

~~commissioner of administration~~ revisor of statutes from the sale of Minnesota Statutes and Session Laws and from the sale of pamphlets and codes printed therefrom shall be deposited in said fund.

Subd. 4. Such fund shall be used solely for the payment of expenses incurred by the ~~commissioner of administration~~ revisor of statutes in the printing, publication, sale, and distribution of Minnesota Statutes and Session Laws, and no part of such fund may be used in the payment of any expense incurred for preparing printer's copy for any edition of Minnesota Statutes or Session Laws.

Subd. 5. All moneys appropriated to the commissioner of administration for the publication of Minnesota Statutes and Session Laws, including the revolving fund contained in this section, and the appropriation for placing Minnesota Statutes on computer compatible media as made by Laws 1969, Chapter 44, or under any other laws now or hereafter in force and effect relating to the subject matters expressed in Laws 1969, Chapter 957, are hereby reappropriated to the revisor of statutes for the same uses and purposes as expressed in the initial appropriation.

Sec. 9. The sum of \$140,000 is appropriated from the general fund to the Minnesota Statutes revolving fund for the purposes of publishing Minnesota Statutes and Session Laws.

Approved May 23, 1973.

CHAPTER 634—H.F.No.2225

[Coded in Part]

An act relating to insurance; providing for legal expense insurance; amending Minnesota Statutes 1971, Sections 60A.06, Subdivision 1; 60A.07, Subdivisions 5a, 5b, and 5c; and 60A.08, by adding a subdivision.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1971, Section 60A.06, Subdivision 1, is amended to read:

60A.06 INSURANCE; LEGAL EXPENSE INSURANCE; KINDS OF INSURANCE WHICH MAY BE WRITTEN. Subdivision 1. **STATUTORY LINES.** Insurance corporations may be authorized to transact in any state or territory in the United

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States, in the Dominion of Canada, and in foreign countries, when specified in their charters or certificates of incorporation, either as originally granted or as thereafter amended, any of the following kinds of business, upon the stock plan, or upon the mutual plan when the formation of such mutual companies is otherwise authorized by law; and business trusts as authorized by law of this state shall only be authorized to transact in this state the following kind of business hereinafter specified in clause (7) hereof when specified in their "declaration of trust":

(1) To insure against loss or damage to property on land and against loss of rents and rental values, leaseholds of buildings, use and occupancy and direct or consequential loss or damage caused by fire, smoke or smudge, water or other fluid or substance, lightning, windstorm, tornado, cyclone, earthquake, collapse and slippage, rain, hail, frost, snow, freeze, change of temperature, weather or climatic conditions, excess or deficiency of moisture, floods, the rising of waters, oceans, lakes, rivers or their tributaries, bombardment, invasion, insurrection, riot, civil war or commotion, military or usurped power, electrical power interruption or electrical breakdown from any cause, railroad equipment, motor vehicles or aircraft, accidental injury to sprinklers, pumps, conduits or containers or other apparatus erected for extinguishing fires, explosion, whether fire ensues or not, except explosions on risks specified in clause (3); provided, however, that there may be insured hereunder the following: (a) explosion of any kind originating outside the insured building or outside of the building containing the property insured, (b) explosion of pressure vessels which do not contain steam or which are not operated with steam coils or steam jackets; and (c) risks under home owners multiple peril policies;

(2) (a) To insure vessels, freight, goods, wares, merchandise, specie, bullion, jewels, profits, commissions, bank notes, bills of exchange, and other evidences of debt, bottomry and respondentia interest, and every insurance appertaining to or connected with risks of transportation and navigation on and under water, on land or in the air;

(b) To insure all personal property floater risks;

(3) To insure against any loss from either direct or indirect damage to any property or interest of the assured or of another, resulting from the explosion of or injury to (a) any boiler, heater or other fired pressure vessel; (b) any unfired pressure vessel; (c) pipes or containers connected with any of said boilers or vessels; (d) any engine, turbine, compressor, pump or wheel; (e) any apparatus generating, transmitting or using electricity; (f) any other machinery or apparatus connected with or operated by any of the previously named boilers, vessels or machines; and including the incidental power to make inspections of and to issue certificates

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of inspection upon, any such boilers, apparatus, and machinery, whether insured or otherwise;

