CHAPTER 65B

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Subdivision 1. **Application.** Unless a different meaning is expressly made applicable, the terms defined in this section shall, for the purposes of this chapter, have the meanings given them.

Subd. 2. **Private passenger vehicle insurance.** "Private passenger vehicle insurance" means a policy insuring a natural person as named insured, and any relative of the named insured who is a resident of the same household, covering private passenger vehicles or utility vehicles owned by the insured. This term does not include a policy insuring more than four vehicles rated on a fleet basis or covering garage, automobiles sales agency, repair shop, service station or public parking place operation hazards.

Subd. 3. **Private passenger vehicle.** "Private passenger vehicle" means a passenger automobile defined in section 168.002, or a jeep type automobile, that is not rented to others or used as a public or livery conveyance for passengers.

Subd. 4. **Utility vehicle.** "Utility vehicle" means any four wheel vehicle, other than a private passenger vehicle, which has a pickup, van, or panel truck type body and is not used primarily in the occupation, profession or business of the insured, other than farming or ranching.

Subd. 5. **Motorcycle.** "Motorcycle" means a self-propelled vehicle designed to travel on fewer than four wheels that has an engine rated at greater than five horsepower, and includes a trailer with one or more wheels, when the trailer is connected to or being towed by a motorcycle. For purposes of this chapter, motorcycle includes a motorized bicycle as defined in section 169.011, subdivision 45, but does not include an electric-assisted bicycle as defined in section 169.011, subdivision 27.

History: *1977 c 366 s 1; 1984 c 592 s 52; 1987 c 269 s 1; 1989 c 140 s 1; 1996 c 435 s 1*

MINNESOTA AUTOMOBILE INSURANCE PLAN

65B.01 PURPOSES, CONSTRUCTION AND SCOPE.

Subdivision 1. **Purpose.** The purposes of sections 65B.01 to 65B.12 are to provide the guarantee that automobile insurance coverage will be available to any person who is unable to procure such insurance through ordinary methods by providing a facility for the placement of automobile insurance risks with insurers, and to preserve to the public the benefits of price competition by encouraging maximum use of the normal private insurance system. Sections 65B.01 to 65B.12 shall be liberally construed to effect the purposes stated.

Subd. 2. **Scope and membership.** Every insurer authorized to write automobile liability or physical damage insurance in this state, as a condition precedent to being licensed or to retain such license to write such insurance in this state, shall be a member of the facility and shall participate therein under the terms and provisions of sections 65B.01 to 65B.12.

History: *1971 c 813 s 1; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1992 c 520 s 2*

65B.02 DEFINITIONS.

Subdivision 1. **Application.** Unless the language or context clearly indicates a different meaning is intended, the following terms shall, for the purposes of sections 65B.01 to 65B.12, have the meanings ascribed to them.

Subd. 2. **Qualified applicant.** "Qualified applicant" means a person who:

(1) is a resident of this state;

(2) owns a motor vehicle registered in accordance with the laws of this state, or has a valid driver's license, or is required to file a certificate of insurance with the commissioner of public safety; and

(3) has no unpaid premiums with respect to prior automobile insurance.

Subd. 3. **Facility.** "Facility" means the organization formed by insurers to carry out the purposes provided in section 65B.01, subdivision 1, and shall be known as the Minnesota Automobile Insurance Plan.

Subd. 4. **Member.** "Member" means an insurer who is required by sections 65B.01 to 65B.12, to be a member of the facility.

Subd. 5. **Car years.** "Car years" means the number of insurance policies written on automobile or licensed drivers by a given insurer in any calendar year; and "voluntary car years" means the number of such policies written by a given insurer, exclusive of policies written through the facility.

Subd. 6. **Private passenger nonfleet automobile.** "Private passenger nonfleet automobile" means motorized vehicles designed for transporting passengers or goods, subject to specific contemporary definitions for insurance purposes as provided in the plan of operation.

Subd. 7. **Participation ratio.** "Participation ratio" means the ratio of the member's Minnesota premiums, or other measure of business written approved by the commissioner, in relation to the comparable statewide totals for all members.

(1) For private passenger nonfleet automobile insurance coverages the participation ratio shall be based on voluntary car years written in this state for the calendar year ending December 31 of the second prior year, as reported by the statistical agent of each member as private passenger nonfleet exposures.

(2) For insurance coverages on all other automobiles, including insurance for fleets, commercial vehicles, public vehicles and garages, the ratio shall be based on the total Minnesota gross, direct automobile insurance premiums written, including both policy and membership fees less return premiums and premiums on policies not taken, without including reinsurance assumed and without deducting reinsurance ceded, and less the amount of such premiums reported as received for insurance on private passenger nonfleet vehicles, for the calendar year ending December 31 of the second prior year.

(3) For the purpose of determining each member's responsibility for expenses and assessments to operate the facility, the ratio shall be based on each member's total Minnesota car years and gross, direct premiums written, including both policy and membership fees less return premiums and premiums on policies not taken, without including reinsurance assumed and without deducting reinsurance ceded, for the calendar year ending December 31 of the second prior year, provided, however, that the preliminary determination of each member's responsibility for expenses and assessments may use the calendar year ending December 31 of the third prior year.

Subd. 8. **Commissioner.** "Commissioner" means the commissioner of commerce or one properly acting in the capacity of the commissioner of commerce.

History: *1971 c 813 s 2; 1974 c 408 s 32 subd 4; 1977 c 276 s 1; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1992 c 520 s 3-5; 1999 c 177 s 66; 1Sp2025 c 4 art 3 s 12*

65B.03 GOVERNING COMMITTEE.

Subdivision 1. **Membership.** An election must be held among every insurer subject to sections 65B.01 to 65B.12, for the election of insurer representatives on the facility governing committee. The governing committee shall be made up of nine individuals, five of whom shall be elected by members of the facility and four who shall be public members. Public members may include licensed insurance agents. The public members shall be appointed by the commissioner. The term of office for members of the governing committee is two years.

Each member serving on the governing committee shall be represented by a salaried employee of that member, and not more than one member in a group under the same management shall serve on the governing committee at the same time.

Subd. 2. **Terms of office.** The governing committee members shall serve two-year terms. Vacancies shall be filled as provided in the plan of operation.

History: *1971 c 813 s 3; 1973 c 756 s 1; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1Sp1985 c 10 s 66; 1986 c 444; 1987 c 337 s 96; 1992 c 520 s 6*

65B.04 PLAN OF OPERATION.

Subdivision 1. [Repealed, 1992 c 520 s 18]

Subd. 1a. **Plan.** The plan of operation consists of the operation procedures of the facility.

Subd. 2. [Repealed, 1992 c 520 s 18]

Subd. 3. **Amendments.** The plan of operation may be amended by a majority vote of the governing committee and the approval of the commissioner. An order by the commissioner disapproving an amendment to the plan of operation must be issued within 30 days of receipt by the commissioner of the proposed amendment, certified by the governing committee as having been adopted by that committee by a majority vote, or the amendment shall be deemed approved by the commissioner. An order of disapproval may be appealed as provided in chapter 14.

Subd. 4. **Adherence to plan.** Every insurer authorized to write automobile bodily injury liability, property damage liability or physical damage insurance in this state, as a condition to maintaining its authorization to transact the business of insurance in this state, shall adhere to the plan of operation.

History: *1971 c 813 s 4; 1983 c 247 s 34; 1986 c 444; 1992 c 520 s 7-9; 2001 c 215 s 29*

65B.05 POWER OF FACILITY, GOVERNING COMMITTEE.

(a) The facility is authorized to: (1) issue or cause to be issued insurance policies in the name of the Minnesota automobile insurance plan to applicants for the types of insurance available under the plan, subject to limits specified in the plan of operation; (2) underwrite the insurance and adjust and pay losses with respect to the plan; and (3) retain, hire, or appoint an individual or company to perform a function under clause (1) or (2).

(b) The governing committee shall have the power to direct the operation of the facility in all pursuits consistent with the purposes and terms of sections 65B.01 to 65B.12, including but not limited to:

(1) suing and being sued in the name of the facility and assessing each member in accord with its participation ratio to pay any judgment against the facility as an entity, provided, however, that no judgment

against the facility shall create any liabilities in one or more members disproportionate to their participation ratio or an individual representing members on the governing committee;

(2) delegating ministerial duties, hiring a manager, and contracting for goods and services from others;

(3) assessing members on the basis of participation ratios to cover anticipated costs of operation and administration of the facility; and

(4) imposing limitations on cancellation or nonrenewal by members of insureds covered pursuant to placement through the facility in addition to the limitations imposed by chapter 72A and sections 65B.1311 to 65B.21.

History: *1971 c 813 s 5; 1Sp1981 c 4 art 1 s 56; 1992 c 520 s 10; 2001 c 7 s 16; 1Sp2025 c 4 art 3 s 13; 2026 c 88 art 1 s 13*

65B.06 DISTRIBUTION OF RISKS; COVERAGE.

Subdivision 1. **Distribution of private passenger, nonfleet auto risks.** With respect to private passenger, nonfleet automobiles, the facility shall provide for members to share premium, losses, costs, and expenses in accordance with the participation ratio.

Subd. 2. **Private passenger; nonfleet auto coverage.** With respect to private passenger, nonfleet automobiles, the facility shall provide for the issuance of policies of automobile insurance with coverage as follows:

(1) bodily injury liability and property damage liability coverage in the minimum amounts specified in section 65B.49, subdivision 3;

(2) uninsured and underinsured motorist coverages as required by section 65B.49, subdivisions 3a and 4a;

(3) a reasonable selection of higher limits of liability coverage up to $50,000 because of bodily injury to or death of one person in any one accident and, subject to such limit for one person, up to $100,000 because of bodily injury to or death of two or more persons in any one accident, and up to $25,000 because of injury to or destruction of property of others in any one accident, or higher limits of liability coverage as recommended by the governing committee and approved by the commissioner;

(4) basic economic loss benefits, as required by section 65B.44, and other optional coverages as recommended by the governing committee and approved by the commissioner; and

(5) automobile physical damage coverage, including coverage of loss by collision, subject to deductible options.

Subd. 3. **Other auto coverage.** With respect to all automobiles not included in subdivisions 1 and 2, the facility shall provide:

(1) the minimum limits of coverage required by section 65B.49, subdivisions 2, 3, 3a, and 4a, or higher limits of liability coverage as recommended by the governing committee and approved by the commissioner;

(2) for the equitable sharing of premium, losses, costs, and expenses for this coverage among the members in accordance with the applicable participation ratio; and

(3) for a school district or contractor transporting school children under contract with a school district, that amount of automobile liability insurance coverage, not to exceed $1,000,000, required by the school

district by resolution or contract, or that portion of such $1,000,000 of coverage for which the school district or contractor applies and for which it is eligible under section 65B.10.

Subd. 4. **Policy and endorsement forms.** Coverage made available under this section shall be the automobile policy and endorsement forms, as approved by the commissioner, with such changes, additions and amendments as are adopted by the governing committee and approved by the commissioner.

History: *1971 c 813 s 6; 1974 c 408 s 32 subds 4,5; 1976 c 2 s 41; 1977 c 276 s 2; 1Sp1981 c 4 art 1 s 57; 1984 c 592 s 53; 1986 c 313 s 9; 1992 c 520 s 11; 1995 c 258 s 47; 2001 c 215 s 30,31; 1Sp2025 c 4 art 3 s 14-16*

65B.07 OTHER PROVISIONS AND FUNCTIONS.

Subdivision 1. **Optional deferred payment plan.** The facility shall provide one or more optional deferred payment plans, which shall include sufficient advance payment to, at all times, equal at least the pro rata earned premium, and such plans shall include additional charges for deferred payments.

Subd. 2. [Repealed, 1992 c 520 s 18]

Subd. 3. **Public education.** The facility shall provide for publicizing its purposes and developing public understanding of the facility.

Subd. 4. **Annual financial statement and report.** The facility shall provide an annual financial statement on the facility's operation to the commissioner, and shall provide an annual report of operations to the commissioner and to all members so requesting.

Subd. 5. [Repealed, 1995 c 258 s 67]

History: *1971 c 813 s 7; 1986 c 444; 1992 c 520 s 12*

65B.08 RATES.

Subdivision 1. **Filing.** As agent for members, the facility shall file with the commissioner all manuals of classification, all manuals of rules and rates, all rating plans, and any modifications of same, proposed for use for automobile insurance placed through the facility. The classifications, rules and rates and any amendments thereto shall be subject to prior written approval by the commissioner. Rates, surcharge points, and increased limits factors filed by the facility shall not be excessive, inadequate, or unfairly discriminatory. No other entity, service or organization shall make filings for the facility or the members to apply to insurance placed through the facility.

Subd. 2. **Use of rates.** Every member shall be authorized to use the rates and rules approved by the commissioner for use by the facility on business placed through the facility, and shall use no other rates on automobiles placed through the facility.

Subd. 3. **Facility exempt.** Laws relating to rating organizations or advisory organizations shall not apply to functions provided for under this section.

History: *1971 c 813 s 8; 1992 c 520 s 13,14; 1995 c 258 s 48*

65B.09 AGENTS.

Subdivision 1. **Agents' responsibility.** Every person licensed under sections 60K.30 to 60K.56 who is authorized to solicit, negotiate or effect automobile insurance on behalf of any member shall:

(1) offer to place coverage through the facility for any qualified applicant who is ineligible or unacceptable for coverage in the insurer or insurers for whom the agent is authorized to solicit, negotiate or effect automobile insurance. Provided, that the failure of an agent to make such an offer to a qualified applicant shall not subject the agent to any liability to the applicant;

(2) forward to the facility all applications and any deposit premiums which are required by the plan of operation, rules and procedures of the facility, if the qualified applicant accepts the offer to have coverage placed through the facility;

(3) be entitled to receive compensation for placing insurance through the facility at the uniform rates of compensation as provided in the plan of operation, and all members shall pay such compensation.

Subd. 2. **Agents' contracts.** A member may not include the premiums and losses incurred from risks insured through the facility in determining the loss ratio of any of its agents, or otherwise use the experience from such risks as cause for altering the relationship between the member and its agent.

History: *1971 c 813 s 9; 1986 c 444; 1992 c 520 s 15; 1993 c 13 art 2 s 3; 1995 c 258 s 49; 2001 c 117 art 2 s 14*

65B.10 ELIGIBILITY.

Subdivision 1. **Eligibility for coverage.** To be eligible for coverage through the facility an otherwise qualified applicant must have been rejected, canceled or refused renewal with respect to automobile insurance by a member.

Subd. 2. **Termination of eligibility.** Eligibility for placement through the facility will terminate if an insured is offered equivalent coverage in the voluntary market at a rate lower than the facility rate.

Subd. 3. **Review of insureds.** At least annually, every member shall review every private passenger nonfleet applicant which it insures through the facility and determine whether or not such applicant is acceptable for voluntary insurance at a rate lower than the facility rate. If such applicant is acceptable, the member shall make an offer to insure the applicant under voluntary coverage at such lower rate.

History: *1971 c 813 s 10; 1986 c 444; 1992 c 520 s 16; 1995 c 258 s 50; 1Sp2025 c 4 art 3 s 17*

65B.11 USE OF FACILITY BY PUBLIC.

If, upon a formal hearing, the commissioner finds that a large proportion of qualified and eligible persons are failing to gain the benefits of the facility, the facility shall provide service to assist the public in making application to the facility for placement.

History: *1971 c 813 s 11*

65B.12 RIGHT TO HEARING; CONSTRUCTION OF PLAN OF OPERATION.

Subdivision 1. **Hearing request.** Any member, applicant or person insured under a policy placed through the facility may request a formal hearing and ruling by the governing committee on any alleged violation of the plan of operation or any alleged improper act or ruling of the facility. The request for hearing must be filed within 30 days after the date of the alleged act or decision.

Subd. 2. **Plan of operation to provide.** The plan of operation shall provide for prompt and fair hearings, and shall prescribe the procedure to be followed in the hearings.

Subd. 3. **Appeal of governing committee ruling.** Any formal ruling by the governing committee may be appealed to the commissioner by filing notice of appeal with the facility and the commissioner within 30 days after issuance of the ruling. The hearing shall be governed by the procedures for contested cases.

Subd. 4. **Appeal hearing.** Upon a hearing pursuant to chapter 14, the commissioner shall issue an order approving or disapproving the action or decision of the governing committee or directing the governing committee to reconsider the ruling.

Subd. 4a. **Judicial review.** In lieu of the appeal to the commissioner, a member, applicant, or person may seek judicial review of the governing committee's action.

Subd. 5. **Plan interpretation.** The plan of operation shall be interpreted to conform to the laws of this state with respect to automobile insurance coverage and any changes in the laws, unless the facility is specifically excluded from the applicability of these laws.

History: *1971 c 813 s 12; 1987 c 337 s 97; 1992 c 520 s 17*

PROVISIONS AFFECTING COVERAGE

65B.13 [Repealed, 2000 c 483 s 55]

65B.131 [Repealed, 1979 c 215 s 2]

65B.1311 COVERAGE FOR FORMER SPOUSE.

Subdivision 1. **New policy issued.** An insurer must issue a policy of private passenger insurance to the former spouse of a named insured, within the provisions of subdivision 2, if the following conditions are met:

(1) the former spouse has been an insured driver under the former policy for at least the six months immediately preceding the entry of a valid decree of dissolution of marriage;

(2) the former spouse makes application for a policy before the end of the policy period or within 60 days after the entry of the decree of dissolution of marriage, whichever is later;

(3) the appropriate premium is paid; and

(4) the former spouse and any person or persons who are to be an insured, as defined in section 65B.43, meets the insurer's eligibility standards for renewal policies.

