicle, or an
31.23 auto home equipped for habitation.

31.24 (k) "Motor vehicle dealer" means an individual or business that, in the ordinary course
31.25 of business: (1) is engaged in the business of selling or leasing new motor vehicles to an
31.26 individual or business pursuant to a franchise agreement; (2) has obtained a license under
31.27 section 168.27; and (3) is engaged in providing diagnostic, maintenance, or repair services
31.28 for motor vehicles or motor vehicle engines pursuant to a franchise agreement.

31.29 (l) "Motor vehicle manufacturer" means a business engaged in the business of
31.30 manufacturing or assembling new motor vehicles.

31.31 (m) "Original equipment manufacturer" means a business engaged in the business of
31.32 selling or leasing to any individual or business new digital electronic equipment manufactured
31.33 by or on behalf of the original equipment manufacturer.

32.1 (n) "Owner" means an individual or business that owns or leases digital electronic
32.2 equipment purchased or used in Minnesota.

32.3 (o) "Part" means any replacement part, either new or used, made available by an original
32.4 equipment manufacturer to facilitate the maintenance or repair of digital electronic equipment
32.5 manufactured or sold by the original equipment manufacturer.

32.6 (p) "Trade secret" has the meaning given in section 325C.01, subdivision 5.

32.7 Subd. 3. **Requirements.** (a) For digital electronic equipment and parts for the equipment
32.8 sold or used in Minnesota, an original equipment manufacturer must make available to any
32.9 independent repair provider or to the owner of digital electronic equipment manufactured
32.10 by or on behalf of, or sold by, the original equipment manufacturer, on fair and reasonable
32.11 terms, documentation, parts, and tools, inclusive of any updates to information or embedded
32.12 software, for diagnostic, maintenance, or repair purposes. Nothing in this section requires
32.13 an original equipment manufacturer to make available a part if the part is no longer available
32.14 to the original equipment manufacturer.

32.15 (b) For equipment that contains an electronic security lock or other security-related
32.16 function, the original equipment manufacturer must make available to the owner and to
32.17 independent repair providers, on fair and reasonable terms, any special documentation,
32.18 tools, and parts needed to reset the lock or function when disabled in the course of performing
32.19 diagnostic, maintenance, or repair services on the equipment. Documentation, tools, and
32.20 parts may be made available through appropriate secure release systems.

32.21 Subd. 4. **Enforcement by attorney general.** A violation of this section is an unlawful
32.22 practice under section 325D.44. All remedies, penalties, and authority granted to the attorney
32.23 general under chapter 8 are available to the attorney general to enforce this section.

32.24 Subd. 5. **Limitations.** (a) Nothing in this section requires an original equipment
32.25 manufacturer to divulge a trade secret to an owner or an independent service provider,
32.26 except as necessary to provide documentation, parts, and tools on fair and reasonable terms.

32.27 (b) Nothing in this section alters the terms of any arrangement described in subdivision
32.28 2, paragraph (b), including but not limited to the performance or provision of warranty or
32.29 recall repair work by an authorized repair provider on behalf of an original equipment
32.30 manufacturer pursuant to the arrangement, in force between an authorized repair provider
32.31 and an original equipment manufacturer. A provision in the terms of an arrangement
32.32 described in subdivision 2, paragraph (b), that purports to waive, avoid, restrict, or limit the
32.33 original equipment manufacturer's obligations to comply with this section is void and
32.34 unenforceable.

33.1 (c) Nothing in this section requires an original equipment manufacturer or an authorized
33.2 repair provider to provide to an owner or independent repair provider access to information,
33.3 other than documentation, that is provided by the original equipment manufacturer to an
33.4 authorized repair provider pursuant to the terms of an arrangement described in subdivision
33.5 2, paragraph (b).

33.6 (d) Nothing in this section requires an original equipment manufacturer or authorized
33.7 repair provider to make available any parts, tools, or documentation for the purpose of
33.8 making modifications to any digital electronic equipment.

33.9 Subd. 6. **Exclusions.** (a) Nothing in this section applies to: (1) a motor vehicle
33.10 manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in
33.11 that capacity; or (2) any product or service of a motor vehicle manufacturer, manufacturer
33.12 of motor vehicle equipment, or motor vehicle dealer acting in that capacity.

33.13 (b) Nothing in this section applies to manufacturers or distributors of a medical device
33.14 as defined in the Federal Food, Drug, and Cosmetic Act, codified at United States Code,
33.15 title 21, section 301 et seq., or a digital electronic product or software manufactured for use
33.16 in a medical setting, including diagnostic, monitoring, or control equipment or any product
33.17 or service that the manufacturer or distributor of a medical device offers.

33.18 (c) Nothing in this section applies to manufacturers, distributors, importers, or dealers
33.19 of any off-road or nonroad equipment, including without limitation farm and utility tractors;
33.20 farm implements; farm machinery; forestry equipment; industrial equipment; utility
33.21 equipment; construction equipment; compact construction equipment; road-building
33.22 equipment; mining equipment; turf, yard, and garden equipment; outdoor power equipment;
33.23 portable generators; marine, all-terrain sports, and recreational vehicles, including without
33.24 limitation racing vehicles; stand-alone or integrated stationary or mobile internal combustion
33.25 engines; other power sources, including without limitation generator sets and electric, battery,
33.26 and fuel cell power; power tools; and any tools, technology, attachments, accessories,
33.27 components, and repair parts for any of the foregoing.

33.28 Subd. 7. **Applicability.** This section applies to equipment sold or in use on or after
33.29 January 1, 2024.

33.30 **EFFECTIVE DATE.** This section is effective January 1, 2024.

34.1 Sec. 27. [325E.80] ABNORMAL MARKET DISRUPTIONS; UNCONSCIONABLY
 34.2 EXCESSIVE PRICES.

34.3 Subdivision 1. Definitions. (a) For purposes of this section, the terms in this subdivision
 34.4 have the meanings given.

34.5 (b) "Essential consumer good or service" means a good or service that is vital for the
 34.6 health, safety, or welfare of the public, including without limitation: food; water; fuel;
 34.7 gasoline; shelter; transportation; health care services; pharmaceuticals; and medical, personal
 34.8 hygiene, sanitation, and cleaning supplies.

34.9 (c) "Seller" means a manufacturer, supplier, wholesaler, distributor, or retail seller of
 34.10 goods and services.

34.11 (d) "Unconscionably excessive price" means a price that represents a gross disparity
 34.12 compared to the seller's average price of an essential good or service, offered for sale or
 34.13 sold in the usual course of business, in the 60-day period before an abnormal market
 34.14 disruption is declared under subdivision 2. None of the following is an unconscionably
 34.15 excessive price:

34.16 (1) a price that is substantially related to an increase in the cost of manufacturing,
 34.17 obtaining, replacing, providing, or selling a good or service;

34.18 (2) a price that is no more than 25 percent above the seller's average price during the
 34.19 60-day period before an abnormal market disruption is declared under subdivision 2;

34.20 (3) a price that is consistent with the fluctuations in applicable commodity markets or
 34.21 seasonal fluctuations; or

34.22 (4) a contract price, or the results of a price formula, that was established before an
 34.23 abnormal market disruption is declared under subdivision 2.

