

CHAPTER 14--H.F.No. 1014

An act relating to commerce; allowing the Minnesota Insurance Guaranty Association to request financial information from insureds; amending Minnesota Statutes 2024, section 60C.09, subdivision 2.

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

Section 1. Minnesota Statutes 2024, section 60C.09, subdivision 2, is amended to read:

Subd. 2. **Further definition.** In addition to subdivision 1, a covered claim does not include:

(1) claims by an affiliate of the insurer;

(2) claims due a reinsurer, insurer, insurance pool, or underwriting association, as subrogation recoveries, reinsurance recoveries, contribution, indemnification, or otherwise. This clause does not prevent a person from presenting the excluded claim to the insolvent insurer or its liquidator, but the claims shall not be asserted against another person, including the person to whom the benefits were paid or the insured of the insolvent insurer, except to the extent that the claim is outside the coverage of the policy issued by the insolvent insurer; ~~and~~

(3) any claims, resulting from insolvencies which occur after July 31, 1996, by an insured whose net worth exceeds \$25,000,000 on December 31 of the year prior to the year in which the insurer becomes an insolvent insurer; provided that an insured's net worth on that date shall be deemed to include the aggregate net worth of the insured and all of its subsidiaries and affiliates as calculated on a consolidated basis. The association may request financial information from an insured to determine the insured's net worth under this clause. If an insured fails to provide the requested financial information within 60 days of the date the association submits a request, the insured's net worth is deemed to exceed \$25,000,000 for purposes of the association's evaluation of the claim under section 60C.10. A request by the association to an insured seeking financial information under this clause must inform the insured of the consequences of failing to provide the requested information;

(4) any claims under a policy written by an insolvent insurer with a deductible or self-insured retention of \$300,000 or more, nor that portion of a claim that is within an insured's deductible or self-insured retention; and

(5) claims that are a fine, penalty, interest, or punitive or exemplary damages.

Presented to the governor May 6, 2025

Signed by the governor May 6, 2025, 9:42 a.m.