Subd. 2. **Named insured.** A named insured under a policy of private passenger vehicle insurance shall have the premium determined at the first and any subsequent renewals of the policy after entry of a valid decree of dissolution of the marriage of the named insured only on the basis of the driving record and rating classification applicable to the named insured and any person who is to be an insured, as defined in section 65B.43, under the policy to be renewed.

History: *1986 c 455 s 49; 1987 c 337 s 98*

65B.132 STUDENT DISCOUNTS; ELIGIBILITY.

Any insurance company providing discounts on automobile insurance premiums to eligible persons attending colleges and universities must provide the discount to eligible students enrolled in technical colleges.

History: *1975 c 44 s 1; 1987 c 258 s 12; 1989 c 246 s 2; 1Sp1995 c 3 art 16 s 13; 1996 c 412 art 13 s 2*

65B.133 SURCHARGE DISCLOSURE.

Subdivision 1. **Definitions.** For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Computed premium" means the rate in effect before the application of a surcharge.

(b) "Chargeable accident" means an accident which is taken into consideration in applying a surcharge.

(c) "Chargeable traffic violation" means a traffic violation which is taken into consideration in applying a surcharge.

(d) "Policy" means a policy providing private passenger vehicle insurance, as defined in section 65B.001, subdivision 2.

(e) "Surcharge" means any increase in premium for a policy, including the removal of an accident-free or claim-free discount, based upon an accident or a traffic violation.

(f) "Surcharge disclosure statement" means a written statement disclosing the surcharge plan of an insurer, the effective date of the surcharge plan, and the name of the insurer, and any other information which the commissioner may require to be disclosed to assist insureds in comparing surcharge plans among insurers.

(g) "Surcharge plan" means the conditions under which an insurer applies a surcharge including but not limited to: (1) the maximum dollar amount which an insurer pays due to an accident without applying a surcharge, (2) accidents which are not chargeable, (3) chargeable traffic violations, (4) the length of time that an accident or a traffic violation is chargeable, and (5) surcharge rates for the first and each successive accident or traffic violation.

(h) "Surcharge rate" means the amount of any surcharge expressed as a percentage of the computed premium rate or as a dollar amount surcharge, if a percentage surcharge is not used.

Subd. 2. **Disclosure to applicants.** Before accepting the initial premium payment, an insurer or its agent shall provide a surcharge disclosure statement to any person who applies for a policy which is effective on or after January 1, 1983. If the insurer provides the surcharge disclosure statement on the insurer's website, the insurer or agent may notify the applicant orally or in writing of its availability for review on the insurer's website prior to accepting the initial payment, in lieu of providing a disclosure statement to the applicant in writing, if the insurer so notifies the applicant of the availability of a written version of this statement upon the applicant's request. The insurer shall provide the surcharge disclosure statement in writing if requested by the applicant. An oral notice shall be presumed delivered if the agent or insurer makes a contemporaneous notation in the applicant's record of the notice having been delivered or if the insurer or agent retains an audio recording of the notification provided to the applicant.

Subd. 3. [Repealed, 2010 c 384 s 104]

Subd. 4. **Notification of change.** No insurer may change its surcharge plan unless a surcharge disclosure statement or written website notice is mailed or delivered to the named insured before the change is made. A surcharge disclosure statement disclosing a change applicable on the renewal of a policy, may be mailed with an offer to renew the policy. Surcharges cannot be applied to accidents or traffic violations that occurred prior to a change in a surcharge plan except to the extent provided under the prior plan.

Subd. 5. **Limitation on chargeable traffic violations.** No traffic violation is chargeable to a driver unless the driver is convicted of, or forfeits bail for, the offense, or the driver's license is revoked pursuant to section 169A.52 or 171.177. If a surcharge is applied because bail is forfeited and if the driver is later acquitted of the offense, the insurer shall rebate the surcharge. A violation of section 169.685, subdivision 5, is not chargeable.

Subd. 5a. **Surcharge prohibition.** No surcharge is chargeable to an insured who collects benefits under a policy because the insured is a passenger in a bus, taxi, or commuter van involved in an accident.

Subd. 6. **Penalty.** Failure to comply with this section constitutes a violation of section 70A.04 and is subject to the penalties prescribed in section 70A.21.

Subd. 7. **Commissioner may promulgate rules.** The commissioner may promulgate rules reasonably necessary to carry out and make effective this section.

History: *1982 c 541 s 1; 1983 c 261 s 2; 1992 c 564 art 1 s 45; 1997 c 64 s 1; 2000 c 478 art 2 s 7; 2009 c 178 art 1 s 35-37; 2017 c 83 art 3 s 18; 2026 c 88 art 1 s 14*

65B.134 COMPREHENSIVE COVERAGE; GLASS BREAKAGE.

Any policy of automobile insurance, as defined in section 65B.14, subdivision 2, providing comprehensive coverage, whether designated as such or included in a policy providing broader coverage, must provide at the option of the insured complete coverage for repair or replacement of all damaged safety glass without regard to any deductible or minimum amount.

History: *1983 c 292 s 2*

65B.135 LIMOUSINE INSURANCE.

An insurer who provides insurance for limousines, defined in section 168.002, subdivision 15, shall provide insurance in a minimum aggregate amount of $1,500,000 per accident for each limousine covered. The insurance coverage may be provided by combining an underlying liability policy with an excess or umbrella policy as long as the minimum aggregate amount is met.

History: *1989 c 318 s 3; 2014 c 175 s 1*

65B.136 MINORS.

A minor authorized under section 168.101, subdivision 1, to own a private passenger vehicle, as defined in section 65B.001, subdivision 3, may contract to buy a plan of reparation security, as defined in section 65B.43, subdivision 15, on that vehicle, as a contract that is fully binding on the minor on the same basis as if the minor were an adult. This section does not require an insurer to issue coverage to a minor or limit an insurer's underwriting discretion in regard to any aspect of the coverage.

History: *2010 c 278 s 1*

CANCELLATIONS, NONRENEWALS, AND REDUCTIONS IN COVERAGE

65B.14 DEFINITIONS.

Subdivision 1. **Application.** For the purposes of sections 65B.14 to 65B.21, the terms defined in this section have the meanings given them.

Subd. 2. **Policy of automobile insurance or policy.** "Policy of automobile insurance" or "policy" means a policy of private passenger vehicle insurance as defined in section 65B.001, or a plan of reparation security as defined in section 65B.48 insuring less than five vehicles rated on a commercial or fleet basis, or a policy of insurance covering the use of a motorcycle, delivered or issued for delivery in this state.

Subd. 3. **Renewal or to renew.** "Renewal" or "to renew" means the issuance and delivery by an insurer of a policy superseding at the end of the policy period a policy previously issued and delivered by the same insurer on the same rating plan, or the issuance and delivery of a certificate or notice extending the term of a policy beyond its policy period or term; provided, however, that any policy with a policy period or term of less than six months or any policy with no fixed expiration date shall for the purpose of sections 65B.14 to 65B.21 be considered as if written for successive policy periods or terms of six months.

Subd. 4. **Nonpayment of premium.** "Nonpayment of premium" means failure of the named insured to discharge when due any obligations in connection with the payment of premiums on a policy of automobile insurance or any installment of such premium, whether the premium is payable directly to the insurer or its agent or indirectly under any premium finance plan or extension of credit.

Subd. 5. **Violations.** "Violations" means all moving traffic violations that are recorded by the Department of Public Safety on a household member's motor vehicle record, and violations reported by a similar authority in another state or moving traffic violations reported by the insured.

History: *1967 c 463 s 1; 1971 c 813 s 13; 1974 c 56 s 1; 1974 c 408 s 31; 1977 c 366 s 2; 1984 c 592 s 54,56; 1986 c 444; 1996 c 446 art 1 s 56*

65B.15 CANCELLATION OR REDUCTION IN LIMITS DURING POLICY PERIOD.

Subdivision 1. **Grounds and notice.** No cancellation or reduction in the limits of liability of coverage during the policy period of any policy shall be effective unless notice thereof is given and unless based on one or more reasons stated in the policy which shall be limited to the following:

1. nonpayment of premium; or

2. the policy was obtained through a material misrepresentation; or

3. any insured made a false or fraudulent claim or knowingly aided or abetted another in the presentation of such a claim; or

4. the named insured failed to disclose fully motor vehicle accidents and moving traffic violations of the named insured for the preceding 36 months if called for in the written application; or

5. the named insured failed to disclose in the written application any requested information necessary for the acceptance or proper rating of the risk; or

6. the named insured knowingly failed to give any required written notice of loss or notice of lawsuit commenced against the named insured, or, when requested, refused to cooperate in the investigation of a claim or defense of a lawsuit; or

7. the named insured or any other operator who either resides in the same household, or customarily operates an automobile insured under such policy, unless the other operator is identified as a named insured in another policy as an insured:

(a) has, within the 36 months prior to the notice of cancellation, had that person's driver's license under suspension or revocation because the person committed a moving traffic violation or because the person refused to be tested under section 169A.20, subdivision 1; or

(b) is or becomes subject to epilepsy or heart attacks, and such individual does not produce a written opinion from a physician testifying to that person's medical ability to operate a motor vehicle safely, such opinion to be based upon a reasonable medical probability; or

(c) has an accident record, conviction record (criminal or traffic), physical condition or mental condition, any one or all of which are such that the person's operation of an automobile might endanger the public safety; or

(d) has been convicted, or forfeited bail, during the 24 months immediately preceding the notice of cancellation for criminal negligence in the use or operation of an automobile, or assault arising out of the operation of a motor vehicle, or operating a motor vehicle while in an intoxicated condition or while under the influence of drugs; or leaving the scene of an accident without stopping to report; or making false statements in an application for a driver's license, or theft or unlawful taking of a motor vehicle; or

(e) has been convicted of, or forfeited bail for, one or more violations within the 18 months immediately preceding the notice of cancellation, of any law, ordinance, or rule which justify a revocation of a driver's license; or

8. the insured automobile is:

(a) so mechanically defective that its operation might endanger public safety; or

(b) used in carrying passengers for hire or compensation, provided however that the use of an automobile for a car pool or a private passenger vehicle used by a volunteer driver, as defined under section 65B.472, subdivision 1, paragraph (p), shall not be considered use of an automobile for hire or compensation; or

(c) used in the business of transportation of flammables or explosives; or

(d) an authorized emergency vehicle; or

(e) subject to an inspection law and has not been inspected or, if inspected, has failed to qualify within the period specified under such inspection law; or

(f) substantially changed in type or condition during the policy period, increasing the risk substantially, such as conversion to a commercial type vehicle, a dragster, sports car or so as to give clear evidence of a use other than the original use.

Subd. 2. **Nonapplication.** This section shall not apply to any policy of automobile liability insurance which has been in effect less than 60 days at the time notice of cancellation is mailed or delivered by the insurer unless it is a renewal policy.

Subd. 3. [Repealed, 1984 c 592 s 94]

History: *1967 c 463 s 2; 1985 c 248 s 70; 1986 c 444; 1987 c 337 s 99; 1989 c 260 s 13; 1996 c 446 art 1 s 57; 2000 c 478 art 2 s 7; 1Sp2021 c 4 art 6 s 12; 2026 c 88 art 1 s 15*

65B.16 STATEMENT OF REASONS FOR CANCELLATION OR REDUCTION.

No notice of cancellation or reduction in the limits of liability of coverage of an automobile insurance policy under section 65B.15 shall be effective unless the specific underwriting or other reason or reasons for such cancellation or reduction in the limits of liability of coverage are stated in such notice and the notice is mailed or delivered by the insurer so as to provide the named insured with at least 30 days' notice prior to the effective date of cancellation; provided, however, that when nonpayment of premium is the reason for cancellation or when the company is exercising its right to cancel insurance which has been in effect for less than 60 days at least ten days' notice of cancellation, and the reasons for the cancellation, shall be given. Information regarding moving traffic violations or motor vehicle accidents must be specifically requested on the application in order for a company to use those incidents to exercise its right to cancel within the first 59 days of coverage. When nonpayment of premiums is the reason for cancellation, the reason must be given to the insured with the notice of cancellation; and if the company is exercising its right to cancel within the first 59 days of coverage and notice is given with less than ten days remaining in the 59-day period, the coverage must be extended, to expire ten days after notice was mailed.

History: *1967 c 463 s 3; 1971 c 696 s 1; 1984 c 592 s 57; 1987 c 337 s 100; 2001 c 215 s 32*

65B.161 REFUND OF PREMIUM ON CANCELLATION.

Cancellation of a policy of automobile insurance pursuant to sections 65B.15 and 65B.16 shall not be effective unless any unearned premium due the insured is returned to the insured with the notice of cancellation or is delivered or sent by mail to the insured so as to be received by the insured not later than the effective date of cancellation.

History: *1977 c 366 s 3*

65B.162 NOTICE OF POSSIBLE CANCELLATION.

A written notice shall be provided to all applicants for private passenger insurance, at the time the application is submitted, containing the following language in bold print: "THE INSURER MAY ELECT TO CANCEL COVERAGE AT ANY TIME DURING THE FIRST 59 DAYS FOLLOWING ISSUANCE OF THE COVERAGE FOR ANY REASON WHICH IS NOT SPECIFICALLY PROHIBITED BY STATUTE."

History: *1987 c 337 s 101*

65B.17 RENEWAL; NOTICE NOT TO RENEW.

Subdivision 1. **General regulations.** No insurer shall fail to renew an automobile insurance policy unless it shall mail or deliver to the named insured, at the address shown in the policy, at least 60 days' advance notice of its intention not to renew. The notice must contain the specific underwriting or other reason or reasons for the nonrenewal. When the failure to renew is based upon a termination of the agency contract, the notice must so state. This section does not apply:

(a) if the insurer has manifested its willingness to renew; or

(b) in case of nonpayment of the renewal premium,

provided that, notwithstanding the failure of an insurer to comply with this section, the policy terminates on the effective date of any other automobile insurance policy procured by the insured, with respect to any automobile designated in both policies. Renewal of a policy does not constitute a waiver or estoppel with respect to grounds for cancellation which existed before the effective date of the renewal. No insurer shall fail to renew an automobile policy solely because of the age of the insured. No insurer shall refuse to renew an automobile insurance policy for reasons which are arbitrary or capricious. No insurer shall refuse to renew an automobile insurance policy in violation of rules adopted pursuant to subdivision 2. An insurer may refuse to renew an automobile insurance policy in case of nonpayment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing such insurance; provided, however, that this provision for nonrenewal for failure to pay dues shall not be applicable to persons who are retired at age 62 years of age or older or who are disabled, according to Social Security standards.

Subd. 2. **Rulemaking.** The commissioner may adopt rules pursuant to chapter 14 to specify the grounds for nonrenewal of an automobile policy. The rules must limit the basis for nonrenewal to the following factors:

(a) the reasons stated for cancellation in section 65B.15;

(b) payments made for collision, bodily injury liability, or property damage liability coverage;

(c) moving violations of a driver; and

(d) other factors deemed reasonable by the commissioner.

The rules must specify the manner in which these factors will be considered and may reflect the severity or recurrence of any moving violation, the amount of any payment made, and the number of vehicles insured.

Subd. 2a. **Authorization to nonrenew.** An insurer withdrawing from the market by nonrenewing a line of business must notify the commissioner in writing at least 90 days before termination of any policy is effective. The notice must contain the effective date of the withdrawal plan, the number of policies affected, the reason for the withdrawal, and the availability of coverage in the market.

Subd. 3. **Administrative penalty.** The rules adopted under this section may provide for imposition of a monetary penalty not greater than $500 per occurrence upon insurers who are found to be in violation of any rule provision.

History: *1967 c 463 s 4; 1969 c 845 s 1; 1971 c 696 s 2; 1974 c 56 s 2; 1976 c 175 s 1; 1983 c 203 s 2; 1984 c 592 s 58; 1984 c 640 s 32; 1995 c 233 art 2 s 56; 2007 c 104 s 18*

65B.18 PROOF OF MAILING OF NOTICE.

Proof of mailing of notice of cancellation, reduction in the limits of liability of coverage, or nonrenewal of a policy and, if required herein, the reason or reasons therefor to the named insured at the address shown in the policy, shall be sufficient proof that notice required herein has been given.

History: *1967 c 463 s 5; 1969 c 6 s 16; 1974 c 56 s 3*

65B.19 NOTICE OF CANCELLATION OR NONRENEWAL.

Subdivision 1. **Disclosure.** No insurer shall take any action in regard to an automobile insurance policy on the statements or charges of any person made to the insurer concerning alleged unsafe driving habits of

an insured unless the insurer shall concurrently disclose to the insured the name and address of the person from which the information was received.

Subd. 2. **Notice of right to complain.** When the insurer notifies the policyholder of nonrenewal, cancellation or reduction in the limits of liability of coverage under section 65B.16 or 65B.17, the insurer shall also notify the named insured of the right to complain within 30 days of receipt by the named insured of notice of nonrenewal, cancellation or reduction in the limits of liability to the commissioner of such action and of the nature of and possible eligibility for insurance through the Minnesota automobile insurance plan. Such notice shall be included in the notice of nonrenewal, cancellation or reduction in the limits of liability of coverage, and shall state that such notice of the insured's right of complaint to the commissioner and of the availability of insurance through the Minnesota automobile insurance plan is given pursuant to sections 65B.14 to 65B.21. The notice must state the name of the insurer and the date the notice is issued.

