70A.01 INTERPRETATION GUIDE.

Subdivision 1. **Liberal construction.** This chapter shall be liberally construed to achieve the purposes stated in subdivision 2, which shall constitute an aid and guide to interpretation but not an independent source of power.

Subd. 2. **Purposes.** The purposes of this chapter are:

(a) to protect policyholders and the public against the adverse effects of excessive, inadequate or unfairly discriminatory rates;

(b) to encourage, as the most effective way to produce rates that conform to the standards of (a), independent action by and reasonable price competition among insurers;

(c) to provide formal regulatory controls for use if independent action and price competition fail;

(d) to authorize cooperative action among insurers in the ratemaking process, and to regulate such cooperation in order to prevent practices that tend to bring about monopoly or to lessen or destroy competition;

(e) to encourage efficient and economic practices.

History: *1969 c 958 s 1*