

**CHAPTER 295—S.F.No. 2953**

*An act relating to insurance; prohibiting issuing or requiring excess insurance on property; amending Minnesota Statutes 2000, section 65A.09.*

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

Section 1. Minnesota Statutes 2000, section 65A.09, is amended to read:

**65A.09 INSURANCE IN EXCESS OF VALUE.**

**Subdivision 1. INSURANCE LIMITED.** No company shall knowingly issue any policy upon property in this state for an amount which, together with any existing insurance thereon, exceeds the fair value of replacement cost of the buildings and any other covered improvements on the property. Any company willfully insuring property for more than its real value that amount shall forfeit to the state, for the benefit of the school fund, double the premium collected on the policy.

**Subd. 2. LENDERS; EXCESS INSURANCE.** No mortgage company, bank, savings association, finance company, or other mortgage lender of any kind may require insurance coverage in violation of section 72A.31, subdivision 1, clause (4). Any lender that willfully violates this subdivision is subject to penalties available under chapter 45.

**Sec. 2. EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Presented to the governor March 25, 2002

Signed by the governor March 26, 2002, 2:27 p.m.

**CHAPTER 296—S.F.No. 2546**

*An act relating to local government; permitting the cities of Rockville and Pleasant Lake and the town of Rockville to jointly develop a consolidation plan; permitting the cities of New London and Spicer and the town of New London to jointly develop a consolidation plan; requiring hearings, approval by the governing bodies, and referenda; permitting the city of Montgomery to abolish its ward system.*

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

**Section 1. CONSOLIDATION PLAN.**

**Subdivision 1. SUBJECTS; DEADLINE.** The cities of Rockville and Pleasant Lake and the town of Rockville may develop a consolidation plan within one year after the effective date of this act. The consolidation plan must address or expressly eliminate each subject mentioned or referred to in Minnesota Statutes, section 414.041, and any other matters pertinent to the consolidation. The plan must provide for the

New language is indicated by underline, deletions by ~~strikeout~~.