History: *1967 c 463 s 6; 1969 c 845 s 2; 1971 c 696 s 3; 1971 c 813 s 14; 1973 c 610 s 1; 1984 c 592 s 59; 1986 c 444; 2001 c 215 s 33*

65B.20 IMMUNITY OF INSURER OR COMMISSIONER; USE OF REASONS FOR CANCELLATION.

There shall be no liability on the part of and no cause of action of any nature shall arise against the commissioner or against any insurer, its authorized representative, its agents, its employees, or any firm, person or corporation furnishing to the insurer information as to reasons for nonrenewal or cancellation, for any statement made by them in any written notice of nonrenewal or cancellation, for the providing of information relating thereto, or for statements made or evidence submitted at any hearings conducted in connection therewith.

History: *1967 c 463 s 7; 1969 c 845 s 3*

65B.21 INSURED'S RIGHT TO OBJECT TO CANCELLATION OR NONRENEWAL.

Subdivision 1. **Form and manner.** Any individual who believes such nonrenewal, cancellation or reduction in the limits of liability of coverage of the individual's policy is arbitrary, capricious or otherwise in violation of this provision, or who believes such notice of nonrenewal and the reason or reasons therefor were not given as provided herein, may, within 30 days after receipt of notice thereof, file in writing an objection to such action with the commissioner.

Subd. 2. **Investigation and determination by commissioner.** Upon receipt of a written objection pursuant to the provisions herein, the commissioner may notify the insurer of receipt of such objection and of the right of the insurer to file a written response thereto within ten days of receipt of such notification. The commissioner may also order an investigation of the objection or complaint, the submission of additional information by the insured or the insurer about the action by the insurer or the objections of the insured, or such other procedure as the commissioner deems appropriate or necessary. Within 23 days of receipt of such written objection by an insured the commissioner shall approve or disapprove the insurer's action and shall notify the insured and insurer of the final decision. Either party may institute proceedings for judicial review of the commissioner's decision; provided, however, that the commissioner's final decision shall be binding pending judicial review.

History: *1967 c 463 s 8; 1969 c 845 s 4; 1971 c 696 s 4; 1973 c 610 s 2; 1986 c 444; 1987 c 337 s 102*

65B.22 [Repealed, 1974 c 408 s 33]

65B.23 [Repealed, 1974 c 408 s 33]

65B.24 [Repealed, 1974 c 408 s 33]

65B.25 [Repealed, 1974 c 408 s 33]

65B.26 [Repealed, 1974 c 408 s 33]

65B.27 [Repealed, 1974 c 408 s 33]

PREMIUM REDUCTIONS

65B.28 ACCIDENT PREVENTION COURSE PREMIUM REDUCTIONS.

Subdivision 1. **Required reduction.** An insurer must provide an appropriate premium reduction of at least ten percent on its policies of private passenger vehicle insurance, as defined in section 65B.001, subdivision 2, issued, delivered, or renewed in this state, to insureds 55 years old and older who successfully complete an accident prevention course or refresher course established under subdivisions 2 and 3.

Subd. 2. **Accident prevention course; rules.** (a) The commissioner of public safety must adopt rules establishing and regulating a motor vehicle accident prevention course for persons 55 years old and older.

(b) The rules must, at a minimum, include provisions:

(1) establishing curriculum requirements; and

(2) providing for the issuance of a course completion certification and requiring its submission to an insured as evidence of completion of the course.

(c) The accident prevention course must be a total of four hours.

Subd. 3. **Refresher course.** The Department of Public Safety, in consultation with other traffic safety and medical professionals, may establish a refresher course for persons who have completed the original course under subdivision 2. The refresher course shall be no more than four hours, and based on the curriculum established under subdivision 2. The Department of Public Safety shall establish criteria for and approve training agencies or organizations authorized to conduct the refresher course.

Subd. 4. **Completion certificate.** A person 55 years old and older may retake the original course or take the refresher course every three years and receive a course completion certificate to remain eligible for the premium reduction in subdivision 1. A person 58 years old and older who successfully completes a retaking of the original course or a refresher course more than three years from the date the person last was eligible for the premium reduction in subdivision 1 is entitled to reinstatement of this eligibility. The Department of Public Safety shall provide criteria for the issuance of the course completion certificates.

History: *1984 c 532 s 1; 1987 c 337 s 103; 1994 c 547 s 1; 1997 c 187 art 3 s 18; 2012 c 141 s 1; 2024 c 104 art 1 s 3*

65B.285 ANTITHEFT PROTECTION DEVICE PREMIUM REDUCTION.

Subdivision 1. **Definition.** For the purposes of this section the term "authorized antitheft protection device" means a device provided by the manufacturer of a vehicle as original equipment or installed in a vehicle by the manufacturer of the vehicle or an authorized dealer of that manufacturer that does one or more of the following when activated unless the vehicle is entered and started by means of a lock system: (1) sound an alarm; (2) cause the vehicle horn to sound; (3) cause the vehicle lights to flash; or (4) cause

the vehicle to be rendered inoperable. The device must be self-activating upon the locking of the passenger doors of the vehicle.

Subd. 2. **Required reduction.** An insurer must provide an appropriate premium reduction of at least five percent on the comprehensive coverage on a policy of private passenger vehicle insurance, as defined in section 65B.001, subdivision 2, issued, delivered, or renewed in this state, to an insured whose vehicle is equipped with an authorized antitheft protection device. The premium reduction required by this subdivision applies to every vehicle of an insured that is equipped with an authorized antitheft protection device.

History: *1995 c 115 s 1*

65B.286 SNOWMOBILE AUXILIARY LIGHTING SYSTEM DISCOUNT.

Subdivision 1. **Definition.** For the purposes of this section, the term "auxiliary hazard warning lighting system" means a system installed by the manufacturer of a snowmobile as original equipment or installed in a snowmobile by the manufacturer or an authorized dealer of that manufacturer as an aftermarket system that does the following when activated:

(1) a yellow light emitting diode (L.E.D.) light on the front of the snowmobile that flashes at least once per second and is visible at least one-half mile in front of the snowmobile; and

(2) a red light emitting diode (L.E.D.) light on the rear of the snowmobile that flashes at least once per second and is visible at least one-half mile from behind the snowmobile.

Subd. 2. **Required reduction.** An insurer must provide an appropriate premium reduction of at least five percent on a policy insuring the snowmobile, or on that portion of a policy insuring a snowmobile that is issued, delivered, or renewed in this state, to the insured whose snowmobile is equipped with an authorized auxiliary hazard warning lighting system. The premium reduction required by this subdivision applies to every snowmobile of the insured that is equipped with an auxiliary hazard warning lighting system.

History: *2005 c 132 s 20*

65B.29 [Repealed, 2008 c 344 s 56]

NO-FAULT AUTOMOBILE INSURANCE

65B.41 CITATION.

Sections 65B.41 to 65B.71 may be cited as the "Minnesota No-Fault Automobile Insurance Act."

History: *1974 c 408 s 1; 1978 c 674 s 57*

65B.42 PURPOSE.

The detrimental impact of automobile accidents on uncompensated injured persons, upon the orderly and efficient administration of justice in this state, and in various other ways requires that sections 65B.41 to 65B.71 be adopted to effect the following purposes:

(1) to relieve the severe economic distress of uncompensated victims of automobile accidents within this state by requiring automobile insurers to offer and automobile owners to maintain automobile insurance policies or other pledges of indemnity which will provide prompt payment of specified basic economic loss benefits to victims of automobile accidents without regard to whose fault caused the accident;

(2) to prevent the overcompensation of those automobile accident victims suffering minor injuries by restricting the right to recover general damages to cases of serious injury;

(3) to encourage appropriate medical and rehabilitation treatment of the automobile accident victim by assuring prompt payment for such treatment;

(4) to speed the administration of justice, to ease the burden of litigation on the courts of this state, and to create a system of small claims arbitration to decrease the expense of and to simplify litigation, and to create a system of mandatory intercompany arbitration to assure a prompt and proper allocation of the costs of insurance benefits between motor vehicle insurers;

(5) to correct imbalances and abuses in the operation of the automobile accident tort liability system, to provide offsets to avoid duplicate recovery, to require medical examination and disclosure, and to govern the effect of advance payments prior to final settlement of liability.

History: *1974 c 408 s 2; 1978 c 674 s 57*

65B.43 DEFINITIONS.

Subdivision 1. **Scope.** The following words and phrases shall, for the purpose of sections 65B.41 to 65B.71, have the meanings ascribed to them, except where the context clearly indicates a different meaning.

Subd. 2. **Motor vehicle.** "Motor vehicle" means every vehicle, other than a motorcycle or other vehicle with fewer than four wheels, which (a) is required to be registered pursuant to chapter 168, and (b) is designed to be self-propelled by an engine or motor for use primarily upon public roads, highways or streets in the transportation of persons or property, and includes a trailer with one or more wheels, when the trailer is connected to or being towed by a motor vehicle.

Subd. 3. **Maintenance or use of a motor vehicle.** "Maintenance or use of a motor vehicle" means maintenance or use of a motor vehicle as a vehicle, including, incident to its maintenance or use as a vehicle, occupying, entering into, and alighting from it. Maintenance or use of a motor vehicle does not include (1) conduct within the course of a business of repairing, servicing, or otherwise maintaining motor vehicles unless the conduct occurs off the business premises, or (2) conduct in the course of loading and unloading the vehicle unless the conduct occurs while occupying, entering into or alighting from it.

Subd. 4. **Owner.** "Owner" means a person, other than a lienholder or secured party, who owns or holds legal title to a motor vehicle or is entitled to the use and possession of a motor vehicle subject to a security interest held by another person. If a motor vehicle is the subject of a lease having an initial term of six months or longer, the lessee shall be deemed the owner for the purposes of sections 65B.41 to 65B.71, and 169.09, subdivision 5a, notwithstanding the fact that the lessor retains title to the vehicle and notwithstanding the fact that the lessee may be the owner for the purposes of chapter 168A.

Subd. 5. **Insured.** "Insured" means an insured under a plan of reparation security as provided by sections 65B.41 to 65B.71, including the named insured and the following persons not identified by name as an insured while (a) residing in the same household with the named insured and (b) not identified by name in any other contract for a plan of reparation security complying with sections 65B.41 to 65B.71 as an insured:

(1) a spouse,

(2) other relative of a named insured, or

(3) a minor in the custody of a named insured or of a relative residing in the same household with a named insured.

A person resides in the same household with the named insured if that person's home is usually in the same family unit, even though temporarily living elsewhere.

Subd. 6. **Income.** "Income" means salary, wages, tips, commissions, professional fees, and other earnings from work or tangible things of economic value produced through work in individually owned businesses, farms, ranches or other work.

Subd. 7. **Loss.** "Loss" means economic detriment resulting from the accident causing the injury, consisting only of medical expense, income loss, replacement services loss and, if the injury causes death, funeral expense, survivor's economic loss and survivor's replacement services loss. Noneconomic detriment is not loss; however, economic detriment is loss although caused by pain and suffering or physical or mental impairment.

Subd. 8. **Noneconomic detriment.** "Noneconomic detriment" means all dignitary losses suffered by any person as a result of injury arising out of the ownership, maintenance, or use of a motor vehicle including pain and suffering, loss of consortium, and inconvenience.

Subd. 9. **Reparation obligor.** "Reparation obligor" means an insurer or self-insurer obligated to provide the benefits required by sections 65B.41 to 65B.71, including natural persons, firms, partnerships, associations, corporations, governmental units, trusts and syndicates.

Subd. 10. **Basic economic loss benefits.** "Basic economic loss benefits" means benefits as described in section 65B.44.

Subd. 11. **Injury.** "Injury" means bodily harm to a person and death resulting from such harm.

Subd. 12. **Commercial vehicle.** "Commercial vehicle" means:

(a) any motor vehicle used as a common carrier,

(b) any motor vehicle, other than a passenger vehicle defined in section 168.002, subdivision 24, which has a curb weight in excess of 5,500 pounds apart from cargo capacity, or

(c) any motor vehicle while used in the for-hire transportation of property.

Commercial vehicle does not include a "commuter van," which for purposes of this chapter means (1) a motor vehicle having a capacity of seven to 16 persons which is used principally to provide prearranged transportation of persons to or from their place of employment or to or from a transit stop authorized by a local transit authority which vehicle is to be operated by a person who does not drive the vehicle as a principal occupation but is driving it only to or from the principal place of employment, to or from a transit stop authorized by a local transit authority or, for personal use as permitted by the owner of the vehicle, or (2) a private passenger vehicle driven by a volunteer driver.

Subd. 13. **Motorcycle.** "Motorcycle" means a self-propelled vehicle designed to travel on fewer than four wheels which has an engine rated at greater than five horsepower, and includes (1) a trailer with one or more wheels, when the trailer is connected to or being towed by a motorcycle; and (2) a motorized bicycle as defined in section 169.011, subdivision 45, but does not include an electric-assisted bicycle as defined in section 169.011, subdivision 27.

Subd. 14. **Commissioner.** Except where otherwise indicated, "commissioner" means the commissioner of commerce of the state of Minnesota.

Subd. 15. **Plan of reparation security.** "Plan of reparation security" means a contract, self-insurance, or other legal means under which there is an obligation to pay the benefits described in section 65B.49.

Subd. 16. **Uninsured motor vehicle.** "Uninsured motor vehicle" means a motor vehicle or motorcycle for which a plan of reparation security meeting the requirements of sections 65B.41 to 65B.71 is not in effect.

Subd. 17. **Underinsured motor vehicle.** "Underinsured motor vehicle" means a motor vehicle or motorcycle to which a bodily injury liability policy applies at the time of the accident but its limit for bodily injury liability is less than the amount needed to compensate the insured for actual damages.

Subd. 18. **Uninsured motorist coverage.** "Uninsured motorist coverage" means coverage for the protection of persons insured under that coverage who are legally entitled to recover damages for bodily injury from owners or operators of uninsured motor vehicles and hit-and-run motor vehicles.

Subd. 19. **Underinsured motorist coverage.** "Underinsured motorist coverage" means coverage for the protection of persons insured under that coverage who are legally entitled to recover damages for bodily injury from owners or operators of underinsured motor vehicles.

Subd. 20. **Political subdivision.** "Political subdivision" means any statutory or home rule charter city; county; town; school district; or metropolitan council, board or commission operating under chapter 473.

History: *1974 c 408 s 3; 1975 c 18 s 1,2; 1976 c 233 s 6; 1978 c 674 s 57; 1979 c 190 s 1; 1983 c 289 s 114 subd 1; 1984 c 592 s 60-62; 1984 c 655 art 1 s 92; 1985 c 168 s 1-5; 1985 c 309 s 1-4; 1986 c 444; 1987 c 269 s 2; 1989 c 140 s 2; 1996 c 435 s 2; 2005 c 163 s 88; 1Sp2021 c 4 art 6 s 13*

65B.44 BASIC ECONOMIC LOSS BENEFITS.

Subdivision 1. **Inclusions.** (a) Basic economic loss benefits shall provide reimbursement for all loss suffered through injury arising out of the maintenance or use of a motor vehicle, subject to any applicable deductibles, exclusions, disqualifications, and other conditions, and shall provide a minimum of $40,000 for loss arising out of the injury of any one person, consisting of:

(1) $20,000 for medical expense loss arising out of injury to any one person; and

(2) a total of $20,000 for income loss, replacement services loss, funeral expense loss, survivor's economic loss, and survivor's replacement services loss arising out of the injury to any one person.

(b) Notwithstanding any other law to the contrary, a person entitled to basic economic loss benefits under this chapter is entitled to the full medical expense benefits set forth in subdivision 2, and may not receive medical expense benefits that are in any way less than those provided for in subdivision 2, or that involve any preestablished limitations on the benefits. Medical expenses must be reasonable and must be for necessary medical care as provided in subdivision 2. This paragraph shall not be deemed to alter the obligations of an insured or the rights of a reparation obligor as set forth in section 65B.56.

(c) No reparation obligor or health plan company as defined in section 62Q.01, subdivision 4, may enter into or renew any contract that provides, or has the effect of providing, managed care services to no-fault claimants. For the purposes of this section, "managed care services" is defined as any program of medical services that uses health care providers managed, owned, employed by, or under contract with a health plan company.

Subd. 2. **Medical expense benefits.** (a) Medical expense benefits shall reimburse all reasonable expenses for necessary:

(1) medical, surgical, x-ray, optical, dental, chiropractic, and rehabilitative services, including prosthetic devices;

(2) prescription drugs, provided that:

(i) prescription drugs filled and dispensed outside of a licensed pharmacy shall be billed at the average wholesale price (AWP), or its equivalent, for that drug on that date as published in Medispan, Redbook, or Gold Standard Drug Database, as identified by its National Drug Code, plus a dispensing fee of $4.18;

(ii) if a prescription drug has been repackaged, the average wholesale price used to determine the maximum reimbursement shall be the average wholesale price for the underlying drug product, as identified by its National Drug Code from the original labeler; and

(iii) compound drugs shall be billed by listing each drug and its National Drug Code number included in the compound and calculating the charge for each drug separately. Reimbursement shall be based on the sum of the fee for each ingredient for which there is an assigned National Drug Code number plus a single dispensing fee of $4.18. Compound drugs shall not be dispensed without first obtaining preauthorization from the reparation obligor;

(3) ambulance and all other transportation expenses incurred in traveling to receive other covered medical expense benefits;

(4) sign interpreting and language translation services, other than such services provided by a family member of the patient, related to the receipt of medical, surgical, x-ray, optical, dental, chiropractic, hospital, extended care, nursing, and rehabilitative services; and

(5) hospital, extended care, and nursing services.

