

*of the improvement or development thereof, when added to the book value of all other real property then held by it pursuant to this subdivision, shall not exceed three per cent of its admitted assets as of the end of the preceding calendar year, and (2) the cost of each parcel of real property acquired pursuant to this subdivision, including the estimated cost to the company of the improvement or development thereof, shall not exceed one-fourth of one per cent of its admitted assets as of the end of the preceding calendar year. Each parcel of real property held by the company under this subdivision shall be valued on its books as of the end of each calendar year at an amount that will include a write-down of the cost of such property, including all improvement or development costs, at a rate that will average not less than two per cent per annum of such cost for each year or part thereof that the property has been so held, and (2) if, as of the end of any calendar year, the aggregate net income before depreciation from all the properties held by the company under this subdivision, less the sum of all previous write-downs applied with respect to such properties, shall exceed four per cent per annum on the total book value of all such properties for the entire period during which such properties have been so held, the amount of such excess shall be applied, in such amounts and to such properties as the company shall determine, as a further write-down of such total book value. In order to enable the commissioner to obtain comparable information from all companies with respect to their operations under this subdivision and to determine compliance therewith, he may, by regulation, prescribe a uniform classification of all items of investment, income and expense, and a uniform method of reporting such operations.*

Approved April 22, 1947.

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#### CHAPTER 440—H. F. No. 1383

*An act relating to accident and health insurance; amending Minnesota Statutes 1945, Sections 62.01 and 62.12.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1945, Section 62.01, is amended to read as follows:

**62.01. Policy, form, approval.** Subdivision 1. **Form filed with commissioner.** On and after the *effective date of this*

*act, no policy of insurance against loss, expense, or damage from the sickness, or from the bodily injury or death of the insured by accident, shall be issued or delivered to any person in this state nor shall any application, rider or endorsement be used in connection therewith until a copy of the form thereof and of the classification of risks and the premium rates pertaining thereto, have been filed with the commissioner.*

*Subd. 2. Thirty days' stay before issue. No such policy shall be issued, nor shall any application, rider or endorsement be used in connection therewith, until the expiration of 30 days after it has been so filed unless the commissioner shall sooner give his written approval thereto.*

*Subd. 3. Commissioner may disapprove form. The commissioner may, within 30 days after the filing of any such form, disapprove such form (1) if the benefits provided therein are unreasonable in relation to the premium charged, or (2) if it contains a provision or provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation of such policy. If the commissioner shall notify the insurer which has filed any such form that it does not comply with the provisions of this section or Sections 62.02, 62.03, 62.04, 62.05 and 62.11, it shall be unlawful thereafter for such insurer to issue such form or use it in connection with any policy. In such notice the commissioner shall specify the reasons for his disapproval and state that a hearing will be granted within 20 days after request in writing by the insurer. The commissioner shall hear the party or parties within 20 days after receipt of the request and shall give not less than ten days written notice of the time and place of the hearing. Within 15 days after the hearing the commissioner shall affirm, reverse or modify his previous action, specifying his reasons therefor. Pending the hearing and decision thereon the commissioner may suspend or postpone the effective date of his previous action.*

*Subd. 4. Commissioner may withdraw approval. The commissioner may at any time, after a hearing of which not less than 20 days written notice shall have been given to the insurer, withdraw his approval of any such form on any of the grounds stated in this section. It shall be unlawful for the insurer to issue such form or use it in connection with any policy after the effective date of such withdrawal of approval. The notice of any hearing called under this paragraph shall specify the matters to be considered at such hearing and any decision affirming disapproval or directing*

*withdrawal of approval under this section shall be in writing and shall specify the reasons therefor.*

*Subd. 5. Certiorari to review. Any order or decision of the commissioner under this section shall be subject to review by writ of certiorari at the instance of any party in interest. In the case of disapproval or withdrawal of approval of a form previously in use the court shall determine whether the petition for such writ shall operate as a stay of any such order or decision. The court may, in disposing of the issue before it, modify, affirm, or reverse the order or decision of the commissioner in whole or in part.*

**Subd. 6. Group Insurance.** Group accident and health insurance is hereby declared to be that form of accident and health insurance covering not less than 25 employees or members, and which may include the employee's or member's dependents, consisting of husband, wife, children, and actual dependents residing in the household, written under a master policy issued to any governmental corporation, unit, agency, or department thereof, or to any corporation, copartnership, individual, employer, or to any association having a constitution or by-laws and formed in good faith for purposes other than that of obtaining insurance under the provisions of this chapter, where officers, members, employees, or classes or divisions thereof, may be insured for their individual benefit.