34.24 Subd. 2. Abnormal market disruption. (a) The governor may by executive order declare
 34.25 an abnormal market disruption if there is a substantial and atypical change in the market
 34.26 for an essential consumer good or service caused by an event that results in a declaration
 34.27 of a state of emergency by the governor.

34.28 (b) The governor's abnormal market disruption declaration must state that the declaration
 34.29 is activating this section and must specify the geographic area of Minnesota to which the
 34.30 declaration applies.

34.31 (c) A declaration under this subdivision terminates 30 days after the date that the state
 34.32 of emergency for which it was activated ends.

35.1 Subd. 3. **Notice.** Upon the implementation, renewal, limitation, or termination of an
 35.2 abnormal market disruption declaration made under subdivision 2: (1) the governor must
 35.3 immediately post notice on applicable government websites and provide notice to the media;
 35.4 and (2) the commissioner of commerce must provide notice directly to sellers by any practical
 35.5 means.

35.6 Subd. 4. **Prohibition.** If the governor declares an abnormal market disruption, a person
 35.7 is prohibited from selling or offering to sell an essential consumer good or service for an
 35.8 amount that represents an unconscionably excessive price during the period in which the
 35.9 abnormal market disruption declaration is effective.

35.10 Subd. 5. **Civil penalty.** A person who is found to have violated this section is subject
 35.11 to a civil penalty of not more than \$1,000 per sale or transaction, with a maximum penalty
 35.12 of \$25,000 per day, in addition to any damages that may be owed under subdivision 7.

35.13 Subd. 6. **Enforcement authority.** The attorney general may investigate and bring an
 35.14 action against a seller for an alleged violation of this section. If the attorney general
 35.15 investigates a violation of this section, the attorney general must: (1) promptly notify the
 35.16 seller that they are the subject of an investigation; and (2) notify the seller when the
 35.17 investigation closes. A notice issued by the attorney general notifying the seller that an
 35.18 investigation has closed is not a determination on the merits of an investigation.

35.19 Subd. 7. **Damages.** Any person, any governmental body, or the state of Minnesota or
 35.20 any of its subdivisions or agencies, injured directly or indirectly by a violation of this section
 35.21 may bring a civil action and may recover up to three times the actual damages sustained.
 35.22 In any subsequent action arising from the same conduct, the court may take any steps
 35.23 necessary to avoid duplicative recovery against a defendant. In any action brought by the
 35.24 attorney general pursuant to this section, the court may award any of the remedies allowable
 35.25 under this subdivision or otherwise permitted by law.

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

35.27 Sec. 28. Minnesota Statutes 2022, section 325F.662, subdivision 2, is amended to read:

35.28 Subd. 2. **Written warranty required.** (a) Every used motor vehicle sold by a dealer is
 35.29 covered by an express warranty which the dealer shall provide to the consumer in writing.
 35.30 At a minimum, the express warranty applies for the following terms:

35.31 (1) if the used motor vehicle has less than 36,000 miles, the warranty must remain in
 35.32 effect for at least 60 days or 2,500 miles, whichever comes first;

36.1 (2) if the used motor vehicle has 36,000 miles or more, but less than 75,000 miles, the
36.2 warranty must remain in effect for at least 30 days or 1,000 miles, whichever comes first;
36.3 and

36.4 (3) unless the vehicle is sold by a new motor vehicle dealer, as defined in section 168.27,
36.5 subdivision 2, if the used motor vehicle has 75,000 miles or more, the warranty must remain
36.6 in effect for at least 15 days or 500 miles, whichever comes first.

36.7 (b) The express warranty must require the dealer, in the event of a malfunction, defect,
36.8 or failure in a covered part, to repair or replace the covered part, or at the dealer's election,
36.9 to accept return of the used motor vehicle from the consumer and provide a refund to the
36.10 consumer.

36.11 (c) For used motor vehicles with less than 36,000 miles, the dealer's express warranty
36.12 shall cover, at minimum, the following parts:

36.13 (1) with respect to the engine, all lubricated parts, intake manifolds, engine block, cylinder
36.14 head, rotary engine housings, and ring gear;

36.15 (2) with respect to the transmission, the automatic transmission case, internal parts, and
36.16 the torque converter; or, the manual transmission case, and the internal parts;

36.17 (3) with respect to the drive axle, the axle housings and internal parts, axle shafts, drive
36.18 shafts and output shafts, and universal joints; but excluding the secondary drive axle on
36.19 vehicles, other than passenger vans, mounted on a truck chassis;

36.20 (4) with respect to the brakes, the master cylinder, vacuum assist booster, wheel cylinders,
36.21 hydraulic lines and fittings, and disc brakes calipers;

36.22 (5) with respect to the steering, the steering gear housing and all internal parts, power
36.23 steering pump, valve body, piston, and rack;

36.24 (6) the water pump;

36.25 (7) the externally mounted mechanical fuel pump;

36.26 (8) the radiator;

36.27 (9) the alternator, generator, and starter.

36.28 (d) For used motor vehicles with 36,000 miles or more, ~~but less than 75,000 miles,~~ the
36.29 dealer's express warranty shall cover, at minimum, the following parts:

36.30 (1) with respect to the engine, all lubricated parts, intake manifolds, engine block, cylinder
36.31 head, rotary engine housings, and ring gear;

37.1 (2) with respect to the transmission, the automatic transmission case, internal parts, and
37.2 the torque converter; or, the manual transmission case, and internal parts;

37.3 (3) with respect to the drive axle, the axle housings and internal parts, axle shafts, drive
37.4 shafts and output shafts, and universal joints; but excluding the secondary drive axle on
37.5 vehicles, other than passenger vans, mounted on a truck chassis;

37.6 (4) with respect to the brakes, the master cylinder, vacuum assist booster, wheel cylinders,
37.7 hydraulic lines and fittings, and disc brake calipers;

37.8 (5) with respect to the steering, the steering gear housing and all internal parts, power
37.9 steering pump, valve body, and piston;

37.10 (6) the water pump;

37.11 (7) the externally mounted mechanical fuel pump.

37.12 (e)(1) A dealer's obligations under the express warranty remain in effect notwithstanding
37.13 the fact that the warranty period has expired, if the consumer promptly notified the dealer
37.14 of the malfunction, defect, or failure in the covered part within the specified warranty period
37.15 and, within a reasonable time after notification, brings the vehicle or arranges with the dealer
37.16 to have the vehicle brought to the dealer for inspection and repair.

37.17 (2) If a dealer does not have a repair facility, the dealer shall designate where the vehicle
37.18 must be taken for inspection and repair.

37.19 (3) In the event the malfunction, defect, or failure in the covered part occurs at a location
37.20 which makes it impossible or unreasonable to return the vehicle to the selling dealer, the
37.21 consumer may have the repairs completed elsewhere with the consent of the selling dealer,
37.22 which consent may not be unreasonably withheld.