(b) Hospital room and board benefits may be limited, except for intensive care facilities, to the regular daily semiprivate room rates customarily charged by the institution in which the recipient of benefits is confined.

(c) Such benefits shall also include necessary remedial treatment and services recognized and permitted under the laws of this state for an injured person who relies upon spiritual means through prayer alone for healing in accordance with that person's religious beliefs.

(d) Medical expense loss includes medical expenses accrued prior to the death of a person notwithstanding the fact that benefits are paid or payable to the decedent's survivors.

(e) Medical expense benefits for rehabilitative services shall be subject to the provisions of section 65B.45.

Subd. 2a. **Person convicted of insurance fraud.** (a) A person convicted of insurance fraud under section 609.611 in a case related to this chapter or of employment of runners under section 609.612 may not enforce a contract for payment of services eligible for reimbursement under subdivision 2 against an insured or reparation obligor.

(b) After a period of five years from the date of conviction, a person described in paragraph (a) may apply to district court to extinguish the collateral sanction set forth in paragraph (a), which the court may grant in its reasonable discretion.

Subd. 3. **Disability and income loss benefits.** (a) Disability and income loss benefits shall provide compensation for 85 percent of the injured person's loss of present and future gross income from inability

to work proximately caused by the nonfatal injury subject to a maximum of $500 per week. Loss of income includes the costs incurred by a self-employed person to hire substitute employees to perform tasks which are necessary to maintain the income of the injured person, which are normally performed by the injured person, and which cannot be performed because of the injury.

(b) If the injured person is unemployed at the time of injury and is receiving or is eligible to receive unemployment benefits under chapter 268, but the injured person loses eligibility for those benefits because of inability to work caused by the injury, disability and income loss benefits shall provide compensation for the lost benefits in an amount equal to the unemployment benefits which otherwise would have been payable, subject to a maximum of $500 per week.

(c) Compensation under this subdivision shall be reduced by any income from substitute work actually performed by the injured person or by income the injured person would have earned in available appropriate substitute work which the injured person was capable of performing but unreasonably failed to undertake.

(d) For the purposes of this section "inability to work" means disability which prevents the injured person from engaging in any substantial gainful occupation or employment on a regular basis, for wage or profit, for which the injured person is or may by training become reasonably qualified. If the injured person returns to employment and is unable by reason of the injury to work continuously, compensation for lost income shall be reduced by the income received while the injured person is actually able to work. The weekly maximums may not be prorated to arrive at a daily maximum, even if the injured person does not incur loss of income for a full week.

(e) For the purposes of this section, an injured person who is "unable by reason of the injury to work continuously" includes, but is not limited to, a person who misses time from work, including reasonable travel time, and loses income, vacation, or sick leave benefits, to obtain medical treatment for an injury arising out of the maintenance or use of a motor vehicle.

Subd. 3a. **Disability and income loss benefits election; senior citizens.** A plan of reparation security issued to or renewed with a person who has attained the age of 65 or who has attained the age of 60 years and is retired and receiving a pension, must provide disability and income loss benefits under section 65B.44, subdivision 3, unless the insured elects not to have this coverage. An election by the insured not to have this coverage remains in effect until revoked by the insured. The reparation obligor shall notify a person of the person's rights under this section at the time of the sale or the first renewal of the policy after the insured has attained the age of 60 years and at least annually after that. The rate for any plan for which coverage has been excluded or reduced pursuant to this section must be reduced accordingly. This section does apply to self-insurance.

Subd. 4. **Funeral and burial expenses.** Funeral and burial benefits shall be reasonable expenses not in excess of $5,000, including expenses for cremation or delivery under the Darlene Luther Revised Uniform Anatomical Gift Act, chapter 525A.

Subd. 5. **Replacement service and loss.** Replacement service loss benefits shall reimburse all expenses reasonably incurred by or on behalf of the nonfatally injured person in obtaining usual and necessary substitute services in lieu of those that, had the injured person not been injured, the injured person would have performed not for income but for direct personal benefit or for the benefit of the injured person's household; if the nonfatally injured person normally, as a full time responsibility, provides care and maintenance of a home with or without children, the benefit to be provided under this subdivision shall be the reasonable value of such care and maintenance or the reasonable expenses incurred in obtaining usual and necessary substitute care and maintenance of the home, whichever is greater. These benefits shall be subject to a maximum of

$200 per week. All replacement services loss sustained on the date of injury and the first seven days thereafter is excluded in calculating replacement services loss.

Subd. 6. **Survivors economic loss benefits.** Survivors economic loss benefits, in the event of death occurring within one year of the date of the accident, caused by and arising out of injuries received in the accident, are subject to a maximum of $500 per week and shall cover loss accruing after decedent's death of contributions of money or tangible things of economic value, not including services, that surviving dependents would have received from the decedent for their support during their dependency had the decedent not suffered the injury causing death.

For the purposes of definition under sections 65B.41 to 65B.71, the following described persons shall be presumed to be dependents of a deceased person: (a) a wife is dependent on a husband with whom she lives at the time of his death; (b) a husband is dependent on a wife with whom he lives at the time of her death; (c) any child while under the age of 18 years, or while over that age but physically or mentally incapacitated from earning, is dependent on the parent with whom the child is living or from whom the child is receiving support regularly at the time of the death of such parent; or (d) an actual dependent who lives with the decedent at the time of the decedent's death. Questions of the existence and the extent of dependency shall be questions of fact, considering the support regularly received from the deceased.

Payments shall be made to the dependent, except that benefits to a dependent who is a child or an incapacitated person may be paid to the dependent's surviving parent or guardian. Payments shall be terminated whenever the recipient ceases to maintain a status which if the decedent were alive would be that of dependency.

Subd. 7. **Survivors replacement services loss.** Survivors replacement services loss benefits shall reimburse expenses reasonably incurred by surviving dependents after the date of the decedent's death in obtaining ordinary and necessary services in lieu of those the deceased would have performed for their benefit had the decedent not suffered the injury causing death, minus expenses of the survivors avoided by reason of the decedent's death. These benefits shall be subject to a maximum of $200 per week.

Subd. 8. **Property damage exclusion.** "Basic economic loss benefits" do not include benefits for physical damage done to property including motor vehicles and their contents.

History: *1974 c 408 s 4; 1975 c 18 s 3-6; 1976 c 2 s 42; 1977 c 266 s 1; 1978 c 674 s 57; 1979 c 221 s 1,2; 1983 c 345 s 1; 1984 c 602 s 5; 1985 c 168 s 6,7; 1Sp1985 c 10 s 67; 1986 c 444; 1989 c 260 s 14; 1991 c 202 s 1; 1997 c 66 s 80; 1999 c 107 s 66; 1999 c 134 s 1; 1999 c 177 s 67; 1987 c 337 s 107; 2001 c 124 s 1,2; 2002 c 274 s 1; 2006 c 255 s 57; 2014 c 310 s 3-6; 1Sp2015 c 1 art 3 s 11*

65B.45 REHABILITATION TREATMENT AND OCCUPATIONAL TRAINING.

Subdivision 1. **Reparation obligor responsibility.** A reparation obligor is responsible for the cost of a procedure or treatment for rehabilitation or a course of rehabilitative occupational training if the procedure, treatment, or training is reasonable and appropriate for the particular case, its cost is reasonable in relation to its probable rehabilitative effects, and it is likely to contribute substantially to medical or occupational rehabilitation.

Subd. 2. **Notice of treatment or training.** An injured person who has undertaken a procedure or treatment for rehabilitation or a course of rehabilitative occupational training, other than medical rehabilitation procedure or treatment, shall give notice to the reparation obligor of having undertaken the procedure, treatment, or training within 60 days after a rehabilitation expense exceeding $1,000 has been incurred for the procedure, treatment, or training, unless the reparation obligor knows or has reason to know of the undertaking. If the

injured person does not give the required notice within the prescribed time, the reparation obligor is responsible only for $1,000 or the expense incurred after the notice is given and within the 60 days before the notice, whichever is greater, unless failure to give timely notice is the result of excusable neglect.

Subd. 3. **Enforcement of reparation obligor responsibility.** If the injured person notifies the reparation obligor of a proposed specified procedure or treatment for rehabilitation, or a proposed specified course of rehabilitative occupational training, and the reparation obligor does not promptly thereafter accept responsibility for its cost, the injured person may make a motion in an action to adjudicate the claim, or, if no action is pending, bring an action in the district court, for a determination that the reparation obligor is responsible for its costs. A reparation obligor may make a motion in an action to adjudicate the injured person's claim, or, if no action is pending, bring an action in the district court, for a determination that it is not responsible for the cost of a procedure, treatment, or course of training which the injured person has undertaken or proposes to undertake. A determination by the court that the reparation obligor is not responsible for the cost of a procedure, treatment, or course of training is not res judicata as to the propriety of any other proposal or the injured person's right to other benefits. This subdivision does not preclude an action by the reparation obligor or the injured person for declaratory relief under any other law of this state, nor an action by the injured person to recover basic economic loss benefits.

Subd. 4. **Insured's refusal to accept treatment or training; adjudication of claim.** If an injured person unreasonably refuses to accept a rehabilitative procedure, treatment, or course of occupational training, a reparation obligor may make a motion in an action to adjudicate the injured person's claim, or if no action is pending, may bring an action in the district court, for a determination that future benefits will be reduced or terminated to limit recovery of benefits to an amount equal to benefits that in reasonable probability would be due if the injured person had submitted to the procedure, treatment, or training, and for other reasonable orders. In determining whether an injured person has reasonable ground for refusal to undertake the procedure, treatment, or training, the court shall consider all relevant factors, including the risks to the injured person, the extent of the probable benefit, the place where the procedure, treatment, or training is offered, the extent to which the procedure, treatment, or training is recognized as standard and customary, and whether the imposition of sanctions because of the person's refusal would abridge the right to the free exercise of religion.

History: *1974 c 408 s 5; 1986 c 444*

65B.46 RIGHT TO BENEFITS.

Subdivision 1. **Motor vehicle or motorcycle accident in this state.** If the accident causing injury occurs in this state, every person suffering loss from injury arising out of maintenance or use of a motor vehicle or as a result of being struck as a pedestrian by a motorcycle has a right to basic economic loss benefits.

Subd. 2. **Motor vehicle or motorcycle accident outside this state.** If the accident causing injury occurs outside this state in the United States, United States possessions, or Canada, the following persons and their surviving dependents suffering loss from injury arising out of maintenance or use of a motor vehicle or as a result of being struck as a pedestrian by a motorcycle have a right to basic economic loss benefits:

(1) insureds, and

(2) the driver and other occupants of a secured vehicle, other than (a) a vehicle which is regularly used in the course of the business of transporting persons or property and which is one of five or more vehicles under common ownership, or (b) a vehicle owned by a government other than this state, its political subdivisions, municipal corporations, or public agencies. The reparation obligor may, if the policy expressly states, extend the basic economic loss benefits to any stated area beyond the limits of the United States, United States possessions and Canada.

Subd. 3. **Limitation; motorcycle injuries.** For the purposes of sections 65B.41 to 65B.71, injuries suffered by a person while on, mounting or alighting from a motorcycle do not arise out of the maintenance or use of a motor vehicle although a motor vehicle is involved in the accident causing the injury.

History: *1974 c 408 s 6; 1978 c 674 s 57; 1980 c 539 s 1; 1987 c 337 s 104*

65B.47 PRIORITY OF APPLICABILITY OF SECURITY FOR PAYMENT OF BASIC ECONOMIC LOSS BENEFITS.

Subdivision 1. **Injury resulting from business use.** In case of injury to the driver or other occupant of a motor vehicle, if the accident causing the injury occurs while the vehicle is being used in the business of transporting persons or property, the security for payment of basic economic loss benefits is the security covering the vehicle or, if none, the security under which the injured person is an insured.

Subd. 1a. **Exemptions.** Subdivision 1 does not apply to:

(1) a commuter van;

(2) a vehicle being used to transport children as part of a family or group family day care program;

(3) a vehicle being used to transport children to school or to a school-sponsored activity;

(4) a bus while it is in operation within the state of Minnesota as to any Minnesota resident who is an insured as defined in section 65B.43, subdivision 5;

(5) a passenger in a taxi; or

(6) a taxi driver, provided that this clause applies only to policies issued or renewed on or after September 1, 1996, and prior to September 1, 1997.

Subd. 2. **Injury resulting from use of vehicle provided by employer.** In case of injury to an employee, or to the employee's spouse or other relative residing in the same household, if the accident causing the injury occurs while the injured person is driving or occupying a motor vehicle other than a commuter van furnished by the employer, the security for payment of basic economic loss benefits is the security covering the vehicle or, if none, the security under which the injured person is an insured.

Subd. 3. **Injury to other persons.** In the case of any other person whose injury arises from the maintenance or use of a motor vehicle described in subdivision 1 or 2 who is not a driver or occupant of another involved motor vehicle, the security for the payment of basic economic loss benefits is the security covering the vehicle, or if none, the security under which the injured person is an insured.

Subd. 4. **Other cases.** In all other cases, the following priorities apply:

(a) The security for payment of basic economic loss benefits applicable to injury to an insured is the security under which the injured person is an insured.

(b) The security for payment of basic economic loss benefits applicable to injury to the driver or other occupant of an involved motor vehicle who is not an insured is the security covering that vehicle.

(c) The security for payment of basic economic loss benefits applicable to injury to a person not otherwise covered who is not the driver or other occupant of an involved motor vehicle is the security covering any involved motor vehicle. An unoccupied parked vehicle is not an involved motor vehicle unless it was parked so as to cause unreasonable risk of injury.

Subd. 5. **Contribution.** If two or more obligations to pay basic economic loss benefits are applicable to an injury under the priorities set out in this section, benefits are payable only once and the reparation obligor against whom a claim is asserted shall process and pay the claim as if wholly responsible, but the reparation obligor is thereafter entitled to recover contribution pro rata for the basic economic loss benefits paid and the costs of processing the claim. Where contribution is sought among reparation obligors responsible under subdivision 4, clause (c), proration shall be based on the number of involved motor vehicles.

Subd. 6. **Subrogation.** Where a reparation obligor pays basic economic loss benefits which another reparation obligor is obligated to pay under the priority provided in this section, the reparation obligor that pays is subrogated to all rights of the person to whom benefits are paid.

Subd. 7. **Adding policies together.** Unless a policyholder makes a specific election to have two or more policies added together the limit of liability for basic economic loss benefits for two or more motor vehicles may not be added together to determine the limit of insurance coverage available to an injured person for any one accident. An insurer shall notify policyholders that they may elect to have two or more policies added together.

History: *1974 c 408 s 7; 1976 c 180 s 1; 1976 c 233 s 7,8; 1985 c 168 s 8; 1986 c 444; 1986 c 455 s 50; 1990 c 496 s 1,2; 1995 c 227 s 1; 1996 c 446 art 1 s 58*

65B.472 TRANSPORTATION NETWORK FINANCIAL RESPONSIBILITY.

Subdivision 1. **Definitions.** (a) Unless a different meaning is expressly made applicable, the terms defined in paragraphs (b) through (p) have the meanings given them for the purposes of this section.

(b) "Digital network" means any online-enabled application, software, website, or system offered or utilized by a transportation network company that enables the prearrangement of rides with transportation network company drivers.

(c) "Disability and income loss benefits" has the meaning given in section 65B.44, subdivision 3, subject to the weekly maximum amount and with a maximum time period of 130 weeks after the injury.

(d) "P1," "P2," and "P3" have the meanings given in section 181C.01, subdivision 4.

(e) "Funeral and burial expenses" has the meaning given in section 65B.44, subdivision 4.

(f) "Medical expense benefits" has the meaning given in section 65B.44, subdivision 2, except that payment for rehabilitative services is only required when the services are medically necessary.

(g) "Personal injury" means a physical injury or mental impairment arising out of a physical injury in the course of a prearranged ride. A personal injury is only covered if the injury occurs to a driver during P2 or P3, except as provided under subdivision 2, paragraph (d). A personal injury claimant is subject to the requirements of section 65B.56.

(h) "Personal vehicle" means a vehicle that is used by a TNC driver in connection with providing a prearranged ride and is:

(1) owned, leased, or otherwise authorized for use by the driver; and

(2) not a taxicab, limousine, for-hire vehicle, or a private passenger vehicle driven by a volunteer driver.

(i) "Prearranged ride" means the provision of transportation by a driver to a rider, beginning when a driver accepts a ride requested by a rider through a digital network controlled by a transportation network

company, continuing while the driver transports a requesting rider, and ending when the last requesting rider departs from the personal vehicle. A prearranged ride does not include transportation provided using a taxicab, limousine, or other for-hire vehicle.

(j) "Replacement services loss benefits" has the meaning given in section 65B.44, subdivision 5, subject to the weekly maximum amount and with a maximum time period of 130 weeks after the injury.

(k) "Survivors economic loss benefits" has the meaning given in section 65B.44, subdivision 6, subject to the weekly maximum amount and with a maximum time period of 130 weeks after death.

(l) "Survivors replacement services loss benefits" has the meaning given in section 65B.44, subdivision 7, subject to the weekly maximum amount and with a maximum time period of 130 weeks after death.

(m) "Transportation network company" or "TNC" means a corporation, partnership, sole proprietorship, or other entity that is operating in Minnesota that uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides.