(4) To make contracts of life and endowment insurance, to grant, purchase, or dispose of annuities or endowments of any kind; and, in such contracts, or in contracts supplemental thereto to provide for additional benefits in event of death of the insured by accidental means, total permanent disability of the insured, or specific dismemberment or disablement suffered by the insured;

(5) (a) To insure against loss or damage by the sickness, bodily injury or death by accident of the assured or his dependents;

(b) To insure against the legal liability, whether imposed by common law or by statute or assumed by contract, of any employer for the death or disablement of, or injury to, his or its employee;

(6) To guarantee the fidelity of persons in fiduciary positions, public or private, or to act as surety on official and other bonds, and for the performance of official or other obligations;

(7) To insure owners and others interested in real estate against loss or damage, by reason of defective titles, encumbrances, or otherwise;

(8) To insure against loss or damage by breakage of glass, located or in transit;

(9) (a) To insure against loss by burglary, theft, or forgery;

(b) To insure against loss of or damage to moneys, coins, bullion, securities, notes, drafts, acceptance or any other valuable paper or document, resulting from any cause, except while in the custody or possession of and being transported by any carrier for hire or in the mail;

(c) To insure individuals by means of an all risk type of policy commonly known as the "Personal Property Floater" against any kind and all kinds of loss of or damage to, or loss of use of, any personal property other than merchandise;

(d) To insure against loss or damage by water or other fluid or substance;

(10) To insure against loss from death of domestic animals and to furnish veterinary service;

(11) To guarantee merchants and those engaged in business, and giving credit, from loss by reason of giving credit to those dealing with him; this shall be known as credit insurance;

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(12) To insure against loss or damage to automobiles or other vehicles or aircraft and their contents, by collision, fire, burglary, or theft, and other perils of operation, and against liability for damage to persons, or property of others, by collision with such vehicles or aircraft, and to insure against any loss or hazard incident to the ownership, operation, or use of motor or other vehicles or aircraft;

(13) To insure against liability for loss or damage to the property or person of another caused by the insured or by those for whom the insured is responsible, including insurance of medical, hospital, surgical, funeral or other related expense of the insured or other person injured, irrespective of legal liability of the insured, when issued with or supplemental to policies of liability insurance;

(14) To insure against loss of or damage to any property of the insured, resulting from the ownership, maintenance or use of elevators, except loss or damage by fire;

(15) To insure against attorneys fees, court costs, witness fees and incidental expenses incurred in connection with the use of the professional services of attorneys at law.

Sec. 2. Minnesota Statutes 1971, Section 60A.07, Subdivision 5a, is amended to read:

Subd. 5a. **FINANCIAL REQUIREMENTS; STOCK COMPANIES.** No insurance company operating upon the stock plan shall be authorized to transact any one of the kinds of business enumerated in section 60A.06, subdivision 1, clauses (1) to ~~(14)~~ (15), unless it shall have paid-up capital stock and surplus of not less than the amounts specified below; provided that after initial authorization has been granted, the surplus shall thereafter be constantly maintained in an amount equal to not less than one-half of the surplus originally required for that kind of business.

	Paid Up Capital Stock	Surplus
Clause (1),	\$200,000	\$200,000
Clause (2),	\$200,000	\$200,000
Clause (3),	\$200,000	\$200,000
Clause (4),	\$300,000	\$300,000
Clause (5),	\$200,000	\$200,000
Clause (6),	\$350,000	\$350,000
Clause (7),	\$200,000	\$200,000
Clause (8),	\$200,000	\$200,000
Clause (9),	\$200,000	\$200,000
Clause (10),	\$200,000	\$200,000
Clause (11),	\$200,000	\$200,000
Clause (12),	\$350,000	\$350,000

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	<i>Paid Up Capital Stock</i>	<i>Surplus</i>
Clause (13),	\$200,000	\$200,000
Clause (14),	\$200,000	\$200,000
<u>Clause (15),</u>	<u>\$200,000</u>	<u>\$200,000</u>

Sec. 3. Minnesota Statutes 1971, Section 60A.07, Subdivision 5b, is amended to read:

Subd. 5b. **FINANCIAL REQUIREMENTS; MUTUAL COMPANIES.** No insurance company operating upon the mutual plan as provided in chapter 66A, shall be authorized to transact any one of the kinds of business enumerated in section 60A.06, subdivision 1, clauses (1) to (3) and (5) to ~~(14)~~ (15), unless in addition to the requirements specified in chapter 66A it shall have met the following requirements as to surplus: As to a mutual company *operating on a non-assessable basis, an initial surplus of not less than the amount of surplus enumerated in subdivision 5a for a stock company authorized to transact that kind of business, provided that after initial authorization has been granted, the surplus shall thereafter be constantly maintained in an amount equal to not less than one-half of such initial surplus;* as to a mutual company operating on an assessable basis, an initial surplus of not less than one-half of the amount of surplus enumerated in subdivision 5a for a stock company authorized to transact that kind of business, provided that after initial authorization has been granted, the surplus shall thereafter be constantly maintained in an amount equal to not less than one-half of such initial surplus.

No insurance company operating upon the mutual plan shall be authorized to transact the kind of business enumerated in section 60A.06, subdivision 1, clause (4), unless it shall have surplus of not less than \$600,000; provided that after initial authorization has been granted, the surplus shall thereafter be constantly maintained in an amount of not less than \$450,000.

Sec. 4. Minnesota Statutes 1971, Section 60A.07, Subdivision 5c, is amended to read:

Subd. 5c. **AUTHORIZATION TO TRANSACT MORE THAN ONE KIND OF BUSINESS.** Any insurance corporation authorized to transact the kinds of business specified in section 60A.06, subdivision 1, clause (4) may also transact the kinds of business specified in section 60A.06, subdivision 1, clause (5), upon meeting the following financial requirements: As to companies operating upon the stock plan, paid-up capital stock of not less than \$450,000 and an initial surplus of not less than \$450,000 which surplus shall thereafter be constantly maintained in the amount of not less than \$225,000; as to companies operating on the mutual plan, an initial surplus of not less than \$900,000 which shall thereafter be constantly maintained in the amount of \$675,000.

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Any insurance corporation which prior to January 1, 1949 was authorized to transact personal injury liability insurance and also the kinds of business specified in section 60A.06, subdivision 1, clauses (4) and (5) shall continue to be authorized to transact personal injury liability insurance.

Any stock company may, when authorized by its articles of incorporation, transact any two or all of the kinds of business specified in section 60A.06, subdivision 1, clauses (1) to (3) and (5) to ~~(14)~~ (15), upon meeting the following financial requirements: paid-up capital stock of not less than \$500,000 and an initial surplus of not less than \$500,000 which surplus shall thereafter be constantly maintained in the amount of not less than \$350,000; provided, however, that if the sum of the capital stock and surplus requirements specified in subdivision 5a for the kinds of business to be transacted is less than the amount of the capital stock and surplus requirements stated in the foregoing clauses of this sentence, then the company may transact those kinds of business upon meeting the capital stock and surplus requirements specified in subdivision 5a for those kinds of business. Any insurance company operating upon the mutual plan as provided in chapter 66A, may, when authorized by its articles of incorporation, transact any two or all of the kinds of business specified in section 60A.06, subdivision 1, clauses (1) to (3) and (5) to ~~(14)~~ (15), upon meeting the following requirements as to surplus which shall be in addition to the requirements specified in chapter 66A: as to mutual companies operating on a non-assessable basis, an initial surplus of not less than \$500,000, which surplus shall thereafter be constantly maintained in the amount of not less than \$350,000; as to mutual companies operating on an assessable basis, an initial surplus of not less than \$250,000, which surplus shall thereafter be constantly maintained in the amount of not less than \$175,000; provided, however, that if the sum of the surplus requirements specified in subdivisions 5a and 5b for the kinds of business to be transacted is less than the amount of the surplus requirements stated in the foregoing clauses of this sentence, then the company may transact those kinds of business upon meeting the surplus requirements specified in subdivisions 5a and 5b for those kinds of business.

Sec. 5. Minnesota Statutes 1971, Section 60A.08, is amended by adding a subdivision to read:

Subd. 10. LEGAL EXPENSE INSURANCE. No contract of insurance written pursuant to the authority to transact the kind of business enumerated in section 60A.06, subdivision 1, clause (15) shall deny the insured the free choice of attorneys at law authorized to practice in the jurisdiction in which the service is rendered, nor shall there be any interference with the attorney-client relationship.

Approved May 23, 1973.

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