37.23 (4) Notwithstanding the provisions of this paragraph, a consumer may have nonwarranty
37.24 maintenance and nonwarranty repairs performed other than by the selling dealer and without
37.25 the selling dealer's consent.

37.26 (f) Nothing in this section diminishes the obligations of a manufacturer under an express
37.27 warranty issued by the manufacturer. The express warranties created by this section do not
37.28 require a dealer to repair or replace a covered part if the repair or replacement is covered
37.29 by a manufacturer's new car warranty, or the manufacturer otherwise agrees to repair or
37.30 replace the part.

38.1 (g) The express warranties created by this section do not cover defects or repair problems
38.2 which result from collision, abuse, negligence, or lack of adequate maintenance following
38.3 sale to the consumer.

38.4 (h) The terms of the express warranty, including the duration of the warranty and the
38.5 parts covered, must be fully, accurately, and conspicuously disclosed by the dealer on the
38.6 front of the Buyers Guide.

38.7 Sec. 29. Minnesota Statutes 2022, section 325F.662, subdivision 3, is amended to read:

38.8 Subd. 3. **Exclusions.** Notwithstanding the provisions of subdivision 2, a dealer is not
38.9 required to provide an express warranty for a used motor vehicle:

38.10 (1) except for a used motor vehicle described in subdivision 2, paragraph (a), clause (3),
38.11 sold for a total cash sale price of less than \$3,000, including the trade-in value of any vehicle
38.12 traded in by the consumer, but excluding tax, license fees, registration fees, and finance
38.13 charges;

38.14 (2) with an engine designed to use diesel fuel;

38.15 (3) with a gross weight, as defined in section 168.002, subdivision 13, in excess of 9,000
38.16 pounds;

38.17 (4) that has been custom-built or modified for show or for racing;

38.18 (5) except for a used motor vehicle described in subdivision 2, paragraph (a), clause (3),
38.19 that is eight years of age or older, as calculated from the first day in January of the designated
38.20 model year of the vehicle;

38.21 (6) that has been produced by a manufacturer which has never manufactured more than
38.22 10,000 motor vehicles in any one year;

38.23 ~~(7) that has 75,000 miles or more at time of sale;~~

38.24 ~~(8)~~ (7) that has not been manufactured in compliance with applicable federal emission
38.25 standards in force at the time of manufacture as provided by the Clean Air Act, United
38.26 States Code, title 42, sections 7401 through 7642, and regulations adopted pursuant thereto,
38.27 and safety standards as provided by the National Traffic and Motor Safety Act, United
38.28 States Code, title 15, sections 1381 through 1431, and regulations adopted pursuant thereto;
38.29 or

38.30 ~~(9)~~ (8) that has been issued a certificate of title that bears a "salvage" brand or stamp
38.31 under section 168A.151.

39.1 Sec. 30. [325F.995] GENETIC INFORMATION PRIVACY ACT.

39.2 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
39.3 the meanings given them.

39.4 (b) "Biological sample" means any material part of a human, discharge from a material
39.5 part of a human, or derivative from a material part of a human, including but not limited to
39.6 tissue, blood, urine, or saliva, that is known to contain deoxyribonucleic acid (DNA).

39.7 (c) "Consumer" means an individual who is a Minnesota resident.

39.8 (d) "Deidentified data" means data that cannot reasonably be used to infer information
39.9 about, or otherwise be linked to, an identifiable consumer and that is subject to:

39.10 (1) administrative and technical measures to ensure the data cannot be associated with
39.11 a particular consumer;

39.12 (2) public commitment by the company to (i) maintain and use data in deidentified form,
39.13 and (ii) not attempt to reidentify the data; and

39.14 (3) legally enforceable contractual obligations that prohibit any recipients of the data
39.15 from attempting to reidentify the data.

39.16 (e) "Direct-to-consumer genetic testing company" or "company" means an entity that:
39.17 (1) offers consumer genetic testing products or services directly to consumers; or (2) collects,
39.18 uses, or analyzes genetic data that was (i) collected via a direct-to-consumer genetic testing
39.19 product or service, and (ii) provided to the company by a consumer. Direct-to-consumer
39.20 genetic testing company does not include an entity that collects, uses, or analyzes genetic
39.21 data or biological samples only in the context of research, as defined in Code of Federal
39.22 Regulations, title 45, section 164.501, that is conducted in a manner that complies with the
39.23 federal policy for the protection of human research subjects under Code of Federal
39.24 Regulations, title 45, part 46; the Good Clinical Practice Guideline issued by the International
39.25 Council for Harmonisation; or the United States Food and Drug Administration Policy for
39.26 the Protection of Human Subjects under Code of Federal Regulations, title 21, parts 50 and
39.27 56.

39.28 (f) "Express consent" means a consumer's affirmative written response to a clear,
39.29 meaningful, and prominent written notice regarding the collection, use, or disclosure of
39.30 genetic data for a specific purpose.

39.31 (g) "Genetic data" means any data, regardless of the data's format, that concerns a
39.32 consumer's genetic characteristics. Genetic data includes but is not limited to:

40.1 (1) raw sequence data that results from sequencing a consumer's complete extracted
40.2 DNA or a portion of the extracted DNA;

40.3 (2) genotypic and phenotypic information that results from analyzing the raw sequence
40.4 data; and

40.5 (3) self-reported health information that a consumer submits to a company regarding
40.6 the consumer's health conditions and that is (i) used for scientific research or product
40.7 development, and (ii) analyzed in connection with the consumer's raw sequence data.

40.8 Genetic data does not include deidentified data.

40.9 (h) "Genetic testing" means any laboratory test of a consumer's complete DNA, regions
40.10 of a consumer's DNA, chromosomes, genes, or gene products to determine the presence of
40.11 genetic characteristics.

40.12 (i) "Person" means an individual, partnership, corporation, association, business, business
40.13 trust sole proprietorship, other entity, or representative of an organization.

40.14 (j) "Service provider" means a person that is involved in the collection, transportation,
40.15 analysis of, or any other service in connection with, a consumer's biological sample, extracted
40.16 genetic material, or genetic data on behalf of the direct-to-consumer genetic testing company,
40.17 or on behalf of any other person that collects, uses, maintains, or discloses biological samples,
40.18 extracted genetic material, or genetic data collected or derived from a direct-to-consumer
40.19 genetic testing product or service, or is directly provided by a consumer, or the delivery of
40.20 the results of the analysis of the biological sample, extracted genetic material, or genetic
40.21 data.