(n) "Transportation network company driver," "TNC driver," or "driver" means an individual who:

(1) receives connections to potential riders and related services from a transportation network company in exchange for payment of a fee to the transportation network company; and

(2) uses a personal vehicle to provide a prearranged ride to riders upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.

(o) "Transportation network company rider," "TNC rider," or "rider" means an individual or persons who use a transportation network company's digital network to connect with a transportation network driver who provides prearranged rides to the rider in the driver's personal vehicle between points chosen by the rider.

(p) "Volunteer driver" means an individual who transports persons or goods on behalf of a nonprofit entity or governmental unit in a private passenger vehicle and receives no compensation for services provided other than the reimbursement of actual expenses.

Subd. 2. **Maintenance of transportation network financial responsibility.** (a) A transportation network company driver or transportation network company on the driver's behalf shall maintain primary automobile insurance that recognizes that the driver is a transportation network company driver or otherwise uses a vehicle to transport passengers for compensation and covers the driver during P1, P2, and P3.

(b) During P1, the following automobile insurance requirements apply:

(1) primary coverage insuring against loss resulting from liability imposed by law for injury and property damage, including the requirements of section 65B.49, subdivision 3, in the amount of not less than $50,000 because of death or bodily injury to one person in any accident, $100,000 because of death or bodily injury to two or more persons in any accident, and $30,000 for injury to or destruction of property of others in any one accident;

(2) security for the payment of basic economic loss benefits where required by section 65B.44 pursuant to the priority requirements of section 65B.47. A transportation network company and a driver, during the period set forth in this paragraph, are deemed to be in the business of transporting persons for purposes of section 65B.47, subdivision 1, and the insurance required under this subdivision shall be deemed to cover the vehicle during the period set forth in this paragraph;

(3) primary uninsured motorist coverage and primary underinsured motorist coverage where required by section 65B.49, subdivisions 3a and 4a; and

(4) the coverage requirements of this subdivision may be satisfied by any of the following:

(i) automobile insurance maintained by the transportation network company driver;

(ii) automobile insurance maintained by the transportation network company; or

(iii) any combination of items (i) and (ii).

(c) During P2 and P3, the following automobile insurance requirements apply:

(1) primary coverage insuring against loss resulting from liability imposed by law for injury and property damage, including the requirements of section 65B.49, in the amount of not less than $1,500,000 for death, injury, or destruction of property of others;

(2) security for the payment of basic economic loss benefits where required by section 65B.44 pursuant to the priority requirements of section 65B.47. A transportation network company and a transportation network company driver, during the period set forth in this paragraph, are deemed to be in the business of transporting persons for purposes of section 65B.47, subdivision 1, and the insurance required under this subdivision shall be deemed to cover the vehicle during the period set forth in this paragraph;

(3) primary uninsured motorist coverage and primary underinsured motorist coverage where required by section 65B.49, subdivisions 3a and 4a; and

(4) the coverage requirements of this subdivision may be satisfied by any of the following:

(i) automobile insurance maintained by the transportation network company driver;

(ii) automobile insurance maintained by the transportation network company; or

(iii) any combination of items (i) and (ii).

(d) During P2 and P3, a TNC must maintain insurance on behalf of, and at no cost to, the driver that provides reimbursement for all loss suffered through personal injury arising from the driver's work for the TNC that is not otherwise covered by the insurance required under paragraphs (b) and (c). The TNC may purchase the insurance coverage using a portion of the fare or fee paid by the rider or riders. A driver shall not be charged by the TNC or have their compensation lowered because of the insurance. The insurance coverage must be in the amount of not less than $1,000,000 per incident due to personal injury and include the following types of coverage: medical expense benefits, disability and income loss benefits, funeral and burial expenses, replacement services loss benefits, survivors economic loss benefits, and survivors replacement services loss benefits. Insurance coverage under this paragraph includes personal injury sustained while at the drop-off location immediately following the conclusion of a prearranged ride.

(e) Any insurer authorized to write accident and sickness insurance in this state have the power to issue the blanket accident and sickness policy described in paragraph (d).

(f) A policy of blanket accident and sickness insurance as described in paragraph (d) must include in substance the provisions required for individual policies that are applicable to blanket accident and sickness insurance and the following provisions:

(1) a provision that the policy and the application of the policyholder constitutes the entire contract between the parties, and that, in the absence of fraud, all statements made by the policyholder are deemed

representations and not warranties, and that a statement made for the purpose of affecting insurance does not avoid insurance or reduce benefits unless the statement is contained in a written instrument signed by the policyholder, a copy of which has been furnished to such policyholder; and

(2) a provision that to the group or class originally insured be added from time to time all new persons eligible for coverage.

(g) If an injury is covered by blanket accident and sickness insurance maintained by more than one TNC, the insurer of the TNC against whom a claim is filed is entitled to contribution for the pro rata share of coverage attributable to one or more other TNCs up to the coverages and limits in paragraph (d).

(h) Notwithstanding any law to the contrary, amounts paid or payable under the coverages required by section 65B.49, subdivisions 3a and 4a, shall be reduced by the total amount of benefits paid or payable under insurance provided pursuant to paragraph (d).

(i) If insurance maintained by the driver in paragraph (b) or (c) has lapsed or does not provide the required coverage, insurance maintained by a transportation network company shall provide the coverage required by this subdivision beginning with the first dollar of a claim and have the duty to defend the claim.

(j) Coverage under an automobile insurance policy maintained by the transportation network company shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

(k) Insurance required by this subdivision must satisfy the requirements of chapter 60A.

(l) Insurance satisfying the requirements of this subdivision shall be deemed to satisfy the financial responsibility requirements under the Minnesota No-Fault Automobile Insurance Act, sections 65B.41 to 65B.71.

(m) A transportation network company driver shall carry proof of coverage satisfying paragraphs (b) and (c) at all times during the driver's use of a vehicle in connection with a transportation network company's digital network. In the event of an accident, a transportation network company driver shall provide this insurance coverage information to the directly interested parties, automobile insurers, and investigating police officers upon request pursuant to section 65B.482, subdivision 1. Upon such request, a transportation network company driver shall also disclose to directly interested parties, automobile insurers, and investigating police officers whether the driver was logged on to the transportation network company's digital network or on a prearranged ride at the time of an accident.

Subd. 3. **Disclosure to transportation network company drivers.** The transportation network company shall disclose in writing to transportation network company drivers the following before they are allowed to accept a request for a prearranged ride on the transportation network company's digital network:

(1) the insurance coverage, including the types of coverage and the limits for each coverage under subdivision 2, paragraphs (b), (c), and (d), that the transportation network company provides while the transportation network company driver uses a personal vehicle in connection with a transportation network company's digital network;

(2) that the transportation network company driver's own automobile insurance policy might not provide any coverage while the driver is logged on to the transportation network company's digital network and is available to receive transportation requests or is engaged in a prearranged ride depending on its terms; and

(3) that using a vehicle with a lien against the vehicle to provide prearranged rides may violate the transportation network driver's contract with the lienholder.

Subd. 4. **Automobile insurance provisions.** (a) Insurers that write automobile insurance in Minnesota may exclude any and all coverage afforded under the owner's insurance policy for any loss or injury that occurs during P1, P2, and P3. This right to exclude all coverage may apply to any coverage included in an automobile insurance policy including, but not limited to:

(1) liability coverage for bodily injury and property damage;

(2) uninsured and underinsured motorist coverage;

(3) basic economic loss benefits as defined under section 65B.44;

(4) medical payments coverage;

(5) comprehensive physical damage coverage; and

(6) collision physical damage coverage.

These exclusions apply notwithstanding any requirement under the Minnesota No-Fault Automobile Insurance Act, sections 65B.41 to 65B.71. Nothing in this section implies or requires that a personal automobile insurance policy provide coverage during P1, P2, or P3, or while the driver otherwise uses a vehicle to transport passengers for compensation.

Nothing in this section shall be deemed to preclude an insurer from providing coverage for the transportation network company driver's vehicle, if it so chooses to do so by contract or endorsement.

(b) Automobile insurers that exclude coverage as permitted in paragraph (a) shall have no duty to defend or indemnify any claim expressly excluded thereunder. Nothing in this section shall be deemed to invalidate or limit an exclusion contained in a policy, including any policy in use or approved for use in Minnesota prior to May 19, 2015, that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

(c) An automobile insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy as permitted in paragraph (a) shall have a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of subdivision 2 at the time of loss.

(d) In a claims coverage investigation, transportation network companies and any insurer potentially providing coverage under subdivision 2 shall cooperate to facilitate the exchange of relevant information with directly involved parties and any insurer of the transportation network company driver if applicable, including the precise times that a transportation network company driver logged on and off of the transportation network company's digital network in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident and disclose to one another a clear description of the coverage, exclusions, and limits provided under any automobile insurance maintained under subdivision 2.

History: *2015 c 48 s 1; 1Sp2021 c 4 art 6 s 14; 2024 c 127 art 17 s 1*

65B.48 REPARATION SECURITY COMPULSORY.

Subdivision 1. **General requirement and coverages.** Every owner of a motor vehicle of a type which is required to be registered or licensed or is principally garaged in this state shall maintain during the period

in which operation or use is contemplated a plan of reparation security under provisions approved by the commissioner, insuring against loss resulting from liability imposed by law for injury and property damage sustained by any person arising out of the ownership, maintenance, operation or use of the vehicle. The plan of reparation security shall provide for basic economic loss benefits and residual liability coverage in amounts not less than those specified in section 65B.49, subdivision 3, clauses (1) and (2). The nonresident owner of a motor vehicle which is not required to be registered or licensed, or which is not principally garaged in this state, shall maintain such security in effect continuously throughout the period of the operation, maintenance or use of such motor vehicle within this state with respect to accidents occurring in this state; such security shall include coverage for property damage to a motor vehicle rented or leased within this state by a nonresident.

Subd. 2. **Types of security.** The security required by sections 65B.41 to 65B.71 may be provided by a policy of insurance complying with sections 65B.41 to 65B.71 which is issued by or on behalf of an insurer authorized to transact business in this state or, if the vehicle is registered in another state, by a policy of insurance issued by or on behalf of an insurer authorized to transact business in either this state or the state in which the vehicle is registered or by qualifying as a self-insurer.

Subd. 3. **Self-insurance.** Self-insurance, subject to approval of the commissioner, is effected by filing with the commissioner in satisfactory form:

(1) a continuing undertaking by the owner or other appropriate person to pay tort liabilities or basic economic loss benefits, or both, and to perform all other obligations imposed by sections 65B.41 to 65B.71;

(2) evidence that appropriate provision exists for prompt administration of all claims, benefits, and obligations provided by sections 65B.41 to 65B.71;

(3) evidence that reliable financial arrangements, deposits, or commitments exist providing assurance, substantially equivalent to that afforded by a policy of insurance complying with sections 65B.41 to 65B.71, for payment of tort liabilities, basic economic loss benefits, and all other obligations imposed by sections 65B.41 to 65B.71; and

(4) a nonrefundable initial application fee of $2,500 and a renewal fee of $1,200 for political subdivisions and $1,500 for nonpolitical entities every three years.

Subd. 3a. **Rulemaking.** To carry out the purposes of subdivision 3, the commissioner may adopt rules pursuant to chapter 14. These rules may:

(a) establish reporting requirements;

(b) establish standards or guidelines to assure the adequacy of the financing and administration of self-insurance plans;

(c) establish bonding requirements or other provisions assuring the financial integrity of entities that self-insure other than bonding requirements for self-insuring political subdivisions; and

(d) establish other reasonable requirements to further the purposes of this section.

Subd. 4. **State or political subdivisions to provide security.** The state of Minnesota or any agency thereof and any political subdivision of the state or agency thereof shall provide security by lawfully obligating itself to pay benefits in accordance with sections 65B.41 to 65B.71, either as a self-insurer pursuant to subdivision 3, or through purchase of a plan of reparation security.

Subd. 5. **Motorcycle coverage.** (a) Every owner of a motorcycle registered or required to be registered in this state or operated in this state by the owner or with the owner's permission shall provide and maintain security for the payment of tort liabilities arising out of the maintenance or use of the motorcycle in this state. Security may be provided by a contract of liability insurance complying with section 65B.49, subdivision 3, or by qualifying as a self insurer in the manner provided in subdivision 3.

(b) At the time an application for motorcycle insurance without personal injury protection coverage is completed, there must be attached to the application a separate form containing a written notice in at least 10-point bold type, if printed, or in capital letters, if typewritten that states:

"Under Minnesota law, a policy of motorcycle coverage issued in the State of Minnesota must provide liability coverage only, and there is no requirement that the policy provide personal injury protection (PIP) coverage in the case of injury sustained by the insured. No PIP coverage provided by an automobile insurance policy you may have in force will extend to provide coverage in the event of a motorcycle accident."

Subd. 6. **Self-insurer defined.** A person providing security pursuant to subdivision 3 is a "self-insurer."

Subd. 7. **Security covering vehicle and secured vehicle defined.** "Security covering the vehicle" is the insurance or other security so provided. The vehicle for which the security is so provided is the "secured vehicle."

Subd. 8. [Repealed, 1984 c 592 s 94]

History: *1974 c 408 s 8; 1975 c 160 s 1; 1978 c 674 s 57; 1983 c 203 s 3,4; 1984 c 640 s 32; 1985 c 168 s 9; 1986 c 444; 1987 c 337 s 105; 1995 c 233 art 2 s 56; 1997 c 200 art 1 s 44; 1999 c 177 s 68; 1999 c 223 art 2 s 8; 2005 c 132 s 21*

65B.481 [Repealed, 1989 c 321 s 18]

65B.482 INSURANCE IDENTIFICATION CARDS.

Subdivision 1. **Issuance of card.** Every obligor transacting business in this state shall provide an insurance identification card for each vehicle covered at the time of initiating each policy of automobile insurance, as defined in section 65B.14, subdivision 2, and at the time of policy renewal. The insurance identification card may be provided in an electronic format if the insured agrees. When an insured has five or more vehicles registered in this state, the obligor may use the designation "all owned vehicles" on each identification card in lieu of a specified description. The card must state:

(1) the insured's name;

(2) the policy number;

(3) the policy dates of coverage;

(4) the make, model, and year of the vehicle being covered;

(5) the vehicle identification number or at least the last three digits of that number; and

(6) the name of the obligor providing coverage.

Subd. 2. **Notice of criminal penalties.** Every obligor transacting business in this state shall provide to the insured at the time of issuing an insurance identification card under subdivision 1 a plain-language summary of the criminal penalties imposed by sections 169.791, 169.793, and 169.797.

History: *1989 c 321 s 1; 1992 c 571 art 14 s 13; 2012 c 185 s 2*

65B.49 INSURERS.

Subdivision 1. **Mandatory offer of insurance benefits.** On and after January 1, 1975, no insurance policy providing benefits for injuries arising out of the maintenance or use of a motor vehicle shall be issued, renewed, continued, delivered, issued for delivery, or executed in this state with respect to any motor vehicle registered or principally garaged in this state unless coverage is provided therein or supplemental thereto, under provisions approved by the commissioner, requiring the insurer to pay, regardless of the fault of the insured, basic economic loss benefits.

A plan of reparation security shall state the name and address of the named insured, the coverage afforded by the policy, the premium charged, the term and limits of liability, and shall contain an agreement or endorsement that insurance is provided thereunder in accordance with and subject to the provisions of sections 65B.41 to 65B.71.

Subd. 2. **Basic economic loss.** Each plan of reparation security shall provide for payment of basic economic loss benefits.

Subd. 3. **Residual liability insurance.** (1) Each plan of reparation security shall also contain stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is thereby granted, of not less than $30,000 because of bodily injury to one person in any one accident and, subject to said limit for one person, of not less than $60,000 because of injury to two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, of not less than $10,000 because of such injury to or destruction of property of others in any one accident.

(2) Under residual liability insurance the reparation obligor shall be liable to pay, on behalf of the insured, sums which the insured is legally obligated to pay as damages because of bodily injury and property damage arising out of the ownership, maintenance or use of any motor vehicle, including a motor vehicle permissively operated by an insured as that term is defined in section 65B.43, subdivision 5, if the injury or damage occurs within this state, the United States of America, its territories or possessions, or Canada. A reparation obligor shall also be liable to pay sums which another reparation obligor is entitled to recover under the indemnity provisions of section 65B.53, subdivision 1.

(3) Every plan of reparation security shall be subject to the following provisions which need not be contained therein:

(a) The liability of the reparation obligor with respect to the residual liability coverage required by this clause shall become absolute whenever injury or damage occurs; such liability may not be canceled or annulled by any agreement between the reparation obligor and the insured after the occurrence of the injury or damage; no statement made by the insured or on the insured's behalf and no violation of said policy shall defeat or void said policy.

(b) The satisfaction by the insured of a judgment for such injury or damage shall not be a condition precedent to the right or duty of the reparation obligor to make payment on account of such injury or damage.

(c) The reparation obligor shall have the right to settle any claim covered by the residual liability insurance policy, and if such settlement is made in good faith, the amount thereof shall be deductible from the limits of liability for the accident out of which such claim arose.

(d) Except as provided in subdivision 5a, a residual liability insurance policy shall be excess of a nonowned vehicle policy whether the nonowned vehicle is borrowed or rented, or used for business or pleasure. A nonowned vehicle is one not used or provided on a regular basis.

