

1 Department of Commerce

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3 Adopted Rules Governing Security Requirements of Self-Insurers

4 Under the No-Fault Automobile Insurance Act

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6 Rules as Adopted

7 2770.6500 AUTHORIZATION STANDARDS.

8 Subpart 1. Political subdivisions. The commissioner shall
9 grant self-insurance authority to an applicant that is a
10 political subdivision if it satisfies these conditions:

11 A. at least 25 motor vehicles are registered in its
12 name; and

13 B. it has, or has contracted with a licensed vendor
14 of risk management services to provide, the administrative
15 resources needed to:

16 (1) process, review, and pay claims;

17 (2) evaluate the medical and rehabilitation needs
18 of automobile accident victims; and

19 (3) estimate current and future loss liabilities.

20 A political subdivision that has satisfied the foregoing
21 conditions is not required to satisfy the security requirement
22 of part 2770.6800.

23 Subp. 2. [Unchanged.]

24 2770.6800 SECURITY REQUIREMENT.

25 Subpart 1. Surety bond required. An authorized
26 self-insurer, except political subdivisions that have satisfied
27 the requirements of part 2770.6500, subpart 1, items A and B,
28 shall maintain a surety bond written by a corporate surety
29 authorized to do business in Minnesota. The bond must be filed
30 with the commissioner and name the "Commissioner of Commerce -
31 State of Minnesota" as its obligee.

32 Subp. 2. to 5. [Unchanged.]