40.22 Subd. 2. **Disclosure and consent requirements.** (a) To safeguard the privacy,
40.23 confidentiality, security, and integrity of a consumer's genetic data, a direct-to-consumer
40.24 genetic testing company must:

40.25 (1) provide clear and complete information regarding the company's policies and
40.26 procedures governing the collection, use, maintenance, and disclosure of genetic data by
40.27 making available to a consumer:

40.28 (i) a high-level privacy policy overview that includes basic, essential information about
40.29 the company's collection, use, or disclosure of genetic data; and

40.30 (ii) a prominent, publicly available privacy notice that includes at a minimum information
40.31 about the company's data collection, consent, use, access, disclosure, maintenance, transfer,
40.32 security, retention, and deletion practices;

41.1 (2) obtain a consumer's express consent to collect, use, and disclose the consumer's
41.2 genetic data, including at a minimum:

41.3 (i) initial express consent that clearly (A) describes the uses of the genetic data collected
41.4 through the genetic testing product service, and (B) specifies who has access to the test
41.5 results and how the genetic data may be shared;

41.6 (ii) separate express consent to (A) transfer or disclose the consumer's genetic data to
41.7 any person other than the company's vendors and service providers, or (B) use genetic data
41.8 beyond the primary purpose of the genetic testing product or service and inherent contextual
41.9 uses;

41.10 (iii) separate express consent to retain any biological sample provided by the consumer
41.11 following completion of the initial testing service requested by the consumer;

41.12 (iv) informed consent in compliance with federal policy for the protection of human
41.13 research subjects under Code of Federal Regulations, title 45, part 46, to transfer or disclose
41.14 the consumer's genetic data to a third-party person for research purposes or research
41.15 conducted under the control of the company for publication or generalizable knowledge
41.16 purposes; and

41.17 (v) express consent for marketing by (A) the direct-to-consumer genetic testing company
41.18 to a consumer based on the consumer's genetic data, or (B) a third party to a consumer based
41.19 on the consumer having ordered or purchased a genetic testing product or service. For
41.20 purposes of this clause, "marketing" does not include customized content or offers provided
41.21 on the websites or through the applications or services provided by the direct-to-consumer
41.22 genetic testing company with the first-party relationship to the customer;

41.23 (3) not disclose genetic data to law enforcement or any other governmental agency
41.24 without a consumer's express written consent unless the disclosure is made pursuant to a
41.25 valid search warrant or court order;

41.26 (4) develop, implement, and maintain a comprehensive security program to protect a
41.27 consumer's genetic data against unauthorized access, use, or disclosure; and

41.28 (5) provide a process for a consumer to:

41.29 (i) access the consumer's genetic data;

41.30 (ii) delete the consumer's account and genetic data; and

41.31 (iii) request and obtain the destruction of the consumer's biological sample.

42.1 (b) Notwithstanding any other provisions in this section, a direct-to-consumer genetic
42.2 testing company is prohibited from disclosing a consumer's genetic data without the
42.3 consumer's express consent to: (1) any entity offering health insurance, life insurance, or
42.4 long-term care insurance; or (2) any employer of the consumer. Any consent under this
42.5 paragraph must clearly identify the recipient of the consumer's genetic data proposed to be
42.6 disclosed.

42.7 (c) A company that is subject to the requirements described in paragraph (a), clause (2),
42.8 shall provide effective mechanisms, without any unnecessary steps, for a consumer to revoke
42.9 any consent of the consumer or all of the consumer's consents after a consent is given,
42.10 including at least one mechanism which utilizes the primary medium through which the
42.11 company communicates to the consumer. If a consumer revokes a consent provided pursuant
42.12 to paragraph (a), clause (2), the company shall honor the consumer's consent revocation as
42.13 soon as practicable, but not later than 30 days after the consumer revokes consent. The
42.14 company shall destroy a consumer's biological sample within 30 days of receipt of revocation
42.15 of consent to store the sample.

42.16 (d) A direct-to-consumer genetic testing company must provide a clear and complete
42.17 notice to a consumer that the consumer's deidentified data may be shared with or disclosed
42.18 to third parties for research purposes in accordance with Code of Federal Regulations, title
42.19 45, part 46.

42.20 **Subd. 3. Service provider agreements.** (a) A contract between the company and a
42.21 service provider must prohibit the service provider from retaining, using, or disclosing any
42.22 biological sample, extracted genetic material, genetic data, or any information regarding
42.23 the identity of the consumer, including whether that consumer has solicited or received
42.24 genetic testing, as applicable, for any purpose other than for the specific purpose of
42.25 performing the services specified in the service contract. The mandatory prohibition set
42.26 forth in this subdivision requires a service contract to include, at minimum, the following
42.27 provisions:

42.28 (1) a provision prohibiting the service provider from retaining, using, or disclosing the
42.29 biological sample, extracted genetic material, genetic data, or any information regarding
42.30 the identity of the consumer, including whether that consumer has solicited or received
42.31 genetic testing, as applicable, for any purpose other than providing the services specified
42.32 in the service contract; and

42.33 (2) a provision prohibiting the service provider from associating or combining the
42.34 biological sample, extracted genetic material, genetic data, or any information regarding

43.1 the identity of the consumer, including whether that consumer has solicited or received
 43.2 genetic testing, as applicable, with information the service provider has received from or
 43.3 on behalf of another person or persons, or has collected from its own interaction with
 43.4 consumers or as required by law.

43.5 (b) A service provider subject to this subdivision is subject to the same confidentiality
 43.6 obligations as a direct-to-consumer genetic testing company with respect to all biological
 43.7 samples, extracted genetic materials, and genetic material, or any information regarding the
 43.8 identity of any consumer in the service provider's possession.

43.9 Subd. 4. **Enforcement.** The commissioner of commerce may enforce this section under
 43.10 section 45.027.

43.11 Subd. 5. **Limitations.** This section does not apply to:

43.12 (1) protected health information that is collected by a covered entity or business associate,
 43.13 as those terms are defined in Code of Federal Regulations, title 45, parts 160 and 164;

43.14 (2) a public or private institution of higher education; or

43.15 (3) an entity owned or operated by a public or private institution of higher education.

43.16 Subd. 6. **Construction.** This section does not supersede the requirements and rights
 43.17 described in section 13.386 or the remedies available under chapter 13 for violations of
 43.18 section 13.386.

43.19 Sec. 31. Minnesota Statutes 2022, section 325G.051, subdivision 1, is amended to read:

43.20 Subdivision 1. **Limitation; prohibition.** (a) A seller or lessor of goods or services doing
 43.21 business in Minnesota may impose a surcharge on transactions in Minnesota with a purchaser
 43.22 customer who elects to use a credit or charge card in lieu of payment by cash, check, or
 43.23 similar means, provided:

43.24 (1) if the sale or lease of goods or services is processed in person, the seller or lessor
 43.25 informs the purchaser customer of the surcharge both orally at the time of sale and by a sign
 43.26 conspicuously posted on the seller's or lessor's premises;

43.27 (2) if the sale or lease of goods or services is processed through a website or mobile
 43.28 device, the seller or lessor informs the customer of the surcharge by conspicuously posting
 43.29 a surcharge notice during the sale, at the point of sale, on the customer order summary, or
 43.30 on the checkout page of the website;

43.31 (3) if the sale or lease of services is processed over the phone, the seller or lessor informs
 43.32 the customer of the surcharge orally; and (2)

44.1 (4) the surcharge does not exceed five percent of the purchase price.