Subd. 3a. **Uninsured and underinsured motorist coverages.** (1) No plan of reparation security may be renewed, delivered or issued for delivery, or executed in this state with respect to any motor vehicle registered or principally garaged in this state unless separate uninsured and underinsured motorist coverages are provided therein. Each coverage, at a minimum, must provide limits of $25,000 because of injury to or the death of one person in any accident and $50,000 because of injury to or the death of two or more persons in any accident. In the case of injury to, or the death of, two or more persons in any accident, the amount available to any one person must not exceed the coverage limit provided for injury to, or the death of, one person in any accident.

(2) Every owner of a motor vehicle registered or principally garaged in this state shall maintain uninsured and underinsured motorist coverages as provided in this subdivision.

(3) No reparation obligor is required to provide limits of uninsured and underinsured motorist coverages in excess of the bodily injury liability limit provided by the applicable plan of reparation security.

(4) No recovery shall be permitted under the uninsured and underinsured motorist coverages of this section for basic economic loss benefits paid or payable, or which would be payable but for any applicable deductible.

(5) If at the time of the accident the injured person is occupying a motor vehicle, the limit of liability for uninsured and underinsured motorist coverages available to the injured person is the limit specified for that motor vehicle. However, if the injured person is occupying a motor vehicle of which the injured person is not an insured, the injured person may be entitled to excess insurance protection afforded by a policy in which the injured party is otherwise insured. The excess insurance protection is limited to the extent of covered damages sustained, and further is available only to the extent by which the limit of liability for like coverage applicable to any one motor vehicle listed on the automobile insurance policy of which the injured person is an insured exceeds the limit of liability of the coverage available to the injured person from the occupied motor vehicle.

If at the time of the accident the injured person is not occupying a motor vehicle or motorcycle, the injured person is entitled to select any one limit of liability for any one vehicle afforded by a policy under which the injured person is insured.

(6) Regardless of the number of policies involved, vehicles involved, persons covered, claims made, vehicles or premiums shown on the policy, or premiums paid, in no event shall the limit of liability for uninsured and underinsured motorist coverages for two or more motor vehicles be added together to determine the limit of insurance coverage available to an injured person for any one accident.

(7) The uninsured and underinsured motorist coverages required by this subdivision do not apply to bodily injury of the insured while occupying a motor vehicle owned by the insured, unless the occupied vehicle is an insured motor vehicle.

(8) The uninsured and underinsured motorist coverages required by this subdivision do not apply to bodily injury of the insured while occupying a motorcycle owned by the insured.

Subd. 4. [Repealed, 1Sp1985 c 10 s 123 subd 5]

Subd. 4a. **Liability on underinsured motor vehicles.** With respect to underinsured motorist coverage, the maximum liability of an insurer is the amount of damages sustained but not recovered from the insurance policy of the driver or owner of any underinsured at fault vehicle. If a person is injured by two or more vehicles, underinsured motorist coverage is payable whenever any one of those vehicles meets the definition of underinsured motor vehicle in section 65B.43, subdivision 17. However, in no event shall the underinsured motorist carrier have to pay more than the amount of its underinsured motorist limits.

Subd. 5. [Repealed, 1980 c 539 s 7]

Subd. 5a. **Rental vehicles.** (a) Every plan of reparation security, wherever issued, insuring a natural person as named insured, covering private passenger vehicles as defined under section 65B.001, subdivision 3, and pickup trucks and vans as defined under section 168.002 must: (1) provide that all of the obligation for damage and loss of use to a rented private passenger vehicle, including pickup trucks and vans as defined under section 168.002, and rented trucks with a registered gross vehicle weight of 26,000 pounds or less would be covered by the property damage liability portion of the plan; and (2) extend the plan's basic economic loss benefits, residual liability insurance, and uninsured and underinsured motorist coverages to the operation or use of the rented motor vehicle. This subdivision does not apply to plans of reparation security covering only motor vehicles registered under section 168.10, subdivision 1a, 1b, 1c, or 1d, or recreational vehicles as defined under section 168.002. The obligation of the plan must not be contingent on fault or negligence. In all cases where the plan's property damage liability coverage is less than $35,000, the coverage available under the subdivision must be $35,000. Other than as described in this paragraph; paragraph (i), clause (2); or paragraph (j), nothing in this section amends or alters the provisions of the plan of reparation security as to primacy of the coverages in this section.

(b) A vehicle is rented for purposes of this subdivision:

(1) if the rate for the use of the vehicle is determined on a monthly, weekly, or daily basis; or

(2) during the time that a vehicle is loaned as a replacement for a vehicle being serviced or repaired regardless of whether the customer is charged a fee for the use of the vehicle.

A vehicle is not rented for the purposes of this subdivision if the rate for the vehicle's use is determined on a period longer than one month or if the term of the rental agreement is longer than one month. A vehicle is not rented for purposes of this subdivision if the rental agreement has a purchase or buyout option or otherwise functions as a substitute for purchase of the vehicle.

(c) The policy or certificate issued by the plan must inform the insured of the application of the plan to private passenger rental vehicles, including pickup trucks and vans as defined under section 168.002, and that the insured may not need to purchase additional coverage from the rental company.

(d) Where an insured has two or more vehicles covered by a plan or plans of reparation security containing the rented motor vehicle coverage required under paragraph (a), the insured may select the plan the insured wishes to collect from and that plan is entitled to a pro rata contribution from the other plan or plans based upon the property damage limits of liability. If the person renting the motor vehicle is also covered by the person's employer's insurance policy or the employer's automobile self-insurance plan, the reparation obligor under the employer's policy or self-insurance plan has primary responsibility to pay claims arising from use of the rented vehicle.

(e) A notice advising the insured of rental vehicle coverage must be given by the reparation obligor to each current insured with the first renewal notice after January 1, 1989. The notice must be approved by the commissioner of commerce. The commissioner may specify the form of the notice.

(f) When a motor vehicle is rented in this state, there must be attached to the rental contract a separate form containing a written notice in at least 10-point bold type, if printed, or in capital letters, if typewritten, which states:

> "Under Minnesota law, a personal automobile insurance policy must: (1) cover the rental of this motor vehicle against damage to the vehicle and against loss of use of the vehicle; and (2) extend the policy's basic economic loss benefits, residual liability insurance, and uninsured and underinsured motorist coverages to the operation or use of a rented motor vehicle. Therefore, purchase of any collision damage waiver or similar insurance affected in this rental contract is not necessary. In addition, purchase of any additional liability insurance is not necessary if your policy was issued in Minnesota unless you wish to have coverage for liability that exceeds the amount specified in your personal automobile insurance policy."

No collision damage waiver or other insurance offered as part of or in conjunction with a rental of a motor vehicle may be sold unless the person renting the vehicle provides a written acknowledgment that the above consumer protection notice has been read and understood.

(g) When damage to a rented vehicle is covered by a plan of reparation security as provided under paragraph (a), the rental contract must state that payment by the reparation obligor within the time limits of section 72A.201 is acceptable, and prior payment by the renter is not required.

(h) Compensation for the loss of use of a damaged rented motor vehicle is limited to a period no longer than 14 days.

(i)(1) For purposes of this subdivision, "rented motor vehicle" means a rented vehicle described in paragraph (a), using the definition of "rented" provided in paragraph (b).

(2) Notwithstanding section 169.09, subdivision 5a, an owner of a rented motor vehicle is not vicariously liable for legal damages resulting from the operation of the rented motor vehicle in an amount greater than $100,000 because of bodily injury to one person in any one accident and, subject to the limit for one person, $300,000 because of injury to two or more persons in any one accident, and $50,000 because of injury to or destruction of property of others in any one accident, if the owner of the rented motor vehicle has in effect, at the time of the accident, a policy of insurance or self-insurance, as provided in section 65B.48, subdivision 3, covering losses up to at least the amounts set forth in this paragraph. Nothing in this paragraph alters or affects the obligations of an owner of a rented motor vehicle to comply with the requirements of compulsory insurance through a policy of insurance as provided in section 65B.48, subdivision 2, or through self-insurance as provided in section 65B.48, subdivision 3, which policy of insurance or self-insurance must apply whenever the operator is not covered by a plan of reparation security as provided under paragraph (a); or with the obligations arising from section 72A.125 for products sold in conjunction with the rental of a motor vehicle. Nothing in this paragraph alters or affects liability, other than vicarious liability, of an owner of a rented motor vehicle.

(3) The dollar amounts stated in this paragraph shall be adjusted for inflation based upon the Consumer Price Index for all urban consumers, known as the CPI-U, published by the United States Bureau of Labor Statistics. The dollar amounts stated in this paragraph are based upon the value of that index for July 1995, which is the reference base index for purposes of this paragraph. The dollar amounts in this paragraph shall change effective January 1 of each odd-numbered year based upon the percentage difference between the

index for July of the preceding year and the reference base index, calculated to the nearest whole percentage point. The commissioner shall announce and publish, on or before September 30 of the preceding year, the changes in the dollar amounts required by this paragraph to take effect on January 1 of each odd-numbered year. The commissioner shall use the most recent revision of the July index available as of September 1. Changes in the dollar amounts must be in increments of $5,000, and no change shall be made in a dollar amount until the change in the index requires at least a $5,000 change. If the United States Bureau of Labor Statistics changes the base year upon which the CPI-U is based, the commissioner shall make the calculations necessary to convert from the old base year to the new base year. If the CPI-U is discontinued, the commissioner shall use the available index that is most similar to the CPI-U.

(j) The plan of reparation security covering the owner of a rented motor vehicle is excess of any residual liability coverage insuring an operator of a rented motor vehicle.

[See Note.]

Subd. 6. [Repealed, 1980 c 539 s 7]

Subd. 7. **Additional benefits and coverage not prohibited.** Nothing in sections 65B.41 to 65B.71 shall be construed as preventing the insurer from offering other benefits or coverages in addition to those required to be offered under this section.

Subd. 8. **Compliance.** Any coverage issued by a participating member of the Minnesota automobile insurance plan shall comply with the provisions of this section, any provisions of law or of the contract notwithstanding.

Subd. 9. **Family or group family day care provider coverage.** No plan of reparation security shall exclude coverage for a vehicle when used to transport children as part of a family or group family day care program.

Subd. 10. **Time limitations.** (a) Unless expressly provided for in this chapter, a plan of reparation security must conform to the six-year time limitation provided under section 541.05, subdivision 1, clause (1).

(b) The time limitation for commencing a cause of action relating to underinsured motorist coverage under subdivision 3a is four years from the date of accrual.

History: *1974 c 408 s 9; 1977 c 266 s 2,3; 1977 c 276 s 3; 1978 c 674 s 57; 1985 c 168 s 10-12; 1985 c 309 s 5,6; 1Sp1985 c 10 s 68,123 subd 5; 1Sp1985 c 13 s 191; 1986 c 444; 1987 c 337 s 106; 1988 c 611 s 2; 1989 c 213 s 1,2; 1989 c 260 s 15; 1989 c 356 s 20,41; 1990 c 394 s 1; 1990 c 496 s 3; 1990 c 504 s 1; 1991 c 207 s 6; 1994 c 465 art 3 s 6; 1994 c 485 s 53; 1995 c 140 s 1; 1995 c 225 s 1; 1996 c 446 art 1 s 72; 2000 c 309 s 1; 2002 c 234 s 1; 2005 c 163 s 88; 2006 c 212 art 1 s 23; 2007 c 72 s 1; 2023 c 57 art 2 s 58*

NOTE: Subdivision 5a, paragraph (i)(2), was preempted by federal law in *Meyer v. Nwokedi*, 777 N.W.2d 218 (Minn. 2010).

65B.491 [Renumbered 65B.44, subd 3a]

65B.50 INSURERS' CERTIFICATION OF BASIC COVERAGE.

Subdivision 1. **Filing.** Every insurer licensed to write motor vehicle accident reparation and liability insurance in this state shall, on or before January 1, 1975, or as a condition to such licensing, file with the commissioner and thereafter maintain a written certification that it will afford at least the minimum security

provided by section 65B.49 to all policyholders, except that in the case of nonresident policyholders it need only certify that security is provided with respect to accidents occurring in this state.

Subd. 2. **Contacts of liability insurance as security covering the vehicle.** Notwithstanding any contrary provision in it, every contract of liability insurance for injury, wherever issued, covering obligations arising from ownership, maintenance, or use of a motor vehicle, except a contract which provides coverage only for liability in excess of required minimum tort liability coverages, includes basic economic loss benefit coverages and residual liability coverages required by sections 65B.41 to 65B.71, while the vehicle is in this state, and qualifies as security covering the vehicle.

History: *1974 c 408 s 10; 1978 c 674 s 57*

65B.51 DEDUCTION OF COLLATERAL BENEFITS FROM TORT RECOVERY; LIMITATION ON RIGHT TO RECOVER DAMAGES.

Subdivision 1. **Deduction of basic economic loss benefits.** With respect to a cause of action in negligence accruing as a result of injury arising out of the operation, ownership, maintenance or use of a motor vehicle with respect to which security has been provided as required by sections 65B.41 to 65B.71, the court shall deduct from any recovery the value of basic or optional economic loss benefits paid or payable, or which would be payable but for any applicable deductible. In any case where the claimant is found to be at fault under section 604.01, the deduction for basic economic loss benefits must be made before the claimant's damages are reduced under section 604.01, subdivision 1.

Subd. 2. **Right to recover economic loss not covered in first party benefits.** A person may bring a negligence action for economic loss not paid or payable by a reparation obligor or through the assigned claims plan because of any lack of insurance coverage for the economic loss described in section 65B.44, daily or weekly dollar limitations of section 65B.44, the seven-day services exclusion of section 65B.44, the limitations of benefits contained in section 65B.44, subdivision 1, or an exclusion from coverage by sections 65B.58 to 65B.60.

Subd. 3. **Limitation of damages for noneconomic detriment.** In an action described in subdivision 1, no person shall recover damages for noneconomic detriment unless:

(a) The sum of the following exceeds $4,000:

(1) reasonable medical expense benefits paid, payable or payable but for any applicable deductible, plus

(2) the value of free medical or surgical care or ordinary and necessary nursing services performed by a relative of the injured person or a member of the injured person's household, plus

(3) the amount by which the value of reimbursable medical services or products exceeds the amount of benefit paid, payable, or payable but for an applicable deductible for those services or products if the injured person was charged less than the average reasonable amount charged in this state for similar services or products, minus

(4) the amount of medical expense benefits paid, payable, or payable but for an applicable deductible for diagnostic x-rays and for a procedure or treatment for rehabilitation and not for remedial purposes or a course of rehabilitative occupational training; or

(b) the injury results in:

(1) permanent disfigurement;

(2) permanent injury;

(3) death; or

(4) disability for 60 days or more.

(c) For the purposes of clause (a) evidence of the reasonable value of medical services and products shall be admissible in any action brought in this state.

For the purposes of this subdivision disability means the inability to engage in substantially all of the injured person's usual and customary daily activities.

Subd. 4. **Actions based on certain defects not affected.** Nothing in this section shall impair or limit the liability of a person in the business of manufacturing, distributing, retailing, repairing, servicing or maintaining motor vehicles arising from a defect in a motor vehicle caused or not corrected by an act or omission in manufacture, inspection, repair, servicing or maintenance of a vehicle in the course of the business.

Subd. 5. **Actions based on certain negligent acts or omissions not affected.** Nothing in this section shall impair or limit tort liability or limit the damages recoverable from any person for negligent acts or omissions other than those committed in the operation, ownership, maintenance, or use of a motor vehicle.

History: *1974 c 408 s 11; 1975 c 18 s 7; 1977 c 266 s 4; 1978 c 711 s 1; 1983 c 243 s 1; 1986 c 444; 1989 c 58 s 1; 1990 c 555 s 6*

65B.52 [Repealed, 1975 c 18 s 17]

65B.525 ARBITRATION PROCEDURE; RULES OF COURT.

Subdivision 1. **Mandatory submission to binding arbitration.** The supreme court and the several courts of general trial jurisdiction of this state shall by rules of court or other constitutionally allowable device, provide for the mandatory submission to binding arbitration of all cases at issue where the claim at the commencement of arbitration is in an amount of $10,000 or less against any insured's reparation obligor for no-fault benefits or comprehensive or collision damage coverage.

Subd. 2. **Agreement of reference.** The rules of court may provide that cases which are not at issue, whether or not suit has been filed, may be referred to arbitration by agreement of reference signed by counsel for both sides, or by the parties themselves. Such agreement of reference shall define the issues to be arbitrated and, shall also contain any stipulations with respect to facts submitted or agreed or defenses waived. In such cases, the agreement of reference shall take the place of the pleadings in the case and be filed of record.

History: *1975 c 160 s 2; 1978 c 674 s 57; 1985 c 168 s 13; 1987 c 337 s 108; 1989 c 260 s 16; 1989 c 330 s 26; 1991 c 321 s 1; 2014 c 310 s 7*

65B.53 INDEMNITY; ARBITRATION BETWEEN OBLIGORS; SUBROGATION.

Subdivision 1. **Indemnity from obligor of commercial vehicle.** A reparation obligor paying or obligated to pay basic or optional economic loss benefits is entitled to indemnity subject to the limits of the applicable residual liability coverage from a reparation obligor providing residual liability coverage on a commercial vehicle of more than 5,500 pounds curb weight if negligence in the operation, maintenance or use of the commercial vehicle was the direct and proximate cause of the injury for which the basic economic loss benefits were paid or payable to the extent that the insured would have been liable for damages but for the deduction provisions of section 65B.51, subdivision 1.

For purposes of this subdivision, a "commercial vehicle of more than 5,500 pounds curb weight" does not include a vehicle listed in section 65B.47, subdivision 1a.

