

~~Provided, however, that~~ No such contract need be ~~awarded or submitted or resubmitted~~ to bid more frequently than once every 48 months, unless for any reason whatsoever, a 50 percent or greater change in the ~~original~~ premium under the policy contract is provided, required or indicated.

When an insurer proposes an increase in rates, it shall accompany its proposal with an aggregate claims record for the appropriate period that explains the proposed increase. When a contract is resubmitted for bids the aggregate claims record shall accompany the specifications for the contract.

Approved May 27, 1977.

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CHAPTER 344—H.F.No.1193

[Not Coded]

*An act relating to the city of Bloomington in Hennepin county and the city of South St. Paul in Dakota county; housing and redevelopment authority; providing that the housing and redevelopment authority may make loans and grants for home improvement; amending Laws 1971, Chapter 616, Sections 1 and 2.*

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

Section 1. Laws 1971, Chapter 616, Section 1, is amended to read:

Section 1. **BLOOMINGTON AND SOUTH ST. PAUL, CITIES OF; HOUSING AND REDEVELOPMENT AUTHORITY.** Notwithstanding the provisions of section 462.425, or any other law or charter provision to the contrary, the city of Bloomington shall have a housing and redevelopment authority consisting of five commissioners who shall be residents of the city or area of operation of the authority and who shall be appointed by the council. ~~Not more than three of the commissioners at any one time shall be councilmen of the city of Bloomington.~~

~~The commissioners shall hold office for a period of five years, provided they are members of the governing body of the city. When a commissioner is no longer a member of the governing body of the city, his term as commissioner shall terminate and the council shall appoint a member of the council to serve in his place for the remainder of the term. In other respects the provisions of Minnesota Statutes, Section 462.425 apply to the housing and redevelopment authority of the city of Bloomington.~~

Sec. 2. Laws 1971, Chapter 616, Section 2, is amended to read:

Sec. 2. **PURPOSE, SCOPE AND AUTHORITY.** Subdivision 1. The purpose, scope and authority of the housing and redevelopment authority established pursuant to this act shall be the same as that provided for under Minnesota Statutes, Section 462.415 to 462.716, except where inconsistent with subdivision 2.

Changes or additions indicated by underline deletions by strikeout

Subd. 2. HOME IMPROVEMENT LOANS AND GRANTS. The authority may make rehabilitation loans and grants with respect to property within its area of operation whether within or without the boundaries of an urban renewal area, but the rehabilitation must be necessary to the city's housing assistance plan or, if the property is within an urban renewal area, to carry out the objectives of the urban renewal plan. The authority may determine the conditions under which the loans and grants are made.

Sec. 3. The housing and redevelopment authority of the city of South St. Paul may, in addition to any authority provided in Minnesota Statutes, Sections 462.415 to 462.716, make rehabilitation loans and grants with respect to property within its area of operation whether within or without the boundaries of an urban renewal area, but the rehabilitation must be necessary to the city's housing assistance plan or, if the property is within an urban renewal area, to carry out the objectives of the urban renewal plan. The authority may determine the conditions under which the loans and grants are made.

Sec. 4. EFFECTIVE DATE. Subdivision 1. This act shall become effective as to the city of Bloomington only after its approval by a majority of the governing body of the city of Bloomington and upon compliance with Minnesota Statutes, Section 645.021.

Subd. 2. This act is effective as to the city of South St. Paul only after its approval by a majority of the governing body of the city of South St. Paul and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 27, 1977.

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#### CHAPTER 345—H.F.No.1201

[Coded]

*An act relating to insurance; requiring insurers to supply cover sheets for insurance policies; requiring insurers to issue readable insurance policies; establishing testing procedures for readability.*

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

Section 1. [72C.01] **INSURANCE; READABILITY OF INSURANCE POLICIES; CITATION.** This act may be cited as the "Readability of Insurance Policies Act".

Sec. 2. [72C.02] **PURPOSE.** The purpose of this act is to provide that insurance policies and contracts be readable and understandable to a person of average intelligence, experience, and education. All insurers shall be required by this act to use policy and contract forms which are written in simple and commonly used language, which are logically and clearly arranged, which are printed in a legible format, and which are generally understandable. It is not the intent of this act to mandate, require or allow alteration of the legal effect of any provision of any insurance policy or contract.

Sec. 3. [72C.03] **SCOPE.** Except as otherwise specifically provided, this act shall

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