44.2 (b) A seller or lessor of goods or services that establishes and is responsible for ~~its~~ the
 44.3 seller or lessor's own customer credit or charge card may not impose a surcharge on a
 44.4 ~~purchaser~~ customer who elects to use that credit or charge card in lieu of payment by cash,
 44.5 check, or similar means.

44.6 (c) For purposes of this section "surcharge" means a fee or charge imposed by a seller
 44.7 or lessor upon a buyer customer that increases the price of goods or services to the ~~buyer~~
 44.8 customer because the ~~buyer~~ customer uses a credit or charge card to purchase or lease the
 44.9 goods or services. The term does not include a discount offered by a seller or lessor to a
 44.10 ~~buyer~~ customer who makes payment for goods or services by cash, check, or similar means
 44.11 not involving a credit or charge card if the discount is offered to all prospective ~~buyers~~
 44.12 customers and its availability is clearly and conspicuously disclosed to all prospective ~~buyers~~
 44.13 customers.

44.14 (d) This subdivision applies to an agent of a seller or lessor.

44.15 Sec. 32. Minnesota Statutes 2022, section 327C.015, is amended by adding a subdivision
 44.16 to read:

44.17 Subd. 3a. **Commodity rate.** "Commodity rate" means the per unit price for utility service
 44.18 that varies directly with the volume of a resident's consumption of utility service and that
 44.19 is established or approved by the Minnesota Public Utilities Commission or a municipal
 44.20 public utilities commission, an electric cooperative association, or a municipality and charged
 44.21 to a user of the service.

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

44.23 Sec. 33. Minnesota Statutes 2022, section 327C.015, is amended by adding a subdivision
 44.24 to read:

44.25 Subd. 11a. **Public utility.** "Public utility" has the meaning given in section 216B.02,
 44.26 subdivision 4.

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

44.28 Sec. 34. Minnesota Statutes 2022, section 327C.015, subdivision 17, is amended to read:

44.29 Subd. 17. **Substantial modification.** "Substantial modification" means any change in
 44.30 a rule which: (a) significantly diminishes or eliminates any material obligation of the park
 44.31 owner; (b) significantly diminishes or eliminates any material right, privilege or freedom

45.1 of action of a resident; or (c) involves a significant new expense for a resident. The
45.2 installation of water and sewer meters and the subsequent metering of and billing for water
45.3 and sewer service is not a substantial modification of the lease, provided the park owner
45.4 complies with section 327C.04, subdivision 6.

45.5 **EFFECTIVE DATE.** This section is effective for meter installations initiated on or
45.6 after August 1, 2023.

45.7 Sec. 35. Minnesota Statutes 2022, section 327C.015, is amended by adding a subdivision
45.8 to read:

45.9 Subd. 17a. **Utility provider.** "Utility provider" means a public utility, an electric
45.10 cooperative association, or a municipal utility.

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

45.12 Sec. 36. Minnesota Statutes 2022, section 327C.04, subdivision 1, is amended to read:

45.13 Subdivision 1. **Billing permitted.** A park owner who either provides utility service
45.14 directly to residents or who redistributes to residents utility service provided to the park
45.15 owner by a utility provider may charge the residents for that service, only if the charges
45.16 comply with this section.

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

45.18 Sec. 37. Minnesota Statutes 2022, section 327C.04, subdivision 2, is amended to read:

45.19 Subd. 2. **Metering required.** A park owner who charges residents for a utility service
45.20 must charge each household the same amount, unless the park owner has installed measuring
45.21 devices which accurately meter each household's use of the utility. Utility measuring devices
45.22 installed by the park owner must be installed or repaired only by a licensed plumber, licensed
45.23 electrician, or licensed manufactured home installer.

45.24 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to meters
45.25 installed or repaired on or after that date.

45.26 Sec. 38. Minnesota Statutes 2022, section 327C.04, is amended by adding a subdivision
45.27 to read:

45.28 Subd. 5. **Utility charge for metered service.** (a) A park owner who redistributes utility
45.29 service may not charge a resident a commodity rate that exceeds the commodity rate at
45.30 which the park owner purchases utility service from a utility provider. Before billing residents

46.1 for redistributed utility service, a park owner must deduct utility service used exclusively
 46.2 or primarily for the park owner's purposes.

46.3 (b) If a utility bill that a park owner receives from a utility provider separates from
 46.4 variable consumption charges a fixed service or meter charge or fee, taxes, surcharges, or
 46.5 other miscellaneous charges, the park owner must deduct the park owner's pro rata share
 46.6 of these separately itemized charges and apportion the remaining fixed portion of the bill
 46.7 equally among residents based on the total number of occupied units in the park.

46.8 (c) A park owner may not charge to or collect from residents any administrative, capital,
 46.9 or other expenses associated with the distribution of utility services, including but not limited
 46.10 to disconnection, reconnection, and late payment fees.

46.11 **EFFECTIVE DATE.** This section is effective July 1, 2023.

46.12 Sec. 39. Minnesota Statutes 2022, section 327C.04, is amended by adding a subdivision
 46.13 to read:

46.14 Subd. 6. **Rent increases following the installation of water meters.** A park owner may
 46.15 not increase lot rents for 13 months following the commencement of utility bills for a resident
 46.16 whose lease included water service. In each of the three months prior to commencement of
 46.17 utility billing, a park owner must provide the resident with a sample bill for water service.

46.18 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to meter
 46.19 installations initiated on or after that date.

46.20 Sec. 40. **[332.71] DEFINITIONS.**

46.21 Subdivision 1. **Scope.** For the purposes of sections 332.71 to 332.75, the definitions in
 46.22 this section have the meanings given them.

46.23 Subd. 2. **Coerced debt.** (a) "Coerced debt" means all or a portion of debt in a debtor's
 46.24 name that has been incurred as a result of:

46.25 (1) the use of the debtor's personal information without the debtor's knowledge,
 46.26 authorization, or consent;

46.27 (2) the use or threat of force, intimidation, undue influence, harassment, fraud, deception,
 46.28 coercion, or other similar means against the debtor; or

46.29 (3) economic abuse perpetrated against the debtor.

46.30 (b) Coerced debt does not include secured debt.

47.1 Subd. 3. **Creditor.** "Creditor" means a person, or the person's successor, assignee, or
47.2 agent, claiming to own or have the right to collect a debt owed by the debtor.

47.3 Subd. 4. **Debtor.** "Debtor" means a person who (1) is a victim of domestic abuse,
47.4 harassment, or sex or labor trafficking, and (2) owes coerced debt.

47.5 Subd. 5. **Documentation.** "Documentation" means a writing that identifies a debt or a
47.6 portion of a debt as coerced debt, describes the circumstances under which the coerced debt
47.7 was incurred, and takes the form of:

47.8 (1) a police report;

47.9 (2) a Federal Trade Commission identity theft report;

47.10 (3) an order in a dissolution proceeding under chapter 518 that declares that one or more
47.11 debts are coerced; or

47.12 (4) a sworn written certification.