Subd. 2. **Obligor subrogated to economic loss claim.** A reparation obligor paying or obligated to pay basic or optional economic loss benefits is subrogated to the claim for the recovery of damages for economic loss that the person to whom the basic or optional economic loss benefits were paid or payable has against another person whose negligence in another state was the direct and proximate cause of the injury for which the basic economic loss benefits were paid or payable. This right of subrogation exists only to the extent that basic economic loss benefits are paid or payable and only to the extent that recovery on the claim absent subrogation would produce a duplication of benefits or reimbursement of the same loss.

Subd. 3. **Obligor subrogated to certain tort, liability, or negligence claim.** A reparation obligor paying or obligated to pay basic economic loss benefits is subrogated to a claim based on an intentional tort, strict or statutory liability, or negligence other than negligence in the maintenance, use, or operation of a motor vehicle. This right of subrogation exists only to the extent that basic economic loss benefits are paid or payable and only to the extent that recovery on the claim absent subrogation would produce a duplication of benefits or reimbursement of the same loss.

Subd. 4. **Indemnity enforced through arbitration.** The right of indemnity provided in subdivision 1 shall be enforceable only through mandatory good faith and binding arbitration procedures established by rule of the commissioner of commerce. These procedures shall utilize determinations of comparative negligence. No evidence nor the decision in such an arbitration proceeding shall be admissible in any action by any party.

Subd. 5. **Collision coverage subrogation.** Except as provided in this section nothing in sections 65B.41 to 65B.71 shall limit or abridge the subrogation rights of a reparation obligor providing collision coverage to a policyholder.

Subd. 6. **Other restrictions.** No reparation obligor shall include in its contract any provision which would require a person to commence a negligence action as a condition precedent to the payment of basic economic loss benefits or which permits the reparation obligor to determine whether such an action will be commenced. No reparation obligor shall contract for a right of reimbursement or subrogation greater than or in addition to those permitted by this chapter.

Subd. 7. **Arbitration proceedings and benefit payments.** Arbitration proceedings need not await final payment of benefits, and the award, if any, shall include provision for reimbursement of subsequent benefits, but no question of fact decided by a prior award shall be reconsidered in any such subsequent arbitration hearing.

Subd. 8. **Enforceability of subrogation right.** Notwithstanding any law to the contrary, in any action brought for the recovery of damages allegedly caused by the negligent operation, ownership, maintenance or use of a motor vehicle or motorcycle where the right of subrogation is claimed or may be claimed under this section, or in any counterclaim to such an action, the right of an insurer to be subrogated to all or a portion of the claim of an insured, whether the right to subrogation arises from contract, statute or any other source, shall be enforceable against the insured only if the insurer, upon demand by the insured, agrees to pay a share of the attorney fees and costs incurred to prosecute the claim, in such proportion as the insurer's subrogated interest in the claim bears to any eventual recovery on the claim.

History: *1974 c 408 s 13; 1976 c 79 s 1; 1977 c 188 s 1,2; 1977 c 266 s 5; 1979 c 190 s 2; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1993 c 362 s 1*

65B.54 CLAIMS PRACTICES.

Subdivision 1. **Payment of basic economic loss benefits.** Basic economic loss benefits are payable monthly as loss accrues. Loss accrues not when injury occurs, but as income loss, replacement services loss, survivor's economic loss, survivor's replacement services loss, or medical or funeral expense is incurred. Benefits are overdue if not paid within 30 days after the reparation obligor receives reasonable proof of the fact and amount of loss realized, unless the reparation obligor elects to accumulate claims for periods not exceeding 31 days and pays them within 15 days after the period of accumulation. If reasonable proof is supplied as to only part of a claim, and the part totals $100 or more, the part is overdue if not paid within the time provided by this section. Medical or funeral expense benefits may be paid by the reparation obligor directly to persons supplying products, services, or accommodations to the claimant. Claims by a health provider defined in section 62J.03, subdivision 8, for medical expense benefits covered by this chapter shall be submitted to the reparation obligor pursuant to the uniform electronic transaction standards required by section 62J.536 and the rules promulgated under that section. Payment of benefits for such claims for medical expense benefits are not due if the claim is not received by the reparation obligor pursuant to those electronic transaction standards and rules. Notwithstanding any such submission, a reparation obligor may require additional reasonable proof regarding the fact and the amount of loss realized regarding such a claim. A health care provider cannot directly bill an insured for the amount of any such claim not remitted pursuant to the transaction standards required by section 62J.536 if the reparation obligor is acting in compliance with these standards in receiving or paying such a claim.

Subd. 2. **Interest on overdue payments.** Overdue payments shall bear simple interest at the rate of 15 percent per annum.

Subd. 3. **Payment of benefits subject to coordination.** A claim for basic economic loss benefits shall be paid without deduction for the benefits which are to be subtracted pursuant to section 65B.61, if these benefits have not been paid to the claimant before the reparation benefits are overdue or the claim is paid. The obligor is entitled to reimbursement from the person obligated to make the payments or from the claimant who actually receives the payments.

Subd. 4. **Recovery of benefits paid due to intentional misrepresentation.** A reparation obligor may bring an action to recover benefits which are not payable, but are in fact paid, because of an intentional misrepresentation of a material fact, upon which the reparation obligor relies, by the claimant or by a person providing products or services for which basic economic loss benefits are payable. The action may be brought only against the person providing the products or services, unless the claimant has intentionally misrepresented the facts or knew of the misrepresentation. A reparation obligor may offset amounts the reparation obligor is entitled to recover from the claimant under this subdivision against any basic economic loss benefits otherwise due the claimant.

Subd. 5. **Notice of rejection.** A reparation obligor who rejects a claim for benefits shall give to the claimant prompt written notice of the rejection, specifying the reason. If a claim is rejected for a reason other than that the person is not entitled to the basic economic loss benefits claimed, the written notice shall inform the claimant that the claimant may file the claim with the assigned claims bureau and shall give the name and address of the bureau.

Subd. 6. **Unethical practices.** (a) A licensed health care provider shall not initiate direct contact, in person, over the telephone, or by other electronic means, with any person who has suffered an injury arising out of the maintenance or use of an automobile, for the purpose of influencing that person to receive treatment or to purchase any good or item from the licensee or anyone associated with the licensee. This subdivision prohibits such direct contact whether initiated by the licensee individually or on behalf of the licensee by

any employee, independent contractor, agent, or third party, including a capper, runner, or steerer, as defined in section 609.612, subdivision 1, paragraph (c). This subdivision does not apply when an injured person voluntarily initiates contact with a licensee.

(b) This subdivision does not prohibit licensees, or persons acting on their behalf, from mailing advertising literature directly to such persons, so long as:

(1) the word "ADVERTISEMENT" appears clearly and conspicuously at the beginning of the written materials;

(2) the name of the individual licensee appears clearly and conspicuously within the written materials;

(3) the licensee is clearly identified as a licensed health care provider within the written materials; and

(4) the licensee does not initiate, individually or through any employee, independent contractor, agent, or third party, direct contact with the person after the written materials are sent.

(c) This subdivision does not apply to:

(1) advertising that does not involve direct contact with specific prospective patients, in public media such as telephone directories, professional directories, ads in newspapers and other periodicals, radio or television ads, websites, billboards, mailed or electronically transmitted communication, or similar media if such advertisements comply with paragraph (d);

(2) general marketing practices, other than those described in clause (1), such as giving lectures; participating in special events, trade shows, or meetings of organizations; or making presentations relative to the benefits of a specific medical treatment;

(3) contact with friends or relatives, or statements made in a social setting;

(4) direct contact initiated by an ambulance service licensed under chapter 144E, a medical response unit registered under section 144E.275, or by the emergency department of a hospital licensed under chapter 144, for the purpose of rendering emergency care; or

(5) a situation in which the injured person:

(i) had a prior professional relationship with the licensee;

(ii) has selected that licensee as the licensee from whom the injured person receives health care; or

(iii) has received treatment related to the accident from the licensee.

(d) For purposes of this paragraph, "legal name," for an individual means the name under which an individual is licensed or registered as a health care professional in Minnesota or an adjacent state, and for a business entity, a name under which the entity is registered with the secretary of state in Minnesota or an adjacent state, so long as the name does not include any misleading description of the nature of its health care practice; and "health care provider" means an individual or business entity that provides medical treatment of an injury eligible as a medical expense claim under this chapter. In addition to any laws governing, or rules adopted by, a health care provider licensing board, any solicitation or advertisement for medical treatment, or for referral for medical treatment, of an injury eligible for treatment under this chapter must: (1) be undertaken only by or at the direction of a health care provider; (2) prominently display or reference the legal name of the health care provider; (3) display or reference the license type of the health care provider, or in the case of a health care provider that is a business entity, the license type of all of the owners of the

health care provider but need not include the names of the owners; (4) not contain any false, deceptive, or misleading information, or misrepresent the services to be provided; (5) not include any reference to the dollar amounts of the potential benefits under this chapter; and (6) not imply endorsement by any law enforcement personnel or agency.

(e) A violation of this subdivision is grounds for the licensing authority to take disciplinary action against the licensee, including revocation in appropriate cases.

History: *1974 c 408 s 14; 1979 c 190 s 3; 1986 c 444; 2008 c 214 s 1; 2009 c 178 art 1 s 38; 2012 c 255 s 1*

65B.55 APPLICATION FOR BENEFITS UNDER PLAN OF SECURITY.

Subdivision 1. **Claim notification.** A plan of reparation security may prescribe a period of not less than six months after the date of accident within which an insured or any other person entitled to claim basic economic loss benefits, or anyone acting on their behalf, must notify the reparation obligor or its agent, of the accident and the possibility of a claim for economic loss benefits. Failure to provide notice will not render a person ineligible to receive benefits unless actual prejudice is shown by the reparation obligor, and then only to the extent of the prejudice. The notice may be given in any reasonable fashion.

Subd. 2. **Disability or treatment lapses.** A plan of reparation security may provide that in any instance where a lapse occurs in the period of disability or in the medical treatment of a person with respect to whose injury basic economic loss benefits have been paid and a person subsequently claims additional benefits based upon an alleged recurrence of the injury for which the original claim for benefits was made, the obligor may require reasonable medical proof of such alleged recurrence; provided, that in no event shall the aggregate benefits payable to any person exceed the maximum limits specified in the plan of security, and provided further that such coverages may contain a provision terminating eligibility for benefits after a prescribed period of lapse of disability and medical treatment, which period shall not be less than one year.

History: *1974 c 408 s 15; 1984 c 592 s 55*

65B.56 COOPERATION OF PERSON CLAIMING BENEFITS.

Subdivision 1. **Medical examinations and discovery of condition of claimant.** Any person with respect to whose injury benefits are claimed under a plan of reparation security shall, upon request of the reparation obligor from whom recovery is sought, submit to a physical examination by a physician or physicians selected by the obligor as may reasonably be required.

The costs of any examinations requested by the obligor shall be borne entirely by the requesting obligor. Such examinations shall be conducted within the city, town, or statutory city of residence of the injured person. If there is no qualified physician to conduct the examination within the city, town, or statutory city of residence of the injured person, then such examination shall be conducted at another place of the closest proximity to the injured person's residence. Obligors are authorized to include reasonable provisions in policies for mental and physical examination of those injured persons.

If requested by the person examined, a party causing an examination to be made shall deliver to the examinee a copy of every written report concerning the examination rendered by an examining physician to that person, at least one of which reports must set out in detail the findings and conclusions of such examining physician.

An injured person shall also do all things reasonably necessary to enable the obligor to obtain medical reports and other needed information to assist in determining the nature and extent of the injured person's

injuries and loss, and the medical treatment received. If the claimant refuses to cooperate in responding to requests for examination and information as authorized by this section, evidence of such noncooperation shall be admissible in any suit or arbitration filed for damages for such personal injuries or for the benefits provided by sections 65B.41 to 65B.71.

The provisions of this section apply before and after the commencement of suit.

Subd. 2. **Claimant's participation in arbitration between obligors.** Any person receiving benefits under sections 65B.41 to 65B.71 shall participate and cooperate, as reasonably required under the coverage, in any and all arbitration proceedings as provided in section 65B.53 by or on behalf of the obligor paying the benefits, and the obligor may require in the furnishing of proof of loss the claimant's statement that the claimant shall so participate and cooperate as consideration for the payment of such benefits. However, no claimant may be required by any obligor which has paid or is obligated to pay benefits as herein provided to personally attend an arbitration proceeding which shall take place more than 50 miles from the usual residence of the claimant; and provided that in no event shall the claimant have to attend such an arbitration proceeding if, at the time scheduled for that meeting, travel thereto by the claimant is not recommended by a physician treating the claimant for injuries. Any claimant required to personally attend an arbitration proceeding shall be compensated by the reparation obligor requiring attendance for actual income loss and expenses reasonably incurred.

History: *1974 c 408 s 16; 1975 c 18 s 8; 1978 c 674 s 57; 1986 c 444*

65B.57 ECONOMIC LOSS BENEFITS; EXEMPTIONS FROM LEGAL ATTACHMENT.

(a) All economic loss benefits provided by sections 65B.41 to 65B.71, whether paid or payable to any claimant shall not be subject to garnishment, sequestration, attachment or execution, or any other legal process which would deny their receipt and use by that person.

(b) This section shall not apply to any person who has provided treatment or services, as described in section 65B.44, subdivision 2, to the victim of a motor vehicle accident.

(c) Economic loss benefits paid or payable to any claimant, person, or entity who has provided treatment or services under sections 65B.41 to 65B.71 shall not be subject to any legal interest in the payment, whether by contract, lien, or other legal process before a denial of benefits by a reparations obligor.

History: *1974 c 408 s 17; 1978 c 674 s 57; 2014 c 310 s 8*

65B.58 CONVERTED MOTOR VEHICLES.

A person who converts a motor vehicle is disqualified from basic or optional economic loss benefits, including benefits otherwise due as a survivor, from any source other than an insurance contract under which the converter is an insured, for injuries arising from maintenance or use of the converted vehicle. If the converter dies from the injuries, survivors are not entitled to basic or optional economic loss benefits from any source other than an insurance contract under which the converter is a basic economic loss insured. For the purpose of this section, a person is not a converter if that person uses the motor vehicle in the good faith belief that the person is legally entitled to do so.

History: *1974 c 408 s 18; 1986 c 444*

65B.59 RACES.

A person who is injured in the course of an official racing contest, other than a rally held in whole or in part on public roads, or in practice or preparation therefor is disqualified from basic or optional economic

loss benefits. Survivors are not entitled to basic or optional economic loss benefits for loss arising from the death.

History: *1974 c 408 s 19; 1975 c 18 s 9; 1986 c 444*

65B.60 INTENTIONAL INJURIES.

A person intentionally causing or attempting to cause injury to self or another person is disqualified from basic or optional economic loss benefits for injury arising from those acts, including benefits otherwise due the person as a survivor. If a person dies as a result of intentionally causing or attempting to cause injury to self, survivors are not entitled to basic or optional economic loss benefits for loss arising from the death. A person intentionally causes or attempts to cause injury if the person acts or fails to act for the purpose of causing injury or with knowledge that injury is substantially certain to follow. A person does not intentionally cause or attempt to cause injury (1) merely because the act or failure to act is intentional or done with the realization that it creates a grave risk of causing injury or (2) if the act or omission causing the injury is for the purpose of averting bodily harm to the person or another person.

History: *1974 c 408 s 20; 1986 c 444*

65B.605 [Renumbered 604.16]

65B.61 BENEFITS PRIMARY; SUBTRACTIONS; COORDINATION.

Subdivision 1. **Generally; exception for workers' compensation benefits.** Basic economic loss benefits shall be primary with respect to benefits, except for those paid or payable under a workers' compensation law, which any person receives or is entitled to receive from any other source as a result of injury arising out of the maintenance or use of a motor vehicle. Where workers' compensation benefits paid or payable are primary, the reparation obligor shall make an appropriate rebate or reduction in the premiums of the plan of reparation security. The amount of the rebate or rate reduction shall be not less than the amount of the projected reduction in benefits and claims for which the reparation obligor will be liable on that class of risks. The projected reduction or rebate in benefits and claims shall be based upon sound actuarial principles.

Subd. 2. **Disability income loss benefits; coordination with workers' compensation benefits.** If benefits are paid or payable under a workers' compensation law because of the injury, no disability income loss benefits are payable unless the weekly workers' compensation disability benefits are less than the weekly disability benefit as set out in section 65B.44, subdivision 3, in which case the reparation obligor shall pay to the injured person the amount that the weekly disability and income loss benefits payable under section 65B.44, subdivision 3, exceeds the weekly workers' compensation disability benefits.

Subd. 2a. **Survivors' economic loss benefits; coordination with workers' compensation death benefits.** If benefits are paid or payable under a workers' compensation law because of death, no survivors' economic loss benefits are payable unless the weekly workers' compensation dependency allowance is less than the weekly survivors' economic loss benefit rate as set out in section 65B.44, subdivision 6, in which case the reparation obligor shall pay to the surviving dependents the amount that the weekly survivors' economic loss benefits payable under section 65B.44, subdivision 6, exceed the weekly workers' compensation dependency allowances.

