

CHAPTER 295—S.F.No. 2953

An act relating to insurance; prohibiting issuing or requiring excess insurance on property; amending Minnesota Statutes 2000, section 65A.09.

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

Section 1. Minnesota Statutes 2000, section 65A.09, is amended to read:

65A.09 INSURANCE IN EXCESS OF VALUE.

Subdivision 1. INSURANCE LIMITED. No company shall knowingly issue any policy upon property in this state for an amount which, together with any existing insurance thereon, exceeds the fair value of replacement cost of the buildings and any other covered improvements on the property. Any company willfully insuring property for more than its real value that amount shall forfeit to the state, for the benefit of the school fund, double the premium collected on the policy.

Subd. 2. LENDERS; EXCESS INSURANCE. No mortgage company, bank, savings association, finance company, or other mortgage lender of any kind may require insurance coverage in violation of section 72A.31, subdivision 1, clause (4). Any lender that willfully violates this subdivision is subject to penalties available under chapter 45.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following final enactment.

Presented to the governor March 25, 2002

Signed by the governor March 26, 2002, 2:27 p.m.

CHAPTER 296—S.F.No. 2546

An act relating to local government; permitting the cities of Rockville and Pleasant Lake and the town of Rockville to jointly develop a consolidation plan; permitting the cities of New London and Spicer and the town of New London to jointly develop a consolidation plan; requiring hearings, approval by the governing bodies, and referenda; permitting the city of Montgomery to abolish its ward system.

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

Section 1. CONSOLIDATION PLAN.

Subdivision 1. SUBJECTS; DEADLINE. The cities of Rockville and Pleasant Lake and the town of Rockville may develop a consolidation plan within one year after the effective date of this act. The consolidation plan must address or expressly eliminate each subject mentioned or referred to in Minnesota Statutes, section 414.041, and any other matters pertinent to the consolidation. The plan must provide for the

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election of new municipal officers for the combined municipality. The one-year planning period shall be considered a proceeding for the purposes of Minnesota Statutes, section 414.033, subdivision 6.

Subd. 2. LOCAL HEARING. The communities shall jointly conduct at least one hearing regarding the consolidation plan and to discuss the issues referred to in Minnesota Statutes, section 414.041, subdivision 3. Any hearings conducted under this provision must be preceded by at least two weeks' published notice in a legal newspaper of general circulation in the affected area. Changes may be made to the consolidation plan as a result of the hearings.

Subd. 3. APPROVAL. The consolidation plan must be approved by the governing body of each participating city and town in a joint resolution.

Subd. 4. REFERENDA. Once each governing body approves the consolidation plan, referenda shall be conducted at a general or special election in each of the three communities on the same day. Costs of the respective referenda shall be borne by the respective communities. A majority of those voting in each community must approve the proposed consolidation.

Subd. 5. FILING; FINAL APPROVAL. If the consolidation is approved in each referenda, the plan, joint resolution, and results of the referenda shall be filed with the director of the state office of strategic and long-range planning. The director may review and comment, but shall, within 30 days, order the consolidation of the communities in accordance with the provisions of the consolidation plan. The director may not alter the boundaries, procedures, or other provisions of the plan.

Subd. 6. EFFECTIVE; NOTIFICATION. The consolidation shall be effective upon the issuance of the consolidation order by the director. The director shall cause copies of the order to be mailed to the parties, the secretary of state, the department of revenue, the state demographer, and the affected county auditor.

Sec. 2. CONSOLIDATION PLAN; NEW LONDON, SPICER, NEW LONDON TOWNSHIP.

Subdivision 1. SUBJECTS; DEADLINE. The cities of New London and Spicer and the town of New London may develop a consolidation plan within one year after the effective date of this act. The consolidation plan must address or expressly eliminate each subject mentioned or referred to in Minnesota Statutes, section 414.041, and any other matters pertinent to the consolidation. The plan must provide for the election of new municipal officers for the combined municipality. The one-year planning period shall be considered a proceeding for the purposes of Minnesota Statutes, section 414.033, subdivision 6.

Subd. 2. LOCAL HEARING. The communities shall jointly conduct at least one hearing regarding the consolidation plan and to discuss the issues referred to in Minnesota Statutes, section 414.041, subdivision 3. Any hearings conducted under this provision must be preceded by at least two weeks' published notice in a legal newspaper of general circulation in the affected area. Changes may be made to the consolidation plan as a result of the hearings.

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Subd. 6. EFFECTIVE; NOTIFICATION. The consolidation shall be effective upon the issuance of the consolidation order by the director. The director shall cause copies of the order to be mailed to the parties, the secretary of state, the department of revenue, the state demographer, and the affected county auditor.

Sec. 3. MONTGOMERY; REPEAL OF WARD SYSTEM.

The city of Montgomery may by ordinance abolish its ward system and provide for election of council members at-large. The ordinance must be adopted by July 1, of the year in which it is to take effect.

Sec. 4. EFFECTIVE DATE.

This act is effective the day following final enactment. No local approval is required.

Presented to the governor March 25, 2002

Signed by the governor March 26, 2002, 2:28 p.m.

CHAPTER 297—H.F.No. 2884

An act relating to traffic regulations; modifying imposition of civil fine for excessive gross weight; amending Minnesota Statutes 2000, sections 169.871, subdivision 1; 169.872, subdivision 1, by adding a subdivision.

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

Section 1. Minnesota Statutes 2000, section 169.871, subdivision 1, is amended to read:

Subdivision 1. **CIVIL LIABILITY.** (a) The owner or lessee of a vehicle that is operated with a gross weight in excess of a weight limit imposed under sections

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