47.13 Subd. 6. **Domestic abuse.** "Domestic abuse" has the meaning given in section 518B.01,
47.14 subdivision 2.

47.15 Subd. 7. **Economic abuse.** "Economic abuse" means behavior in the context of a domestic
47.16 relationship that controls, restrains, restricts, impairs, or interferes with the ability of a victim
47.17 of domestic abuse, harassment, or sex or labor trafficking to acquire, use, or maintain
47.18 economic resources, including but not limited to:

47.19 (1) withholding or restricting access to, or the acquisition of, money, assets, credit, or
47.20 financial information;

47.21 (2) interfering with the victim's ability to work and earn wages; or

47.22 (3) exerting undue influence over a person's financial and economic behavior or decisions.

47.23 Subd. 8. **Harassment.** "Harassment" has the meaning given in section 609.748.

47.24 Subd. 9. **Labor trafficking.** "Labor trafficking" has the meaning given in section 609.281,
47.25 subdivision 5.

47.26 Subd. 10. **Qualified third-party professional.** "Qualified third-party professional"
47.27 means:

47.28 (1) a domestic abuse advocate, as defined under section 595.02, subdivision 1, paragraph
47.29 (l);

47.30 (2) a sexual assault counselor, as defined under section 595.02, subdivision 1, paragraph
47.31 (k);

48.1 (3) a licensed health care provider, mental health care provider, social worker, or marriage
48.2 and family therapist; or

48.3 (4) a nonprofit organization in Minnesota that provides direct assistance to victims of
48.4 domestic abuse, sexual assault, or sex or labor trafficking.

48.5 Subd. 11. **Sex trafficking.** "Sex trafficking" has the meaning given in section 609.321,
48.6 subdivision 7a.

48.7 Subd. 12. **Sworn written certification.** "Sworn written certification" means a statement
48.8 by a qualified third-party professional in the following form:

48.9 CERTIFICATION OF QUALIFIED THIRD-PARTY PROFESSIONAL

48.10 I, (name of qualified third-party professional), do hereby certify under
48.11 penalty of perjury as follows:

48.12 1. I am a licensed health care provider, mental health care provider, social worker,
48.13 marriage and family therapist, domestic abuse advocate, as that term is defined in Minnesota
48.14 Statutes, section 595.02, subdivision 1, paragraph (l), or sexual assault counselor, as that
48.15 term is defined in Minnesota Statutes, section 595.02, subdivision 1, paragraph (k), or a
48.16 staff member of a nonprofit organization that provides direct assistance to victims of domestic
48.17 abuse, sexual assault, or sex or labor trafficking, who has had in-person contact or
48.18 face-to-face contact through an electronic medium with (name of debtor).

48.19 2. Based on my professional interactions with the debtor and information presented to
48.20 me in my professional capacity, I have a reasonable basis to believe (name of
48.21 debtor) is a victim of domestic abuse, harassment, sex trafficking or labor trafficking and
48.22 has incurred all or a portion of debt that is coerced debt, as that term is defined in Minnesota
48.23 Statutes, section 332.71, subdivision 2.

48.24 3. Based on my professional interactions with the debtor and on information presented
48.25 to me, I have reason to believe that the circumstances under which the coerced debt was
48.26 incurred are as follows:

48.27 4. The following debts or portions of the debts have been identified to me as coerced:

48.28 I attest that the foregoing is true and correct.

48.29 (Printed name of qualified third party)

48.30 (Signature of qualified third party)

48.31 (Business address and business telephone)

49.1 (Date)

49.2 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to all debts
49.3 incurred on or after that date.

49.4 Sec. 41. **[332.72] COERCED DEBT PROHIBITED.**

49.5 A person is prohibited from causing another person to incur coerced debt.

49.6 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to all debts
49.7 incurred on or after that date.

49.8 Sec. 42. **[332.73] NOTICE TO CREDITOR OF COERCED DEBT.**

49.9 Subdivision 1. **Notification.** (a) Before taking an affirmative action under section 332.74,
49.10 a debtor must, by certified mail, notify a creditor that the debt or a portion of a debt on
49.11 which the creditor demands payment is coerced debt and request that the creditor cease all
49.12 collection activity on the coerced debt. The notification and request must be in writing and
49.13 include documentation. The creditor, within 30 days of the date the notification and request
49.14 is received, must notify the debtor in writing of the creditor's decision to either immediately
49.15 cease all collection activity or continue to pursue collection.

49.16 (b) If a creditor ceases collection but subsequently decides to resume collection activity,
49.17 the creditor must notify the debtor ten days prior to the date the collection activity resumes.

49.18 (c) A debtor must not proceed with an action under section 332.74 until the 30-day
49.19 period provided under paragraph (a) has expired.

49.20 Subd. 2. **Sale or assignment of coerced debt.** A creditor may sell or assign a debt for
49.21 which the creditor has been notified is coerced debt to another party if the creditor selling
49.22 or assigning the debt includes notification to the buyer or assignee that the debtor has asserted
49.23 the debt is coerced debt.

49.24 Subd. 3. **No inference upon cessation of collection activity.** The fact that a creditor
49.25 ceases collection activity under this section or section 332.74 does not create an inference
49.26 or presumption regarding the validity or invalidity of a debt for which a debtor is liable or
49.27 not liable. The exercise or nonexercise of rights under this section is not a waiver of any
49.28 other debtor or creditor rights or defenses.

49.29 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to all debts
49.30 incurred on or after that date.

50.1 Sec. 43. **332.74] DEBTOR REMEDIES.**

50.2 Subdivision 1. **Right to petition for declaration and injunction.** A debtor alleging
50.3 violation of section 332.72 may petition for equitable relief in the district court in the county
50.4 where the debtor lives or where the coerced debt was incurred. The petition must include:

50.5 (1) the notice to the creditor required under section 332.73, subdivision 1;

50.6 (2) consistent with Rule 11 of the Minnesota Rules of General Practice, information
50.7 identifying (i) the account or accounts associated with the coerced debt, and (ii) the person
50.8 in whose name the debt was incurred; and

50.9 (3) the identity and, if known, contact information of the person who caused the debtor
50.10 to incur coerced debt, unless the debtor signs a sworn statement that disclosing the
50.11 information is likely to result in domestic abuse or other harm to the debtor, the debtor's
50.12 children, parents, other relatives, or a family pet.

50.13 Subd. 2. **Procedural safeguards.** The court must take appropriate steps necessary to
50.14 prevent abuse of the debtor or to the debtor, the debtor's children, parents, other relatives,
50.15 or a family pet. For purposes of this subdivision, appropriate steps include but are not limited
50.16 to sealing the file, marking the file as confidential, redacting personally identifiable
50.17 information about the debtor, and directing that any deposition or evidentiary hearing be
50.18 conducted remotely.

