

# MINNESOTA STATUTES 1977 SUPPLEMENT

## 72C.11 READABILITY OF INSURANCE POLICIES

maintenance contracts as defined in section 62D.02, which are made, issued, amended or renewed after July 1, 1980; and

(c) To all policies of any additional line or type of insurance within the scope of sections 72C.01 to 72C.13, as provided by any rule promulgated by the commissioner not later than July 1, 1981.

Subd. 2. The commissioner shall make the following reports to the legislature:

(a) On or before February 1, 1979 a report detailing and evaluating the efforts made by the commissioner and insurers to implement the provisions of subdivision 1, clause (a), and particularly examining the feasibility and practicality of requiring accident and health and life insurance policies to comply with sections 72C.01 to 72C.13 and in the time prescribed;

(b) On or before February 1, 1980 a report detailing and evaluating (1) the operation of and the extent of compliance with sections 72C.01 to 72C.13, (2) the efforts made by the commissioner and insurers to implement the provisions of subdivision 1, clause (b), and (3) the commissioner's intent regarding the extension of the application of sections 72C.01 to 72C.13 to other lines and types of insurance under subdivision 1, clause (c), and his reasons therefor.

[ 1977 c 345 s 11 ]

## 72C.12 Commissioner's powers and duties.

In addition to the duties and powers enumerated elsewhere in sections 72C.01 to 72C.13 the commissioner shall have the power to promulgate rules consistent with sections 72C.01 to 72C.13 to effectuate its purpose.

[ 1977 c 345 s 12 ]

## 72C.13 Construction.

Subdivision 1. Sections 72C.01 to 72C.13 shall not operate to relieve any insurer from any provision of law regulating the contents or provisions of insurance policies, except to the extent that the provisions prescribe the use of specific language which is inconsistent with sections 72C.01 to 72C.13.

Subd. 2. No alteration in the language of the Minnesota standard fire insurance policy under section 65A.01 or the standard provisions of health insurance policies under section 62A.04, as authorized by sections 72C.01 to 72C.13, shall be construed to limit or reduce an insured's or beneficiary's rights granted under those statutory provisions.

[ 1977 c 345 s 13 ]

## CHAPTER 79. COMPENSATION INSURANCE

Sec.  
79.07 Insurance rates.

Sec.  
79.095 Appointment of actuary. [New]  
79.30 Subrogation upon insolvency.

### 79.07 Insurance rates.

To provide for the solvency of insurers writing workers compensation insurance in this state and to secure reasonable rates, the commissioner shall approve a minimum, adequate, fair, and reasonable rate, including the expense of a reasonable charge which the commissioner may approve for the services of an agent of record whether or not an employee or agent of the insurer, for the service of rejected risks as set forth in sections 79.24 to 79.27, for each classification under which such business is written. In approving these rates, the commissioner shall make findings in support thereof and make use of the experience which from time to time may be available and of such other helpful information as may be obtainable. For the purpose of uniformity and equality, the commissioner, after consultation with insurers, shall approve a system of merit and experience rating for use in writing such business in this state. No other system of merit or experience rating shall be used in this state. Every insurer referred to in section 79.20 who issues participating policies shall file with the commissioner a true copy or summary as the commissioner shall direct of its participating dividend rates as to policy holders. The commis-

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## REGULATION OF SECURITIES 80A.21

sioner shall study such rates and make recommendations to the legislature concerning possible basis for discrimination. Such filing shall be made at the same time as the filing required in section 79.20. In determining what is a reasonable, fair, and adequate rate the commissioner shall allow insurers to charge an amount for profit and expenses in addition to the amounts necessary to pay any benefits or charges required by chapter 176. The amount allowed for profit and expenses shall not exceed 22.5 percent of the total premiums paid for workers' compensation insurance within this state.

[ 1977 c 342 s 25 ]

NOTE: This section as amended by Laws 1977, Chapter 342, Section 25, is effective June 30, 1979.

### 79.095 Appointment of actuary.

The commissioner shall employ the services of a casualty actuary experienced in worker's compensation whose duties shall include but not be limited to investigation of complaints by insured parties relative to rates, rate classifications, or discriminatory practices of an insurer.

[ 1977 c 342 s 24 ]

### 79.30 Subrogation upon insolvency.

The rating bureau shall be subrogated to the rights of the employee, or his dependents, as against the employer's worker's compensation insurance carrier, to the extent of payments made by the rating bureau under the provisions of sections 79.28 to 79.32 and shall take such legal proceedings as it shall deem necessary or advisable to recover thereon, and all sums so recovered shall constitute an additional fund for payment of these awards until the same are paid in full. The rating bureau shall not be subrogated to the rights of the employee, or his dependents, if any, as against the employer. In such a proceeding against an insolvent carrier, the rating bureau shall have first priority in payment from the assets of the insolvent insurer.

[ 1977 c 342 s 26 ]

## CHAPTER 80A. REGULATION OF SECURITIES

Sec. 80A.07	Denial, suspension and revocation of licenses.	Sec. 80A.21	Cease and desist orders; injunctions; receivers.
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### 80A.07 Denial, suspension and revocation of licenses.

[For text of subd 1, see M.S.1976]

Subd. 2. The commissioner may not institute a suspension or revocation proceeding solely on the basis of a fact or transaction known to him when the initial license was issued unless the proceeding is instituted within the next 30 days after the issuance of the initial license.

[For text of subds 3 to 5, see M.S.1976]

[ 1977 c 33 s 1 ]

### 80A.21 Cease and desist orders; injunctions; receivers.

Subdivision 1. Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule or order hereunder:

(a) He shall have the power to issue and cause to be served upon such person an order requiring the person to cease and desist from violations of sections 80A.01 to 80A.31. The order shall be calculated to give reasonable notice of the rights of the person to request a hearing thereon and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the re-