

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 2403**

(SENATE AUTHORS: PRATT and Franzen)

DATE  
05/18/2017

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OFFICIAL STATUS  
Introduction and first reading  
Referred to Commerce and Consumer Protection Finance and Policy

1.1 A bill for an act  
 1.2 relating to insurance; authorizing affinity group discounts in certain auto or  
 1.3 homeowner's insurance policies; proposing coding for new law in Minnesota  
 1.4 Statutes, chapter 72A.  
 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **[72A.328] AFFINITY GROUP.**

1.7 Subdivision 1. **Definitions.** (a) For purposes of this section the following terms have  
 1.8 the meanings given.

1.9 (b) "Affinity group" means an entity that offers individuals benefits based on their  
 1.10 membership in a group. Affinity group does not include an entity that obtains group  
 1.11 insurance, as defined in section 60A.02, subdivision 28, or risk retention groups as defined  
 1.12 in section 60E.02, subdivision 12.

1.13 (c) "Policy" means an individually underwritten policy of private passenger vehicle  
 1.14 insurance, as defined in section 65B.001, subdivision 2, or an individually underwritten  
 1.15 policy of homeowner's insurance, as defined in section 65A.27, subdivision 4.

1.16 Subd. 2. **Discount.** An insurance company may offer an individual a discount or other  
 1.17 benefit relating to a policy based on the individual's membership in an affinity group if:

1.18 (1) the benefit or discount is based on an actuarial justification; and

1.19 (2) the insurance company offers the benefit or discount to all members of the affinity  
 1.20 group eligible for the discount or benefit.