

Signed by the governor April 9, 1990, 10:13 a.m.

CHAPTER 415—H.F.No. 1985

An act relating to insurance; regulating cease and desist orders and communications with the department of commerce; providing for a waiver of the 30-day waiting period for purchasing insurance from certain associations; amending Minnesota Statutes 1988, sections 45.027, subdivision 5; 60A.17, by adding a subdivision; and 62A.31, subdivision 1a.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1988, section 45.027, subdivision 5, is amended to read:

Subd. 5. **LEGAL ACTIONS; INJUNCTIONS; CEASE AND DESIST ORDERS.** Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapters 45 to 83, 309, and 332, or any rule or order adopted under those chapters, the commissioner has the following powers: (1) the commissioner may bring an action in the name of the state in the district court of the appropriate county to enjoin the acts or practices and to enforce compliance with chapters 45 to 83, 309, and 332, or any rule or order adopted or issued under those chapters, or the commissioner may refer the matter to the attorney general or the county attorney of the appropriate county. Upon a proper showing, a permanent or temporary injunction, restraining order, or other appropriate relief must be granted; (2) the commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from violations of chapters 45 to 83, 309, and 332, or any rule or order adopted or issued under those chapters. The order must be calculated to give reasonable notice of the rights of the person to request a hearing and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner, unless the person requesting the hearing and the department of commerce agree the hearing be scheduled after the seven-day period. After ~~which~~ the hearing and within 20 days after receiving the administrative law judge's report, the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. Unless otherwise provided, all hearings must be conducted in accordance with chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted under this subdivision.

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Sec. 2. Minnesota Statutes 1988, section 60A.17, is amended by adding a subdivision to read:

Subd. 8a. COMMUNICATIONS WITH DEPARTMENT. An applicant or licensee shall respond to requests for information, documents, or other requests from the department within the time specified in the request or, if no time is specified, within 30 days of the mailing of the request by the department. Applicants and licensees shall appear before the commissioner or the commissioner's representative when requested to do so and shall bring all documents or materials which the commissioner or the commissioner's representative has requested.

Sec. 3. Minnesota Statutes 1988, section 62A.31, subdivision 1a, is amended to read:

Subd. 1a. **APPLICATION TO CERTAIN POLICIES.** The requirements of sections 62A.31 to 62A.44 shall not apply to disability income protection insurance policies, long-term care policies issued pursuant to sections 62A.46 to 62A.56, or group policies of accident and health insurance which do not purport to supplement Medicare issued to any of the following groups:

(a) A policy issued to an employer or employers or to the trustee of a fund established by an employer where only employees or retirees, and dependents of employees or retirees, are eligible for coverage.

(b) A policy issued to a labor union or similar employee organization.

(c) A policy issued to an association, a trust or the trustee of a fund established, created or maintained for the benefit of members of one or more associations. The association or associations shall have at the outset a minimum of 100 persons; shall have been organized and maintained in good faith for purposes other than that of obtaining insurance; shall have a constitution and bylaws which provide that (1) the association or associations hold regular meetings not less frequently than annually to further purposes of the members, (2) except for credit unions, the association or associations collect dues or solicit contributions from members, (3) the members have voting privileges and representation on the governing board and committees, and (4) the members are not, within the first 30 days of membership, directly solicited, offered, or sold a long-term care policy or Medicare supplement policy if the policy is available as an association benefit. This clause does not prohibit direct solicitations, offers, or sales made exclusively by mail.

An association may apply to the commissioner for a waiver of the 30-day waiting period as to that association. The commissioner may grant the waiver upon a finding of all of the following: (1) that the association is in full compliance with this section; (2) that sanctions have not been imposed against the association as a result of significant disciplinary action by the department of commerce; and (3) that at least 90 percent of the association's income comes

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from dues, contributions, or sources other than income from the sale of insurance.

Sec. 4. **EFFECTIVE DATE.**

Section 3 is effective the day following final enactment.

Presented to the governor April 5, 1990

Signed by the governor April 6, 1990, 11:34 a.m.

CHAPTER 416—H.F.No. 2124

An act relating to traffic regulations; changing allowed dimensions of travel trailers; requiring brakes on certain vehicles weighing 3,000 pounds or more; requiring a study and report; amending Minnesota Statutes 1988, section 169.67, subdivision 3; Minnesota Statutes 1989 Supplement, sections 168.011, subdivision 8; and 169.67, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1989 Supplement, section 168.011, subdivision 8, is amended to read:

Subd. 8. **MANUFACTURED HOME; PARK TRAILER; TRAVEL TRAILER.** (a) "Manufactured home" has the meaning given it in section 327.31, subdivision 6.

(b) "Park trailer" means a trailer that:

(1) exceeds eight feet in width but is no larger than 400 square feet when the collapsible components are fully extended or at maximum horizontal width; and

(2) is used as temporary living quarters.

"Park trailer" does not include a manufactured home.

(c) "Travel trailer" means a trailer, mounted on wheels, that:

(1) is designed to provide temporary living quarters during recreation, camping, or travel;

(2) does not require a special highway movement permit based on its size or weight when towed by a motor vehicle;

~~(3) has a gross trailer area of less than 320 square feet; and~~

~~(4) does not exceed eight feet in width.~~

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