

**CHAPTER 2770**  
**DEPARTMENT OF COMMERCE**  
**AUTOMOBILE INSURANCE**

2770 6500 AUTHORIZATION STANDARDS

2770 6800 SECURITY REQUIREMENT

**2770.6500 AUTHORIZATION STANDARDS.**

Subpart 1. **Political subdivisions.** The commissioner shall grant self-insurance authority to an applicant that is a political subdivision if it satisfies these conditions:

A. at least 25 motor vehicles are registered in its name; and

B. it has, or has contracted with a licensed vendor of risk management services to provide, the administrative resources needed to:

(1) process, review, and pay claims;

(2) evaluate the medical and rehabilitation needs of automobile accident victims; and

(3) estimate current and future loss liabilities.

A political subdivision that has satisfied the foregoing conditions is not required to satisfy the security requirement of part 2770.6800.

*[For text of subp 2, see M R 1985]*

**Statutory Authority:** *MS s 65B 48*

**History:** *10 SR 1265*

**2770.6800 SECURITY REQUIREMENT.**

Subpart 1. **Surety bond required.** An authorized self-insurer, except political subdivisions that have satisfied the requirements of part 2770.6500, subpart 1, items A and B, shall maintain a surety bond written by a corporate surety authorized to do business in Minnesota. The bond must be filed with the commissioner and name the "Commissioner of Commerce - State of Minnesota" as its obligee.

*[For text of subps 2 to 5, see M R. 1985]*

**Statutory Authority:** *MS s 65B.48*

**History:** *10 SR 1265*