

~~requirements within 30 days, or to commence appropriate testing for a maximum of 30 days to ensure compliance with applicable permit limits shall undertake appropriate steps to ensure the facility's compliance with permitted requirements, and shall demonstrate compliance within 60 days of the initial report of the exceedance. If the commissioner determines that compliance has not been achieved after 30 within 60 days, then the facility shall shut down until compliance with permit requirements is demonstrated based on additional testing.~~

Presented to the governor May 24, 1999

Signed by the governor May 25, 1999, 11:44 a.m.

CHAPTER 236—H.F.No. 1932

An act relating to insurance; regulating rental vehicle coverages; amending Minnesota Statutes 1998, sections 60K.03, subdivision 7; and 72A.125, subdivisions 1 and 2.

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

Section 1. Minnesota Statutes 1998, section 60K.03, subdivision 7, is amended to read:

Subd. 7. **EXCEPTIONS.** The following are exempt from the general licensing requirements prescribed by this section:

- (1) agents of township mutuals who are exempted pursuant to section 60K.04;
- (2) fraternal benefit society representatives exempted pursuant to section 60K.05;
- (3) any regular salaried officer or employee of a licensed insurer, without license or other qualification, may act on behalf of that licensed insurer in the negotiation of insurance for that insurer, provided that a licensed agent must participate in the sale of the insurance;
- (4) employers and their officers or employees, and the trustees or employees of any trust plan, to the extent that the employers, officers, employees, or trustees are engaged in the administration or operation of any program of employee benefits for the employees of the employers or employees of their subsidiaries or affiliates involving the use of insurance issued by a licensed insurance company; provided that the activities of the officers, employees and trustees are incidental to clerical or administrative duties and their compensation does not vary with the volume of insurance or applications for insurance;
- (5) employees of a creditor who enroll debtors for credit life, credit accident and health, or credit involuntary unemployment insurance; provided the employees receive no commission or fee for it;
- (6) clerical or administrative employees of an insurance agent who take insurance applications or receive premiums in the office of their employer, if the activities are incidental to clerical or administrative duties and the employee's compensation does not vary with the volume of the applications or premiums;

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(7) rental vehicle companies and their employees in connection with the offer of ~~rental vehicle personal accident insurance authorized under section 72A.125;~~

(8) employees of a retailer who enroll purchasers for credit insurance associated with a retail purchase; provided the employees receive no commission, fee, bonus, or other form of compensation for it; and

(9) representatives of prepaid legal service plans in connection with the sale and marketing of these plans.

Sec. 2. Minnesota Statutes 1998, section 72A.125, subdivision 1, is amended to read:

Subdivision 1. **DEFINITION.** (a) "Auto rental company" means a corporation, partnership, individual, or other person that is engaged primarily in the renting of motor vehicles at per diem rates.

(b) "Rental vehicle personal accident insurance" means accident only insurance providing accidental death benefits, dismemberment benefits and/or reimbursement for medical expenses which is issued by an insurer authorized in this state to issue accident and health insurance. These coverages are nonqualified plans under chapter 62E.

(c) "Liability insurance" means insurance that provides coverage, as applicable, to renters and other authorized drivers of rental vehicles for liability arising from the operation of the rental vehicle. At the option of the auto rental company, this coverage may include uninsured or underinsured motorist coverage whether offered separately or in combination with other liability insurance.

(d) "Personal effects insurance" means coverage, as applicable, to renters and other rental vehicle occupants for the loss of, or damage to, personal effects which occurs during the rental period.

Sec. 3. Minnesota Statutes 1998, section 72A.125, subdivision 2, is amended to read:

Subd. 2. **SALE BY AUTO RENTAL COMPANIES.** An auto rental company that offers or sells rental vehicle personal accident insurance, personal effects insurance, or liability insurance in this state in conjunction with the rental of a vehicle shall only sell these products if the forms and rates have met the relevant requirements of section 61A.02, 62A.02, or other relevant sections requiring approval of forms and rates taking into account the possible infrequency and severity of loss that may be incurred. An auto rental company offering insurance products for sale shall conduct a training program for its agents or employees, which must be submitted to the commissioner for approval. Sections 60K.01 to 60K.19 do not apply if the persons engaged in the sale of these products are employees of the auto rental company who do not receive commissions or other remuneration for selling the product in addition to their regular compensation. Compensation may not be determined in any part by the sale of insurance products. The auto rental company before engaging in the sale of the product must file with the commissioner the following documents:

- (1) an appointment of the commissioner as agent for service of process;
- (2) an agreement that the auto rental company assumes all responsibility for the authorized actions of all unlicensed employees who sell the insurance product on its behalf in conjunction with the rental of its vehicles;

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(3) an agreement that the auto rental company with respect to itself and its employees will be subject to this chapter regarding the marketing of the insurance products and the conduct of those persons involved in the sale of insurance products in the same manner as if it were a licensed agent.

An auto rental company failing to file the documents in clauses (1) to (3) is guilty of an individual violation as to the unlicensed sale of insurance for each sale that occurs after August 1, 1987, until they make the required filings. Each individual sale after August 1, 1987, and prior to the filing required by this section is subject to, in addition to any other penalties allowable by law, up to a \$200 per violation fine. Further, the sale of the insurance product by an auto rental company or any employee or agent of the company after August 1, 1987, without having complied with this section shall be deemed to be in acceptance of the provisions of this section.

Insurance sold pursuant to this subdivision must be limited in availability to rental vehicle customers though coverage may extend to the customer, other drivers, and passengers using or riding in the rented vehicles; and limited in duration to a period equal to and concurrent with that of the vehicle rental.

Persons purchasing rental vehicle personal accident insurance, personal effects insurance, or liability insurance may be provided a certificate summarizing the policy provisions in lieu of a copy of the policy if a copy of the policy is available for inspection at the place of sale and a free copy of the policy may be obtained from the auto rental company's home office.

The commissioner may, after a hearing, revoke an auto rental company's right to operate under this section if the company has ~~repeatedly~~ violated the insurance laws of this state and the revocation is in the public interest.

Presented to the governor May 24, 1999

Signed by the governor May 25, 1999, 11:34 a.m.

CHAPTER 237—H.F.No. 1015

An act relating to elections; providing for redistricting; amending Minnesota Statutes 1998, sections 204B.14, subdivision 4; 204B.146, by adding a subdivision; and 205.84.

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

Section 1. Minnesota Statutes 1998, section 204B.14, subdivision 4, is amended to read:

Subd. 4. **BOUNDARY CHANGE PROCEDURE.** Any change in the boundary of an election precinct shall be adopted at least 90 days before the date of the next election and, for the state primary and general election, no later than June 1 in the year of the state general election. The precinct boundary change shall not take effect until notice of the change has been posted in the office of the municipal clerk or county auditor for at least 60 days.

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