

treatment of members and claimants of the company during the previous three years ending December 31.

(b) A written summary report of the pertinent results of the examination shall immediately be filed with each member of the board of directors following completion of the examination. A complete examination report shall be filed with the board of directors and the commissioner within 60 days following completion of the examination.

(c) The accountant, auditor, or certified financial examiner conducting or supervising the examination must have a minimum of five years' experience in public accounting or examining the financial records or statements of financial institutions and shall not be an officer, employee, or member of the company being examined. The examiner must not be directly involved in maintaining the records being examined, but may advise or counsel management in recordkeeping, accounting, or management procedures.

**Subd. 3. EXAMINATION BY COMMISSIONER.** The commissioner, with due cause based upon information disclosed in any statement or report or upon information from any examination conducted under this section or when requested by five or more members, shall make an examination of the financial and business affairs of any township mutual fire insurance company doing business within this state. The company examined shall pay the actual expenses of the person or persons making the examination and the fees prescribed in Minnesota Statutes, Section 60A.03, Subdivision 5.

**Subd. 4. REMEDIES.** When, after examination by the commissioner or independent public accountant, auditor, or certified financial examiner, the commissioner is satisfied that a township mutual insurance company has failed to comply with provisions of Minnesota Statutes, Sections 67A.01 to 67A.26; is exceeding its power; is not carrying out its contracts in good faith; is transacting business fraudulently; or is in such condition as to render further proceedings hazardous to the public or to its policyholders, he may take action deemed necessary or proceed under the provisions of Minnesota Statutes, Chapter 60B.

**Sec. 3. REPEALER.**

Minnesota Statutes 1980, Sections 67A.23 and 67A.24 are repealed.

Approved May 8, 1981

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**CHAPTER 128 — H.F.No. 365**

*An act relating to building code inspectors; authorizing certain municipalities to choose between two options to enforce the provisions of the building code related to access for handicapped persons; amending Minnesota Statutes 1980, Section 16.861, by adding a subdivision.*

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

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

Section 1. Minnesota Statutes 1980, Section 16.861, is amended by adding a subdivision to read:

Subd. 7. ACCESSIBILITY PROVISIONS. Municipalities which have not adopted the state building code may enforce the building code requirements for handicapped persons by either:

(a) Entering into a joint powers agreement for enforcement with another municipality which has adopted the state building code; or

(b) Contracting for enforcement with an individual certified under subdivision 3 to enforce the state building code.

Approved May 8, 1981

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CHAPTER 129 — H.F.No. 371 \*

*An act relating to insurance; prohibiting insurance companies which offer funeral or burial expense policies from designating as beneficiaries under the policies persons who provide funeral or burial services and supplies; removing the prohibition against an insurance company's affiliation with a funeral establishment; proposing new law coded in Minnesota Statutes, Chapter 72A; repealing Minnesota Statutes 1980, Section 72A.321.*

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

Section 1. [72A.325] **INSURANCE FOR FUNERAL OR BURIAL EXPENSE; FREEDOM OF CHOICE.**

No insurance company doing business in this state providing benefits for the payment of any funeral or burial expense, shall designate any mortician, funeral director, funeral establishment, cemetery, or any other party offering funeral or burial services or supplies, as the beneficiary or recipient of the benefits, so as to deprive the family, next of kin, or other representative of the deceased policyholder of the right to select the funeral or burial services and supplies of their choice. No owner, director, or employee of a funeral establishment shall receive any agent's fee, commission or other reimbursement on any insurance sale facilitated through the funeral establishment.

No owner, director or employee of a funeral establishment, nor trade association of funeral establishments shall receive any fee for endorsing insurance policies, plans or services. A trade association may not receive payment

Changes or additions are indicated by underline, deletions by ~~strikeout~~.