Any insurance company authorized to write accident and health insurance in this state shall have power to issue group accident and health policies. No policy of group accident and health insurance may be issued or delivered in this state *unless the same has been approved by the commissioner in accordance with subdivisions 1, 2, 3, 4 and 5 of this section.* These forms shall contain the standard provisions relating and applicable to health and accident insurance in so far as they may be applicable to group accident and health insurance, and also the following provisions:

(1) A provision that the policy and the application of the employer, or executive officer or trustee of any association, and the individual applications, if any, of the employees or members insured, shall constitute the entire contract between the parties, and that all statements made by the employer or any executive officer or trustee in behalf of the group to be insured, or by the individual employees or members to be insured, shall, in the absence of fraud, be deemed representations and not warranties, and that no such statement shall

be used in defense to a claim under the policy, unless it is contained in the written application;

(2) A provision that the insured will issue a master policy to the employer, or to the executive officer or trustee of the association; and the insurer shall also issue to the employer or to the executive officer or trustee of the association, for delivery to the employee or member who is insured under the policy, an individual certificate setting forth a statement as to the insurance protection to which he is entitled and to whom payable, together with a statement as to when and where the master policy, or a copy thereof, may be seen for inspection by the individual insured; this individual certificate may contain the names of, and insure the dependents of, the employee or member, as provided for herein;

(3) A provision that to the group or class thereof originally insured may be added, from time to time, all new employees of the employer or members of the association eligible to and applying for insurance in that group or class and covered or to be covered by the master policy.

*Subd. 7. Family Group Insurance.* Family group accident and health insurance is hereby declared to be that form of accident and health insurance covering members of any one family, including husband, wife, children, and dependents residing in the household, written under a master or single policy issued to the head of such family. Any insurance company authorized to write accident and health insurance in this state shall have the power to issue family group accident and health insurance. No policy of family group accident and health insurance may be issued or delivered in this state *unless the same has been approved by the commissioner in accordance with subdivisions 1, 2, 3, 4 and 5 of this section.* These forms shall contain the standard provisions relating to and applicable to accident and health insurance and the following provisions:

(1) A provision that the policy and the application of the head of the family shall constitute the entire contract between the parties, and that all statements made by the head of the family shall, in the absence of fraud, be deemed representations and not warranties, and that no statement of the insured in connection with the application shall be used in defense to a claim under the policy, unless it is contained in the written application;

(2) A provision that to the family group originally insured may be added, from time to time, all new members of the family eligible for insurance in the family group.

Sec. 2. Minnesota Statutes 1945, Section 62.12, Subdivision 1, is amended to read as follows:

**62.12. Application.** Subdivision 1. **Not to affect workmen's compensation.** Nothing in this chapter shall apply to or affect any policy or liability of workmen's compensation insurance.

Sec. 3. **Effective date.** This act shall take effect October 1, 1947.

Approved April 22, 1947.

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CHAPTER 441—H. F. No. 1392

[Not Coded]

*An act fixing and regulating the fees of the clerk of the municipal court in all cities of the first class now or hereafter having a population of 450,000 or more.*

Be it enacted by the Legislature of the State of Minnesota:

**Section 1. Fees of clerk of municipal court of Minneapolis.** The fees of the clerk of the municipal court now fixed by law in all cities of the first class now or hereafter having a population of 450,000 or more, shall remain as so fixed; except, that for the period beginning May 1, 1947, and ending April 30, 1953, it shall be the duty of the clerk to collect in each civil suit, action, or proceeding filed in such court, in the manner in which other fees are collected therein and in addition thereto, the sum of \$1.00 from the plaintiff or person instituting such suit, action, or proceeding at the time of the filing of the first paper therein, and the sum of \$1.00 from each defendant, respondent, intervenor, or other party who shall appear therein, either separately or jointly, to be collected at the time of the filing of the first paper by such defendant, respondent, intervenor, or other party, or at the time when his or their appearance is entered in the case.

**Sec. 2. Not to apply to certain actions.** This act shall not apply to actions commenced by the state or any governmental subdivision thereof, or to garnishment proceedings, or to compensation awards.

Approved April 22, 1947.