Subd. 2b. [Repealed, 1984 c 420 s 2]

Subd. 3. **General right to coordinate benefits.** Any legal entity, other than a reparation obligor obligated to pay benefits under a plan of reparation security or an insurer or employer obligated to pay benefits under a workers' compensation law, may coordinate any benefits it is obligated to pay for loss incurred as a result

of injury arising out of the maintenance or use of a motor vehicle with basic economic loss benefits. No entity may coordinate benefits pursuant to this subdivision, unless it provides an appropriately reduced premium rate. The amount of this rate reduction shall be not less than the amount of the projected reduction in benefits and claims for which the entity will be liable on that class of risks, less the additional reasonable expenses incurred to administer the plan coordinating benefits. The projected reduction in benefits and claims shall be based upon sound actuarial principles.

Subd. 4. [Repealed, 1979 c 57 s 2]

History: *1974 c 408 s 21; 1975 c 359 s 23; 1979 c 57 s 1; 1980 c 539 s 2-5; 1984 c 420 s 1; 1995 c 258 s 51*

65B.62 [Repealed, 1976 c 79 s 2]

65B.63 ASSIGNED CLAIMS PLAN.

Subdivision 1. **Requirement.** Reparation obligors providing basic economic loss insurance in this state shall organize and maintain, subject to approval and regulation by the commissioner, an assigned claims bureau and an assigned claims plan, and adopt rules for their operation and for the assessment of costs on a fair and equitable basis consistent with sections 65B.41 to 65B.71. The assigned claims bureau shall be managed by a governing committee made up of four individuals selected by the insurer members, one individual selected by the self-insurer members, and two public members appointed by the governor to two-year terms. Public members may include licensed insurance agents. If such obligors do not organize and continuously maintain an assigned claims bureau and an assigned claims plan in a manner considered by the commissioner of commerce to be consistent with sections 65B.41 to 65B.71, the commissioner shall organize and maintain an assigned claims bureau and an assigned claims plan. Each reparation obligor providing basic economic loss insurance in this state shall participate in the assigned claims bureau and the assigned claims plan. Costs incurred shall be allocated fairly and equitably among the reparation obligors.

A ruling, action, or decision of the governing committee may be appealed to the commissioner within 30 days. A final action or order of the commissioner is subject to judicial review in the manner provided by chapter 14. In lieu of an appeal to the commissioner, judicial review of the governing committee's ruling, action, or decision may be sought.

Subd. 2. **Assignment of claims.** The assigned claims bureau shall promptly assign each claim and notify the claimant of the identity and address of the assignee-obligor of the claim. Claims shall be assigned so as to minimize inconvenience to claimants. The assignee thereafter has rights and obligations as if the assignee had issued a policy of basic economic loss insurance complying with sections 65B.41 to 65B.71 applicable to the injury or, in case of financial inability of a reparation obligor to perform its obligations, as if the assignee had written the applicable reparation insurance, undertaken the self-insurance, or lawfully obligated itself to pay basic economic loss benefits.

History: *1974 c 408 s 23; 1978 c 674 s 57; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1Sp1985 c 10 s 69; 1986 c 444; 1987 c 337 s 109*

65B.64 PERSONS ENTITLED TO PARTICIPATE IN ASSIGNED CLAIMS PLAN.

Subdivision 1. **Qualifications.** A person entitled to basic economic loss benefits because of injury covered by sections 65B.41 to 65B.71 may obtain basic economic loss benefits through the assigned claims plan or bureau established pursuant to section 65B.63 and in accordance with the provisions for making assigned claims provided in sections 65B.41 to 65B.71, if:

(a) the person is 14 years old or younger and basic economic loss benefits are not applicable to the injury because of section 65B.58;

(b) basic economic loss benefits are not applicable to the injury for some reason other than those specified in section 65B.58, 65B.59, or 65B.60;

(c) the plan of reparation security applicable to the injury cannot be identified; or

(d) a claim for basic economic loss benefits is rejected by a reparation obligor on some ground other than the person is not entitled to basic economic loss benefits under sections 65B.41 to 65B.71.

In addition to the requirements for eligibility contained in section 65B.48, a nonresident is not entitled to basic economic loss benefits if the nonresident is the owner of a motor vehicle and does not carry the minimum automobile insurance coverage required by the state in which the vehicle is registered.

Subd. 2. **Indemnification and subrogation rights.** If a claim qualifies for assignment under subdivision 1, the assigned claims bureau or any reparation obligor to whom the claim is assigned shall have the right to seek indemnification from an uninsured tortfeasor. Except as otherwise provided in section 340A.801, subdivision 4, the reparation obligor to whom the claim is assigned shall further be subrogated to all of the rights of the claimant against any person for economic loss benefits provided by the obligor to whom the claim was assigned, including a transportation network company or participating driver required to provide basic economic loss benefits pursuant to section 65B.472.

Subd. 3. **Disqualification.** A person shall not be entitled to basic economic loss benefits through the assigned claims plan with respect to injury which was sustained if at the time of such injury the injured person was the owner of a private passenger motor vehicle for which security is required under sections 65B.41 to 65B.71 and that person failed to have such security in effect.

For purposes of determining whether security is required under section 65B.48, an owner of any vehicle is deemed to have contemplated the operation or use of the vehicle at all times unless the owner demonstrates to the contrary by clear and convincing objective evidence.

Persons, whether or not related by blood or marriage, who dwell and function together with the owner as a family, other than adults who have been adjudicated as incompetent and minor children, shall also be disqualified from benefits through the assigned claims plan.

History: *1974 c 408 s 24; 1978 c 674 s 57; 1979 c 190 s 4; 1980 c 539 s 6; 1986 c 444; 1989 c 58 s 2,3; 1990 c 456 s 1,2; 1996 c 446 art 1 s 59; 2015 c 48 s 2*

65B.65 TIME FOR PRESENTING CLAIMS UNDER ASSIGNED CLAIMS PLAN.

Subdivision 1. **Generally.** Except as provided in subdivision 2, a person authorized to obtain basic reparation benefits through the assigned claims plan shall notify the bureau of the claim within the time that would have been allowed for commencing an action for those benefits if there had been identifiable coverage in effect and applicable to the claim.

Subd. 2. **Discovery of obligor's inability to pay claim; notice to bureau.** If timely action for basic reparation benefits is commenced against a reparation obligor who is unable to fulfill obligations because of financial inability, a person authorized to obtain basic reparation benefits through the assigned claims plan shall notify the bureau of the claim within six months after discovery of the financial inability.

History: *1974 c 408 s 25; 1975 c 18 s 10; 1986 c 444*

65B.66 CLAIMS AGAINST WRONG INSURER.

If timely action for economic loss benefits is commenced against a reparation obligor and benefits are denied because of a determination that the obligor's coverage is not applicable to the claimant under the provisions of section 65B.47 on the priority of applicability of security a claim against a proper obligor or assigned claims plan may be made not later than 90 days after such determination becomes final or the last date on which the action could otherwise have been commenced, whichever is later.

History: *1974 c 408 s 26*

65B.67 [Repealed, 1992 c 571 art 14 s 14]

65B.68 [Repealed, 1992 c 571 art 14 s 14]

65B.685 STANDARDIZING COVERAGE.

As far as consistent with the requirements of sections 65B.41 to 65B.71, the commissioner may limit by rule the variety of coverages available in order to give insurance purchasers reasonable opportunity to compare the cost of insuring with various insurers.

History: *1979 c 190 s 7*

65B.69 [Repealed, 1992 c 571 art 14 s 14]

65B.70 [Repealed, 1992 c 564 art 1 s 55]

65B.71 COMPLIANCE.

Subdivision 1. **Definition of qualified applicant.** The definition of "qualified applicant" under section 65B.02, subdivision 2, clause (2) shall, upon the repeal of chapter 170 and the enactment of sections 65B.41 to 65B.71, include a person required to prove automobile insurance coverage as required by sections 65B.41 to 65B.71.

Subd. 2. **Application to Metropolitan Airports Commission.** The actions permitted a metropolitan airports commission corporation under section 473.606, subdivision 6 shall, upon the repeal of chapter 170 and the enactment of sections 65B.41 to 65B.71, include acts necessary to bring the corporation, its commissioners and agents within the provisions of sections 65B.41 to 65B.71.

Subd. 3. **Application to certain county board action.** The actions permitted a county board under section 375.32, subdivision 2 shall, upon the repeal of chapter 170 and the enactment of sections 65B.41 to 65B.71, include acts necessary to bring the county, its officers and employees within the provisions of sections 65B.41 to 65B.71.

Subd. 4. **Transition provisions.** The provisions of Minnesota Statutes 1971, chapter 170, as amended by Laws 1973, chapter 35, sections 37 and 38, shall apply to a person who is involved in a motor vehicle accident occurring before January 1, 1975. Money deposited with the commissioner in accordance with Minnesota Statutes 1971, chapter 170, as amended by Laws 1973, chapter 35, sections 37 and 38, shall be retained by the commissioner and disbursed only in accordance with Minnesota Statutes 1971, chapter 170, as amended by Laws 1973, chapter 35, sections 37 and 38. An operator's license suspended in accordance with Minnesota Statutes 1971, chapter 170, as amended by Laws 1973, chapter 35, sections 37 and 38, shall

be reinstated only in accordance with Minnesota Statutes 1971, chapter 170, as amended by Laws 1973, chapter 35, sections 37 and 38.

History: *1974 c 408 s 32 subds 1-3; 1975 c 18 s 15; 1978 c 674 s 57; 1Sp1981 c 4 art 1 s 58*

DISCLOSURE OF MOTOR VEHICLE THEFT INFORMATION

65B.80 DEFINITIONS.

Subdivision 1. **Terms.** The following terms have the meanings given for purposes of sections 65B.80 to 65B.83.

Subd. 2. **Authorized person.** "Authorized person" means the prosecuting attorney responsible for prosecutions in the county where the motor vehicle theft occurred, the superintendent of the Bureau of Criminal Apprehension, and the sheriff or chief of police responsible for investigation in the county where the motor vehicle theft occurred.

Subd. 3. **Relevant information.** "Relevant information" or evidence means information having a tendency to make the existence of any fact that is of consequence to the investigation or determination of the issue more or less probable than it would be without the evidence.

History: *1987 c 254 s 1*

65B.81 DISCLOSURE OF INFORMATION.

Subdivision 1. **Request.** After receiving a written request, an insurance company must release to an authorized person any relevant information in the company's possession that relates to the motor vehicle theft. Relevant information is limited to:

(1) pertinent insurance policy information, including the application for a policy, that is relevant to a motor vehicle theft under investigation by the authorized person;

(2) policy premium payment records that are available;

(3) a history of previous claims made by the insured including, where the insured is a corporation or partnership, a history of previous claims by a subsidiary or any affiliates, and a history of claims of any other business association in which individual officers or partners or their spouses were known to be involved; and

(4) material relating to the investigation of the theft, including statements of any person, proof of loss, and any other evidence relevant to the investigation.

Subd. 2. **Notification by insurer required.** If an insurance company has reason to believe that a motor vehicle theft in which it has an interest may be fraudulently claimed, the company shall, in writing, notify an authorized person and provide the person with all relevant information specified in subdivision 1 relating to the motor vehicle theft. It is sufficient for the purpose of this subdivision if an insurance company notifies and provides relevant information to one authorized person.

Subd. 3. **Release of information.** An authorized person provided with information under subdivision 1 or 2 may, to further official purposes, release or provide the information to any other authorized person.

Subd. 4. **Information from authorized person.** An insurance company that provides information to an authorized person may request relevant information in writing from the authorized person and the

authorized person must provide the requested information within 30 days. The relevant information provided under this subdivision may not include nonconviction criminal history record information or any other information that is detrimental to an ongoing criminal investigation or would reveal the identity of a confidential source of information. An authorized person who does not furnish the requested information shall notify the insurance company of the reasons why the information cannot be furnished within 30 days of the request.

Subd. 5. **Immunity from liability.** An insurance company or its agent acting in its behalf, or an authorized person who releases information, whether oral or written, acting in good faith, under subdivisions 1 to 3, is immune from any liability, civil or criminal, that might otherwise be incurred or imposed.

History: *1987 c 254 s 2*

65B.82 EVIDENCE.

Data received under sections 65B.80 to 65B.83 by an authorized person or insurance company is confidential data under section 13.02, subdivision 3, until its release is required in connection with a criminal or civil proceeding.

History: *1987 c 254 s 3*

65B.83 ENFORCEMENT.

Subdivision 1. **Intentional refusal to release.** An insurance company or officer may not intentionally refuse to release any information requested under section 65B.81, subdivision 1.

Subd. 2. **Intentional refusal to notify.** An insurance company, or its employee or officer, may not intentionally refuse to provide notice or relevant information to authorized persons under section 65B.81, subdivision 2.

Subd. 3. **Penalty.** Whoever violates the provisions of subdivision 1 or 2 is guilty of a misdemeanor.

History: *1987 c 254 s 4*

AUTOMOBILE THEFT PREVENTION

65B.84 AUTOMOBILE THEFT PREVENTION PROGRAM.

Subdivision 1. **Program described; commissioner's duties; appropriation.** (a) The commissioner of public safety shall:

(1) develop and sponsor the implementation of statewide plans, programs, and strategies to combat automobile theft, improve the administration of the automobile theft laws, and provide a forum for identification of critical problems for those persons dealing with automobile theft;

(2) coordinate the development, adoption, and implementation of plans, programs, and strategies relating to interagency and intergovernmental cooperation with respect to automobile theft enforcement;

(3) annually audit the plans and programs that have been funded in whole or in part to evaluate the effectiveness of the plans and programs and withdraw funding should the commissioner determine that a plan or program is ineffective or is no longer in need of further financial support from the fund;

(4) develop a plan of operation including:

(i) an assessment of the scope of the problem of automobile theft, including areas of the state where the problem is greatest;

(ii) an analysis of various methods of combating the problem of automobile theft;

(iii) a plan for providing financial support to combat automobile theft;

(iv) a plan for eliminating car hijacking; and

(v) an estimate of the funds required to implement the plan; and

(5) distribute money, in consultation with the commissioner of commerce, pursuant to subdivision 3 from the automobile theft prevention special revenue account for automobile theft prevention activities, including:

(i) paying the administrative costs of the program;

(ii) providing financial support to the State Patrol and local law enforcement agencies for automobile theft enforcement teams;

(iii) providing financial support to state or local law enforcement agencies for programs designed to reduce the incidence of automobile theft and for improved equipment and techniques for responding to automobile thefts;

(iv) providing financial support to local prosecutors for programs designed to reduce the incidence of automobile theft;

(v) providing financial support to judicial agencies for programs designed to reduce the incidence of automobile theft;

(vi) providing financial support for neighborhood or community organizations or business organizations for programs designed to reduce the incidence of automobile theft and to educate people about the common methods of automobile theft, the models of automobiles most likely to be stolen, and the times and places automobile theft is most likely to occur; and

(vii) providing financial support for automobile theft educational and training programs for state and local law enforcement officials, driver and vehicle services exam and inspections staff, and members of the judiciary.

(b) The commissioner may not spend in any fiscal year more than ten percent of the money in the fund for the program's administrative and operating costs. The commissioner is annually appropriated and must distribute the amount of the proceeds credited to the automobile theft prevention special revenue account each year, less the transfer of $1,300,000 each year to the insurance fraud prevention account described in section 297I.11, subdivision 2.

(c) At the end of each fiscal year, the commissioner may transfer any unobligated balances in the auto theft prevention account to the insurance fraud prevention account under section 299C.061, subdivision 9.

(d) The commissioner must establish a library of equipment to combat automobile-related theft offenses. The equipment must be available to all law enforcement agencies upon request to support law enforcement agency efforts to combat automobile theft.

Subd. 2. **Annual report.** By September 30 each year, the commissioner of public safety shall report to the governor and the chairs and ranking minority members of the house of representatives and senate

committees having jurisdiction over the Department of Public Safety on the activities and expenditures in the preceding year.

Subd. 3. **Grant criteria; application.** (a) A county attorney's office, law enforcement agency, neighborhood organization, community organization, or business organization may apply for a grant under this section. Multiple offices or agencies within a county may apply for a grant under this section.

(b) The commissioner of public safety, in consultation with the commissioner of commerce, must develop criteria for the fair distribution of grants from the automobile theft prevention account that address the following factors:

(1) the number of reported automobile thefts per capita in a city, county, or region, not merely the total number of automobile thefts;

(2) the population of the jurisdiction of the applicant office or agency;

(3) the total funds distributed within a county or region; and

(4) the statewide interest in automobile theft reduction.

(c) The commissioner may give priority to:

(1) offices and agencies engaged in a collaborative effort to reduce automobile theft; and

(2) counties or regions with the greatest rates of automobile theft.

(d) The minimum amount of a grant award is $5,000. After considering the automobile theft rate and total population of an applicant's jurisdiction, if a grant award, as determined under the criteria and priorities in this subdivision, would be less than $5,000, it must not be awarded.

Subd. 4. **Advisory board; creation; membership.** An Automobile Theft Prevention Advisory Board is established to advise the commissioner on the distribution of grants under this section. The board must consist of seven members appointed by the commissioner of public safety and must include representatives of law enforcement, prosecuting agencies, automobile insurers, and the public. The commissioner must annually select a chair from among its members.

Subd. 5. **Definition.** For purposes of this section, "automobile theft" includes automobile-related theft.

History: *2000 c 488 art 6 s 7; 1Sp2001 c 8 art 5 s 6-8; 2002 c 220 art 7 s 12; 2004 c 269 art 2 s 1-3,5; 2013 c 85 art 6 s 3; 2013 c 142 art 5 s 2; 2014 c 286 art 5 s 4; 2017 c 94 art 8 s 4; 2017 c 98 s 4; 2022 c 93 art 2 s 27,28; 2025 c 35 art 3 s 15,24*