50.19 Subd. 3. **Relief.** (a) If a debtor shows by a preponderance of the evidence that the debtor
50.20 has been aggrieved by a violation of section 332.72 and the debtor has incurred coerced
50.21 debt, the debtor is entitled to one or more of the following:

50.22 (1) a declaratory judgment that the debt or portion of a debt is coerced debt;

50.23 (2) an injunction prohibiting the creditor from (i) holding or attempting to hold the debtor
50.24 liable for the debt or portion of a debt, or (ii) enforcing a judgment related to the coerced
50.25 debt; and

50.26 (3) an order dismissing any cause of action brought by the creditor to enforce or collect
50.27 the coerced debt from the debtor or, if only a portion of the debt is established as coerced
50.28 debt, an order directing that the judgment, if any, in the action be amended to reflect only
50.29 the portion of the debt that is not coerced debt.

50.30 (b) If the court orders relief for the debtor under paragraph (a), the court, after the
50.31 creditor's motion has been served by United States mail to the last known address of the
50.32 person who violated section 332.72, shall issue a judgment in favor of the creditor against
50.33 the person in the amount of the debt or a portion thereof.

51.1 (c) This subdivision applies regardless of the judicial district in which the creditor's
 51.2 action or the debtor's petition was filed.

51.3 Subd. 4. **Affirmative defense.** In an action against a debtor to satisfy a debt, it is an
 51.4 affirmative defense that the debtor incurred coerced debt.

51.5 Subd. 5. **Burden.** In any affirmative action taken under subdivision 1 or any affirmative
 51.6 defense asserted in subdivision 4, the debtor bears the burden to show by a preponderance
 51.7 of the evidence that the debtor incurred coerced debt. There is a presumption that the debtor
 51.8 has incurred coerced debt if the person alleged to have caused the debtor to incur the coerced
 51.9 debt has been criminally convicted, entered a guilty plea, or entered an Alford plea under
 51.10 section 609.27, 609.282, 609.322, or 609.527.

51.11 Subd. 6. **Statute of limitations tolled.** (a) The statute of limitations under section 541.05
 51.12 is tolled during the pendency of a proceeding instituted under this section.

51.13 (b) A creditor is prohibited from filing a collection action regarding a debt that is the
 51.14 subject of a proceeding instituted under this section while the proceeding is pending.

51.15 (c) If a debtor commences a proceeding under this section while a collection action is
 51.16 pending against the debtor regarding a debt that is subject to the proceeding, the court must
 51.17 immediately stay the collection action pending the disposition of the proceeding under this
 51.18 section.

51.19 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to all debts
 51.20 incurred on or after that date.

51.21 Sec. 44. **[332.75] CREDITOR REMEDIES.**

51.22 Nothing in sections 332.71 to 332.74 diminishes the rights of a creditor to seek payment
 51.23 recovery for a coerced debt from the person who caused the debtor to incur the coerced
 51.24 debt.

51.25 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to all debts
 51.26 incurred on or after that date.

51.27 Sec. 45. **UNAUDITED FINANCIAL STATEMENTS; RULEMAKING.**

51.28 The commissioner of commerce shall amend Minnesota Rules, part 2876.3021, subpart
 51.29 2, to remove the prohibition on use of unaudited financial statements if the aggregate amount
 51.30 of all previous sales of securities by the applicant, exclusive of debt financing with banks
 51.31 and similar commercial lenders, exceeds \$1,000,000. The commissioner of commerce may

52.1 use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1,
 52.2 clause (3), to amend the rule under this section, and Minnesota Statutes, section 14.386,
 52.3 does not apply except as provided under Minnesota Statutes, section 14.388.

52.4 **Sec. 46. AUTOMOTIVE SELF-INSURANCE; RULES AMENDMENT; EXPEDITED**
 52.5 **RULEMAKING.**

52.6 Subdivision 1. **Self-insurance working capital condition.** The commissioner of
 52.7 commerce must amend Minnesota Rules, part 2770.6500, subpart 2, item B, subitem (5),
 52.8 to require the commissioner's grant of self-insurance authority to an applicant to be based
 52.9 on the applicant's net working capital in lieu of the applicant's net funds flow.

52.10 Subd. 2. **Commissioner discretion to grant self-insurance authority.** The commissioner
 52.11 of commerce must amend Minnesota Rules, part 2770.6500, subpart 2, item D, to,
 52.12 notwithstanding any other provision of Minnesota Rules, part 2770.6500, permit the
 52.13 commissioner to grant self-insurance authority to an applicant that is not a political
 52.14 subdivision and that has not had positive net income or positive working capital in at least
 52.15 three years of the last five-year period if the applicant's working capital, debt structure,
 52.16 profitability, and overall financial integrity of the applicant and its parent company, if one
 52.17 exists, demonstrate a continuing ability of the applicant to satisfy any financial obligations
 52.18 that have been and might be incurred under the no-fault act.

52.19 Subd. 3. **Working capital.** The commissioner of commerce must define working capital
 52.20 for the purposes of Minnesota Rules, part 2770.6500.

52.21 Subd. 4. **Commissioner discretion to revoke self-insurance authority.** The
 52.22 commissioner of commerce must amend Minnesota Rules, part 2770.7300, to permit, in
 52.23 lieu of require, the commissioner to revoke a self-insurer's authorization to self-insure based
 52.24 on the commissioner's determinations under Minnesota Rules, part 2770.7300, items A and
 52.25 B.

52.26 Subd. 5. **Expedited rulemaking authorized.** The commissioner of commerce may use
 52.27 the expedited rulemaking process under Minnesota Statutes, section 14.389, to amend rules
 52.28 under this section.

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

52.30 **Sec. 47. REPEALER.**

52.31 (a) Minnesota Statutes 2022, sections 48.10; and 325D.71, are repealed.

- 53.1 (b) Minnesota Rules, parts 2675.2610, subparts 1, 3, and 4; 2675.2620, subparts 1, 2, 3,
53.2 4, and 5; and 2675.2630, subpart 3, are repealed.
- 53.3 (c) Minnesota Statutes 2022, section 327C.04, subdivision 4, is repealed.
- 53.4 **EFFECTIVE DATE.** Paragraph (c) is effective July 1, 2023.

48.10 ANNUAL AUDIT; REPORT.

The board of directors of a bank, bank and trust, or trust company shall annually examine its books, either in person, or by appointing an examining committee, or an auditor, who may be an independent auditor or accountant. The examining committee or auditor shall be solely responsible to the directors. A report shall be made to the directors as to the scope of the examination or audit, and also to show those assets, excluding marketable securities and fixed assets, which are carried on the books for more than actual value. This report shall be retained as a permanent record or incorporated in the minutes of the meeting.

325D.71 UNLAWFUL GASOLINE SALES.

Any offer for sale of gasoline by a retailer by way of posted price or indicating meter that is below cost, as defined by section 325D.01, subdivision 5, clause (3), is a violation of section 325D.04, except that the criminal penalties in section 325D.071 do not apply. In addition to the penalties for violations and the remedies provided for injured parties set forth elsewhere in this chapter, the commissioner of commerce may use the authority under section 45.027 for the purpose of preventing violations of this section. A retailer who sells gasoline at the same or higher legally posted price of a competitor in the same market area, on the same day, is not in violation of this section.

A retailer who offers gasoline for sale at a price below cost as part of a promotion at an individual location for no more than three days in any calendar quarter is not in violation of this section.

327C.04 UTILITY CHARGES.

Subd. 4. **Electricity.** If a park owner provides electricity to residents by reselling electricity purchased from a public or municipal utility or electrical cooperative, and compliance with subdivision 3 would cause the park owner to lose money on the sale of electricity, the park owner may bill residents at a rate calculated to allow the park owner to avoid losing money on the sale of electricity. In calculating the cost of providing electricity, the park owner may consider only the actual amount billed by the public utility or electrical cooperative to the park owner for electricity furnished to residents. The park owner may not consider administrative, capital or other expenses.

2675.2610 ANNUAL EXAMINATION REPORT.

Subpart 1. **Contents.** An annual examination report made under the direction of the board of directors pursuant to Minnesota Statutes, section 48.10, must at a minimum:

A. determine that an internal control system is in place as required by part 2675.2600 and that control procedures are being followed (describe process and findings);

B. determine when the board last reviewed loan, investment, audit, and asset/liability policies;

C. confirm securities held at the bank, in safekeeping elsewhere, or in book entry form;

D. confirm loans and deposits through a sample positive or negative verification (define and describe process);

E. determine if the board has reviewed fixed assets, other real estate, and equity accounts since the last examination;

F. examine income, expense, and related accrual accounts since the last examination (describe process and findings);

G. determine that general ledger supporting accounts are promptly reconciled and appropriateness of reconciling items, and account makeup (describe process and findings);

H. determine that the board is reviewing delinquent loans and collection action taking place (show frequency of review);

I. determine when the board last reviewed the allowance for loan loss account and the basis on which the funding determination was made;

J. determine that the board has approved charge off loans, that charge off notes and files are secure, and that IRS Forms 1099C have been prepared where appropriate;

K. sample loan files for documentation and approvals required by loan policy (describe sample methodology and findings);

L. determine that an internal audit function exists regarding the electronic data processing system or computer applications and that procedures are in place for authorizing input data and master file changes and consider the effect of a service organization on the bank's internal control system and, if applicable, obtain an auditor's report on the policies and procedures in operation at the service organization;

M. examine significant activity in employee and officer accounts (depository and loan) for propriety and compliance with bank policies and regulations (describe process and findings); and

N. determine that off-balance sheet items have been authorized and detail items that may have a material impact on the condition of the financial institution.

Subp. 3. **Preparation.** A written report of the annual examination must be prepared and must include the scope of the examination including the size of the samplings taken. The report must summarize the findings and make recommendations for improving conditions, where appropriate.

Subp. 4. **Transmittal.** The written report shall be transmitted to the board of directors within 30 days of completion of the annual examination.

2675.2620 QUALIFICATIONS OF EXAMINING AUTHORITY.

Subpart 1. **Board to specify examining authority.** The board shall have the discretion to determine the method of examination used to meet the requirements of this part provided the examination is accomplished through one of the methods in subparts 2 to 5.

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Subp. 2. **Examining committee.** If the requirements of this part are to be accomplished in whole or in part by an examining committee appointed by the board, the annual examination must be completed by qualified directors or their appointees who are in fact reasonably independent. A director or appointee serving as a member of the examining committee will not be considered independent if:

- A. the person is closely related to active officers or employees of the bank;
- B. the person has outstanding loans with the bank subject to criticism by state or federal supervisory agencies; or
- C. the person has other unusual relationships or affiliations with the bank that raise the question of independence.

Subp. 3. **Internal auditor.** If the requirements of this part are to be accomplished in whole or in part by an internal auditor, the examination must be completed by a qualified internal auditor who is in fact reasonably independent. An internal auditor will not be considered independent if:

- A. the person is employed or accountable to anyone other than the board of directors, and salary and annual bonus are not set by the board, unless the person is employed by the institution's holding company;
- B. the person's duties within the bank are not confined entirely to bank auditing;
- C. the person has any proprietary interest in any partnership, firm, or corporation which controls the bank, directly or indirectly;
- D. the person has outstanding loans subject to criticism by state or federal supervisory agencies;
- E. the person is a member of the immediate family of an officer, director, attorney, or employee for the bank; or
- F. the person has other unusual relationships or affiliations with the bank that raise the question of independence.

In banks of less than \$50,000,000 in total assets as of the immediately preceding calendar year end, where duties of the internal auditor cannot be confined entirely to bank auditing, the internal auditor will be considered reasonably independent only if someone else audits the areas for which the internal auditor has operational responsibilities. The board is responsible for determining that this degree of internal audit dependence is maintained.

Subp. 4. **Certified public accountants or licensed public accountants.** If the requirements of this part are to be accomplished in whole or in part by a certified public accountant or licensed public accountant, the examination must be completed by a qualified certified public accountant or a qualified licensed public accountant who is in fact independent. A certified public accountant or licensed public accountant will not be considered independent if:

- A. The certified public accountant, licensed public accountant, or any member of a firm performing the examination is connected with the bank as an officer, director, attorney, or employee or is a member of the immediate family of an officer, director, bank attorney, or employee.
- B. He or she is the beneficial owner, directly or indirectly, of any of the shares of stock of the bank.
- C. He or she has any proprietary interest in any partnership, firm, or corporation which controls the banks, directly or indirectly.
- D. The bank under examination has outstanding loans to the certified public accountant, licensed public accountant, partners, principals of the firm, or employees of such a firm who are directly involved in the examination, unless the loans are adequately

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disclosed in the examination report to the board of directors of the bank. Adequate disclosure includes the name of the borrower, the amount of the loan, the security pledged, and the appraisal or market value of the security at the time of the engagement.

E. He or she makes entries or postings on the books of account or performs any other operating functions for the bank, except functions for which prior approval was requested and obtained in writing from the commissioner of commerce.

F. He or she has other unusual relationships or affiliations with the bank that raise the question of independence.

In circumstances where directors, appointees, or the internal auditor are considered not independent or qualified to perform the annual examination, the board should engage a certified public accountant or licensed public accountant.

Subp. 5. **Board of directors.** If the requirements of this part are to be accomplished by the board of directors as provided in Minnesota Statutes, section 48.10, the board must number at least five and include at a minimum one outside director.

2675.2630 OPINION AUDIT.

Subp. 3. **Satisfaction of annual examination report requirement.** An unqualified opinion audit on the financial statement of the institution or a consolidated opinion audit on the institution taken as a whole will satisfy the annual examination report requirements of part 2675.2610, subpart 1. However, documentation of internal audit procedures performed in testing the internal control system, part 2675.2600, must be maintained by the bank for inspection by the supervisory examiners and external auditors.